



**Poncha Springs, Colorado**

# **Economic Development Strategic Plan**

*May 2025*

**Town of Poncha Springs**

*"Crossroads of the Rockies"*



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# Acknowledgments

## Town of Poncha Springs Leadership

### Mayor

- Ben Scanga

### Board of Trustees

- Michael Coleman
- Katie Davis
- Leann Olson
- Evalyn Parks
- Tina Perri-Mundy
- Adrian Quintana

### Town Administrator

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## Chaffee County Leadership

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Economic Development Strategic Plan prepared for the  
Town of Poncha Springs  
by Better City LLC



A scenic landscape of a mountain valley. In the foreground, a herd of cattle is grazing in a field of tall, golden-brown grass. The middle ground features a line of trees with some yellowing leaves, suggesting autumn. In the background, there are rolling hills and mountains under a bright blue sky with scattered white clouds. A dark blue, rounded rectangular text box is overlaid on the upper portion of the image.

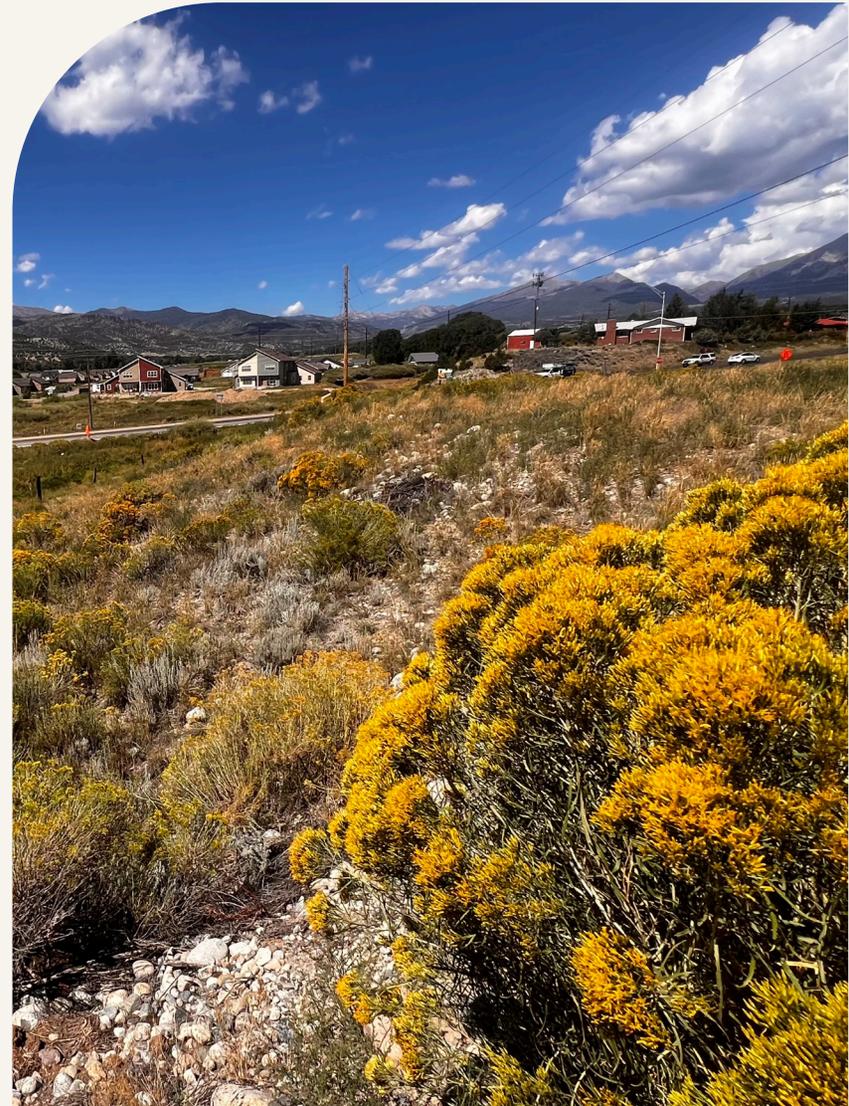
*Located in the idyllic Arkansas River Valley in the shadows of majestic 14ers, Poncha Springs is a community that cultivates opportunity, embraces an entrepreneurial spirit, and invests in the well-being of its residents. Poncha Springs is a small town with a big welcome, where movers, makers, and families alike can create their futures amid spectacular outdoor recreation opportunities and an authentic mountain-town atmosphere.*

# Executive Summary

Poncha Springs is a small but rapidly growing Town. The Town's population has surged over 35% in three years – from about 950 residents in 2020 to roughly 1,300 in 2023 – far outpacing growth in neighboring Salida and Buena Vista. This influx of new residents, including retirees and remote workers, has brought higher incomes (with median household income more than doubling to 94,028 by 2023) and fresh energy into the community. Residents cherish Poncha's small-town feel, mountain views, and recreation access, and there is a strong desire to preserve that character even as development accelerates.

Early market research and economic analysis highlighted Poncha Springs as a potential natural outdoor-recreation gateway—a community that could leverage Monarch Mountain, the Arkansas River, and trail access to grow tourism. However, direct engagement with residents revealed a more nuanced local vision: the community supports recreation but does not want to rely on tourism alone nor for their quaint hometown to be overrun by masses of tourists. Community members emphasized the importance of cultivating year-round jobs, expanding light-industrial and business opportunities, and protecting the attainability so Poncha Springs does not become a resort-town but instead remains a balanced, livable mountain community.

With strong partnerships at the County and State levels, as well as active community engagement, Poncha Springs has the solid foundation necessary for long-term economic



vitality. In preparing this Economic Development Strategic Plan (EDSP), local demographic shifts, property data, and market potential to guide strategic goals were analyzed. From considering these data in the context of the community interviews, six major focus areas emerged – **(1) preserving small-town identity, (2) creating a vibrant town center, (3) expanding lodging and tourism services, (4) growing the industrial base, (5) enhancing community engagement and placemaking, and (6) creating systematic capacity to execute on strategies.**

By integrating data-driven insights with the Town’s values, this strategic plan offers a roadmap to ensure Poncha Springs evolves in a way that embraces growth while safeguarding its cherished mountain-town character. Through collaboration between residents, business leaders, and public entities, Poncha Springs is poised to continue thriving as a welcoming, resilient, and economically diverse destination in the heart of Colorado.

### **Note on Recreation Planning:**

In parallel with this Economic Development Strategic Plan (EDSP), the Town has commissioned KLJ Engineering to prepare a **Parks & Recreation Master Plan**. That effort will evaluate park and recreation facilities, trail connectivity, open-space priorities, and recreation programming. The Better City team has worked closely with KLJ – sharing research, insights, and recommendations to ensure that the two plans are synergistic and share a common vision for the Town’s future. To avoid duplication and keep each document tightly focused, recreation-specific strategies and capital projects such as a recreation complex are being analyzed within the KLJ study and are therefore **outside the scope of this EDSP**.

# Summarized Findings

- **One of Colorado's fastest-growing small towns**
  - Population climbed 35% between 2020 and 2023 (953 → 1,287 residents), far outpacing regional averages
  - Median household income soared 131 % (\$40,625 → \$94,028), reflecting an influx of higher-income households and remote workers
- **Residents favor balanced growth that preserves affordability**
  - Market data highlight Poncha Springs as an outdoor-recreation gateway, yet community engagement feedback shows interest in leveraging recreation assets without becoming solely tourism-focused
  - Resident's priorities include year-round employment, industrial business growth, and maintaining Poncha Springs' cost advantage and affordability alongside tourism
- **Long commute times underscore the need for local jobs**
  - Only 5.8% of residents both live and work in Poncha Springs; 94.2% commute outward
  - Conversely, 91.2% of people working in Town live elsewhere, signaling a mismatch between resident skills and available positions
- **High labor-force engagement and entrepreneurial spirit**
  - Labor-participation rate sits at 76.8 %—well above the state average (65.4%).
  - One in five workers (20.5 %) is self-employed, nearly double the Colorado average, illustrating strong small-business potential
- **Outdoor-recreation gateway drives large visitor flows**
  - Approximately 213k visitors passed through Poncha Springs from March 2024 to February 2025 en route to Monarch Mountain and Arkansas River adventures

- **Lodging gap represents an opportunity**
  - The Town has < 50 motel rooms and no mid-scale hotel
- **Community strongly supports a walkable downtown and new amenities**
  - 75% of survey respondents “agree” or “strongly agree” with the need for a walkable Main Street district
  - 92% want more restaurants/cafés
  - 61% request entertainment venues (including community gathering places)
- **Industrial-park expansion can diversify the economy and tax base**
  - Government entities own 66% of industrially zoned parcels in the Town
  - Developing an underutilized, 16-acre County parcel in the industrial park would generate new local tax revenue and light-industrial jobs



# Community Profile

## Historical and Cultural Overview

### Early Settlement

Poncha Springs sits at the intersection of two major travel corridors—U.S. Highways 50 and 285—earning it the nickname “Crossroads of the Rockies.” Historically, the area served as a stage stop and rest point for travelers heading over Poncha Pass to the San Luis Valley or continuing west toward Gunnison. With its rugged mountain landscape and nearby natural hot springs, the settlement that became Poncha Springs grew around transportation routes, ranching, and the allure of scenic resources. Over time, the Town’s location shaped both its economic opportunities and its sense of identity.

### From Ranching Roots to a Small-Town Community

Much of the surrounding region (and, in earlier years, the Poncha Springs townsite) owed its growth to ranching, farming, and land cultivation, which flourished thanks to favorable conditions in the valleys and foothills. Throughout the late 19th and early 20th centuries, ranchers, farmers, and homesteaders contributed to the modest but steady development of Poncha Springs. Even today, the scenic rural character of the area endures, evidenced by open vistas and legacy properties nearby such as the Hutchinson Ranch.

### Current Cultural Identity

Poncha Springs today sits at a cultural crossroads—literally and figuratively. New residents, many arriving with higher incomes and remote-work flexibility, mingle with long-time families rooted in farming and ranching traditions. Visitor traffic to Monarch Mountain and the Arkansas River is robust, yet recent community engagement shows the community favors a balanced future: residents welcome outdoor-recreation benefits while not wanting to become solely a resort town and place high priority on year-round job growth, industrial expansion, livability and affordability. This desire to preserve small-town character while diversifying the economy is shaping policy discussions, branding efforts, and development choices across the community.

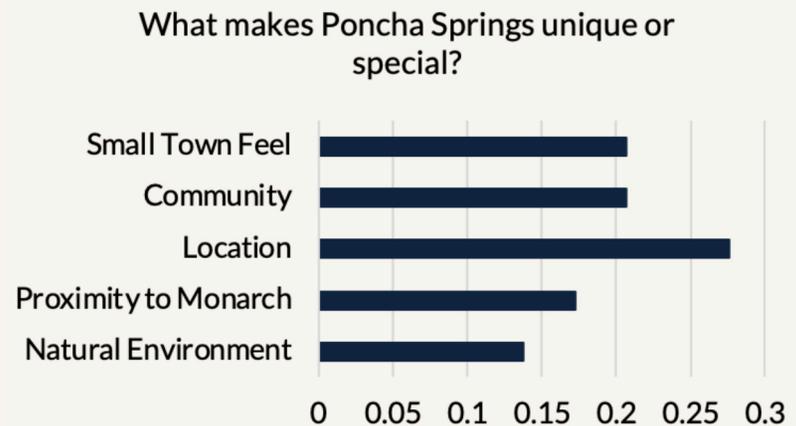
### Key Cultural and Community Features

- **“Crossroads of the Rockies”:** Poncha Springs’ historic role as a stopping point between valleys and passes remains part of its identity today, with highways 50 and 285 funneling travelers through Town. Many respondents from the community survey still see the Town today as a “crossroads” hub—close enough to Salida, Buena Vista, Monarch Mountain, and the Arkansas River that people can enjoy a wide range of outdoors and entertainment.

- **Outdoor Recreation Gateway:** Though the Town’s boundaries are fairly small, public lands and mountain vistas lie minutes away and are ideal for hiking, biking, backcountry skiing, fishing, and rafting on the Arkansas River. Comments from the residents often mention how Poncha Springs is “close to Monarch and many outdoor adventures,” from skiing to mountain biking to river sports.
- **Small-Town Atmosphere:** Community survey participants frequently highlighted Poncha Springs’ “small town feeling,” pointing to annual events like the Fourth of July parade, Easter egg hunts, and other local gatherings. This sense of close-knit community endures despite population growth, supported by neighbors who value friendly interactions and local parks. In fact, many new residents chose to move to the Town precisely because it has a close-knit culture.
- **Affordability relative to Neighboring Towns:** Poncha Springs offers more attainable housing and living costs compared with Salida or Buena Vista.
- **Entrepreneurial Spirit and Self-Reliance:** Survey comments and labor-force data confirm that there is a relatively high share of residents who are self-employed and remote workers who value the freedom to run small businesses locally.

**There is a dawning consensus among the Town’s leaders that the idea of a “crossroads” should evolve to include being place where different cultures, industries, and people meet - not just roads.** Residents see Poncha Springs as a place where light-industrial businesses, essential services, arts, and diverse lifestyles can converge—broadening opportunity beyond the region’s well-established outdoor-recreation scene.

**Figure 1: Poncha Springs' Key Features**



Source: Community Survey

## Natural Resources And Environmental Assets

Poncha Springs is located at the base of the Rocky Mountains in the Arkansas River Valley in south-central Colorado, with benefiting with from immediate proximity to sweeping mountain vistas, and close proximity to public lands. Although there are currently no hiking or biking trails within the Town's borders, several well-maintained trailheads lie just outside the municipal limits, enabling quick access to scenic routes for hiking, mountain biking, and other outdoor pursuits. The area's abundance of sunshine, coupled with relatively mild-high summers, supports a vibrant outdoor culture that informs much of Poncha Springs' character.

### Walkability and Bikeability

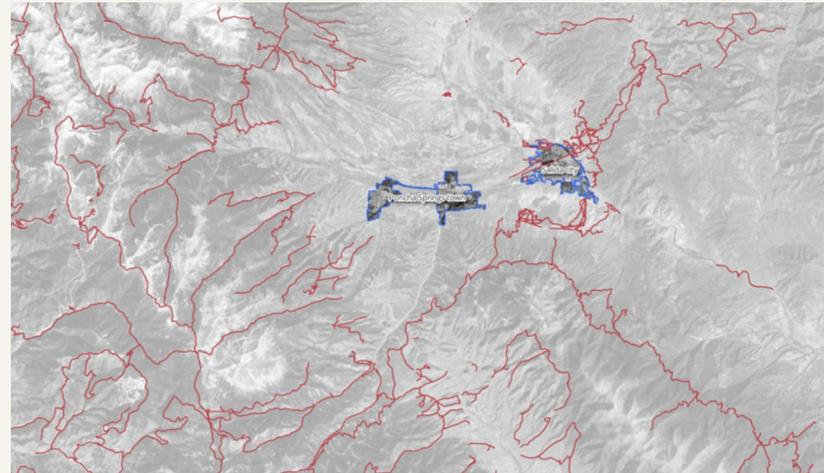
Despite the broader outdoor appeal, Poncha Springs currently rates as “car-dependent” with a Walk Score of 28, indicating that most errands require a vehicle. Meanwhile, the Town's Bike Score of 43 suggests that it is “Somewhat Bikeable” but has minimal dedicated bike infrastructure<sup>1</sup>. The Recreation Plan addresses many of the opportunities to expand local pathways to enhance active transportation options, lessen traffic congestion, and align with residents' broader interest in recreation and walkability.

### Trail Networks and Biking Routes

Residents and visitors can find numerous trail systems within a short drive or bike ride. Nearby paths connect to

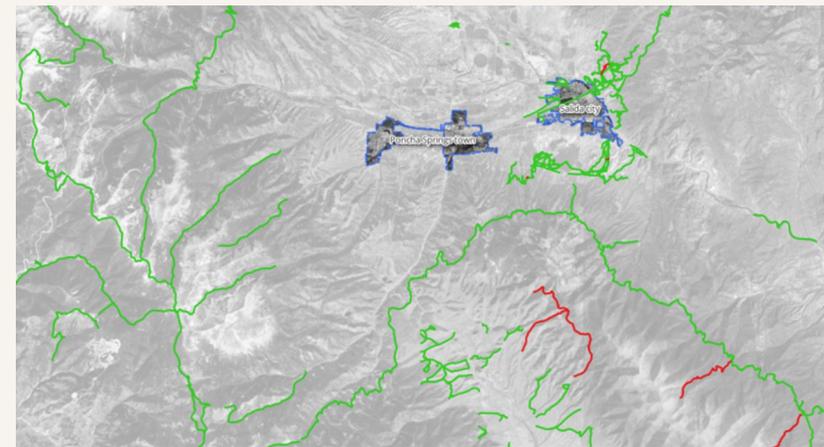
<sup>1</sup> <https://www.walkscore.com/score/poncha-springs>

**Figure 2: Trails near Poncha Springs**



Source: ESRI

**Figure 3: Bike Routes near Poncha Springs**



Source: ESRI

larger regional trail systems that cater to mountain bikers, hikers, and trail runners of varying skill levels. These routes take advantage of forested terrain, high-alpine meadows, and panoramic overlooks, highlighting the dramatic geology and biodiversity of the surrounding valleys and slopes.

### **Proximity to Monarch Mountain**

Located just west of the Town along Highway 50, Monarch Mountain Ski Area offers downhill skiing, snowboarding, and backcountry touring in the winter, as well as emerging summer recreation activities. With a summit exceeding 11,900 feet, Monarch provides both a draw for destination tourists and a wintertime playground for locals eager to stay close to home while enjoying the region's powder-rich slopes.

### **The Arkansas River Corridor**

The Arkansas River, one of Colorado's premier waterways, lies only minutes away from Poncha Springs. This corridor is renowned for world-class whitewater rafting, kayaking, and fly-fishing, and also features riverside trails and picturesque picnic spots. The river's riparian habitat supports diverse wildlife and riparian vegetation, contributing to the area's ecological richness. Many residents view the Arkansas River as both an important recreational asset and a key element of the local environment that deserves ongoing preservation and responsible usage.

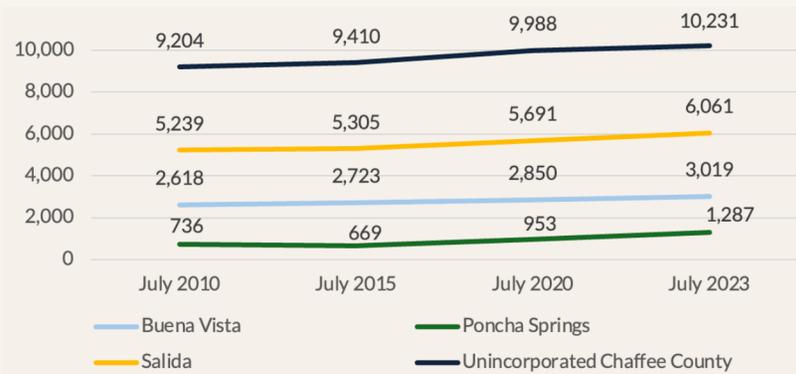


# Economic Analysis

## Exceptional Growth

Poncha Springs is a rapidly evolving Town with significant economic and demographic growth over the last decade. With its increasing appeal as a residential hub, Poncha Springs will become an increasingly important player in the region's economic development.

**Figure 4: Change in Population**



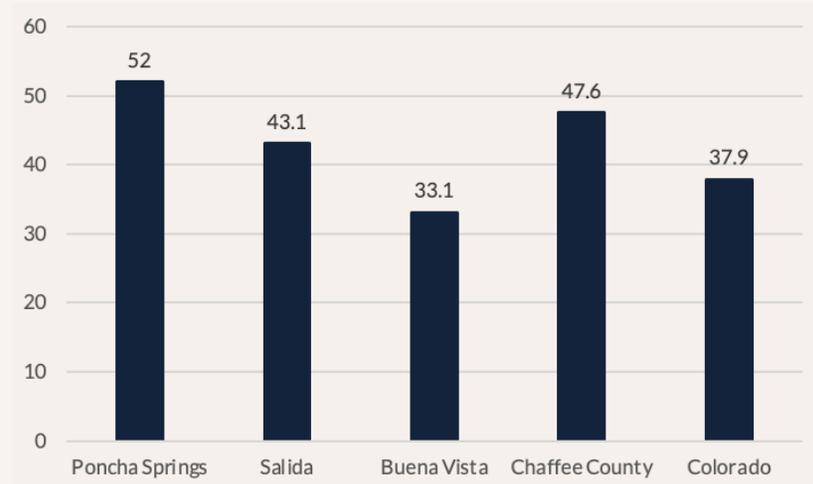
Source: Census Data, ACS

Poncha Springs has recently experienced a dramatic increase in population, growing from 953 residents in 2020 to 1,287<sup>1</sup> in 2023, a 35% surge over just three years. This growth outpaces Chaffee County's increase of 2% during the same period. Such a trend underscores Poncha Springs' growing attractiveness, driven by its proximity to regional centers and its capacity to offer a quieter lifestyle.

<sup>1</sup>According to Colorado state estimates.

## Aging Population

**Figure 5: Median Age in 2023**



Source: Census Data, ACS

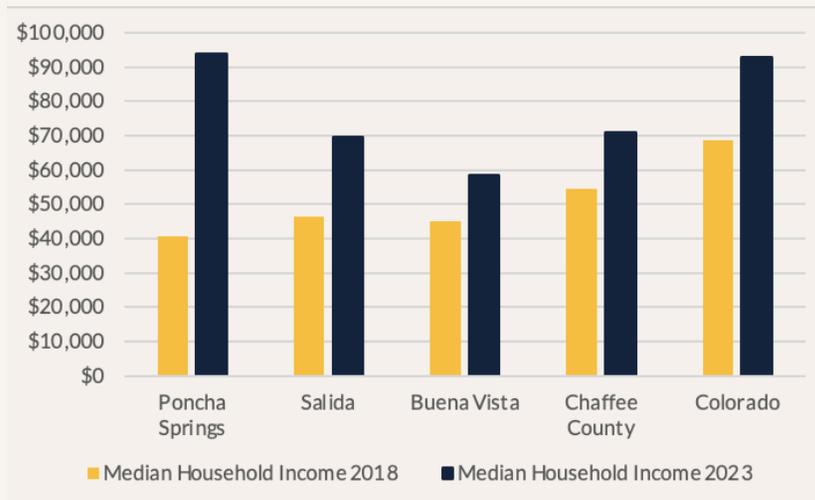
The median age in Poncha Springs stands at 52.0 years - significantly higher than the Colorado state median of 37.9 years. The presence of a large number of older residents has implications for workforce dynamics and community services, as the Town must balance its aging population's needs with attracting younger workers and families.

# Income and Poverty Trends

## High and Rising Incomes

Poncha Springs has seen an extraordinary rise in median household income, jumping from \$40,625 in 2018 to \$94,028 in 2023—a 131% increase. This sharp rise far exceeds the growth seen in neighboring Salida (50.6%) and Buena Vista (30%), as well as the overall state average. This improvement reflects a growing affluence among the population, fueled by an influx of higher-income residents and a strengthening local economy.

**Figure 6: Change in Median Household Incomes**

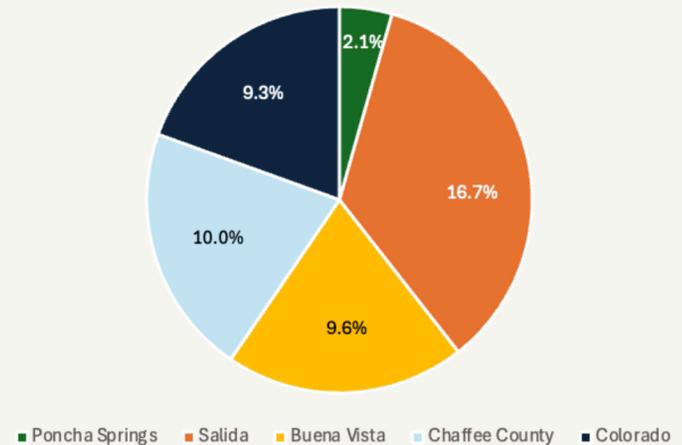


Source: Census Data, ACS

## Exceptionally Low Rates of Poverty

Additionally, the Town’s poverty rate is 2.1%, far below the state average of 9.3% and the Chaffee County average of 10%.

**Figure 7: Poverty Rates in 2023**



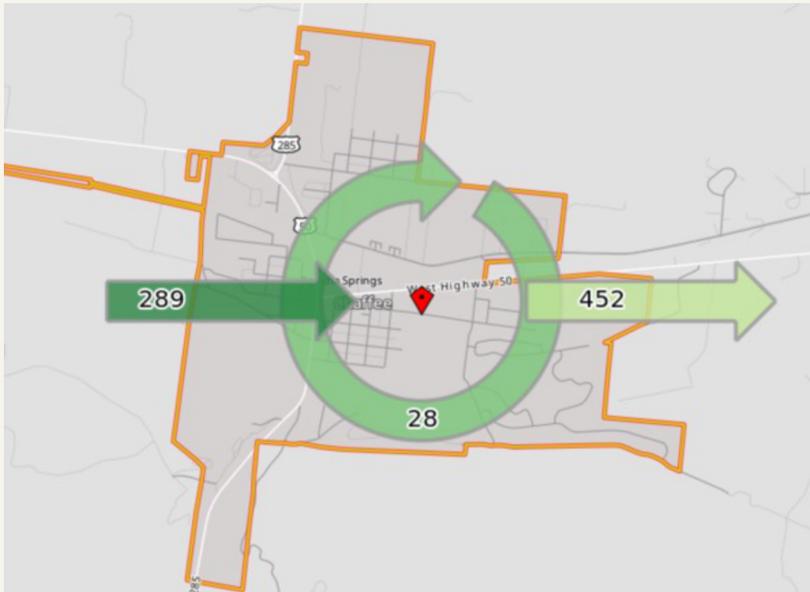
Source: Census Data, ACS

# Workforce and Employment

## Local Jobs and Skills Misalignment

As of 2022, only 5.8% of residents who live in the Town are employed there, while 94.2% commute to work outside the area. Additionally, of the 317 jobs in Poncha Springs, only 8.8% are filled by local residents, with the remaining 91.2% commuting in from other areas. This dual inefficiency underscores a misalignment between local workforce skills and interest and the Town’s employment opportunities. Addressing this gap could enhance both economic and social outcomes.

**Figure 8: Employment Efficiency in 2022**



Source: On the Map

**Opportunity Costs:** The Town is losing the potential economic contributions of a more local workforce, including the multiplier effects of workers spending money where they live and work.

**Figure 9: Employment Efficiency in 2022**

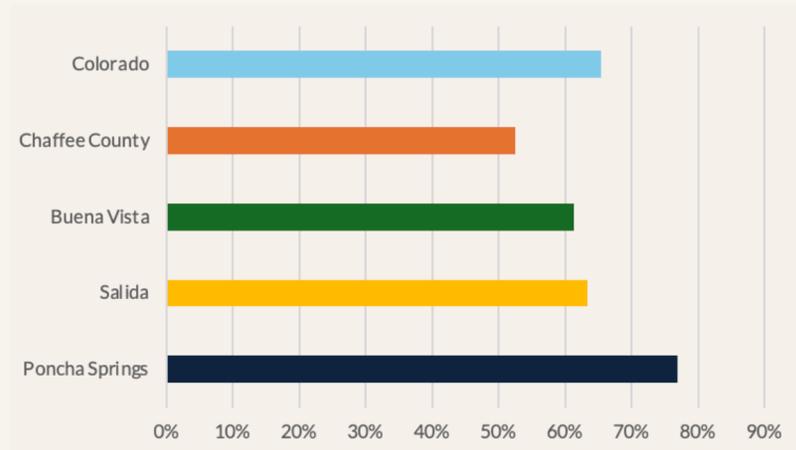
Poncha Springs Employment Efficiency (2022)	Count	Share
Workers Living in the Town	480	100%
Living and Employed in the Town	28	5.8%
Living in the Town but Employed Outside	452	94.2%
Employed in the Town	317	100%
Employed in the Town but Living Outside	289	91.2%

Source: On the Map

## High Participation

Poncha Springs boasts a high labor participation rate of 76.8%, significantly surpassing the state average of 65.4%. This figure indicates strong labor market engagement within the Town's population.

**Figure 10: Employment Rate in 2023**

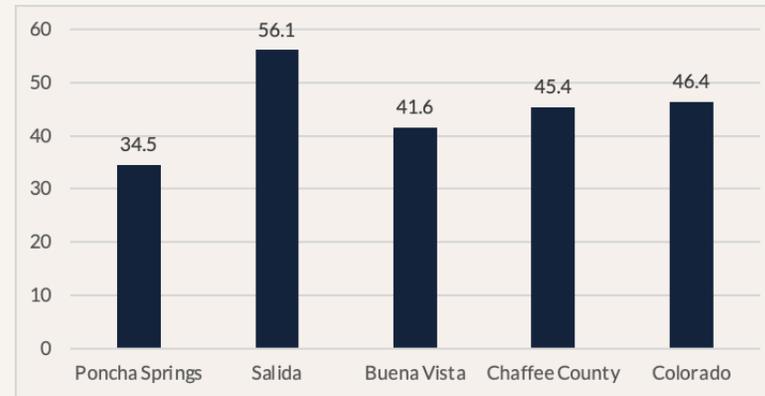


Source: Census Data, ACS

## Building on Trades-Based Talent

Interestingly, educational attainment in Poncha Springs (34.5% with a bachelor's degree or higher) is significantly lower than both the County (45.4%) and State averages (46.4%). The lower proportion of residents with secondary education is reflective of the skills and interests of the workforce and should drive the kinds of businesses and industries that are recruited for recruitment.

**Figure 11: Educational Attainment**



Source: Census Data, ACS

## High Level of Entrepreneurship

The Town boasts a substantial number of self-employed workers (20.5%), more than double the State average of 11.3%. This reflects the entrepreneurial spirit of the community and includes a growing number of remote workers (16.1% of total workers) and small business owners.

**Figure 12: Self-Employed Workers in 2023**



Source: Census Data, ACS

## Overview: Key Economic Trends

- **Population surge signals new regional growth hub**
  - Resident count jumped 35 % between 2020-23 (958 → ≈ 1,278), far exceeding Salida, Buena Vista, and the County's sub-6 % growth.
  - In-migration is driven by attractive location, comparatively attainable housing, and small-town lifestyle with mountain access,
- **Demographic tilt toward older newcomers, plus remote professionals**
  - Increasing median age (38 in 2018 → 52 in 2023) indicates many arrivals are retirees or second-home owners, yet a growing cohort of working-age remote employees is also settling in Poncha Springs.
- **Household incomes have more than doubled since 2018**
  - Median income rose from \$40,625 k to \$94,028 (2018-23), outpacing neighboring towns and even Front-Range metros.
  - Higher disposable income boosts demand for dining, services, and specialty retail, creating market room for new businesses.
  - Higher incomes have also enabled rising housing costs and the risk of pricing out long-time locals. As discussed in the Housing section, housing



values have climbed quickly over the past several years.

- **The local economic base is concentrated in retail, manufacturing, and services**
  - Retail trade accounts for the largest share of local employment (30.2%), followed by manufacturing (16.3%), and construction and accommodation/food services (each at 7%).
  - About nine in ten employed residents hold jobs outside the town, tying household economic outcomes to regional labor markets. Many of these commuters work in sectors such as health care (16.3%), public administration (11.5%), and educational services (8.0%)—fields that are not well-represented within the local economy.
- **Diversification is a strategic priority**
  - Expanding light-industrial sites, professional services, and year-round enterprises will reduce seasonal swings and build resilience.
  - Current momentum—population growth, higher incomes, and investor interest—offers a strong springboard for attracting new industries.
- **With proactive planning, Poncha Springs will evolve from highway junction to self-sustaining economic center**
  - Poncha Springs is becoming as a point of **economic, cultural, and vocational**

convergence — with light-industrial firms, essential services, arts, diverse lifestyles, and outdoor recreation, coming together to create expanding opportunities for residents and businesses.



# SWOT Analysis

## Strengths

### Proximity to Outdoor Recreation

- Close to Monarch Ski Resort, Arkansas River, hiking, mountain biking, and other outdoor activities that attract visitors year-round.
- Scenic natural beauty supports tourism and enhances residents' quality of life.

### Industrial Base

- Anchored by businesses like Elevation Brewery and Rocky Mountain Crane, the industrial area serves as an economic cornerstone.

### Entrepreneurial Workforce

- High percentage of self-employed individuals (20.5%).
- Engaged workforce with a 78% labor participation rate.

### Accelerating Affluence & Buying Power

- Median household income rose 131 % (2018-23) to \$94 k; poverty just 2.1 %.

### Affordable Housing (Relative)

- More affordable housing compared to Salida, Buena Vista, and broader Chaffee County, attracting families and remote workers.

### Proactive Town Staff

- Forward-thinking staff focused on fostering growth through collaborative policies, strategic planning, and partnerships with organizations like the SBDC and Chaffee County.

## Weaknesses

### Visual Appeal

- Unattractive highway corridors and the absence of a cohesive downtown detract from its charm.
- Nearly 43% of residents express dissatisfaction with building facades, indicating room for improvement in the survey.

### Limited Community Amenities

- New restaurants and cultural amenities reduce the Town's appeal for families and younger residents, limiting retention and attraction.

### Narrow Economic Base & Out-Commuting

- 94 % of resident workers commute elsewhere; local jobs clustered in tourism, construction, & services, leaving the economy vulnerable to slow seasons.

### Town Identity

- Perceived as a bedroom community for Salida, lacking distinct branding or identity.

## Opportunities

### Town Center Development

- Plans for a walkable, vibrant main street can redefine the town's visual appeal and create a hub for community life.
- A well-designed Town Center can attract small businesses, cultural activities, and visitors.

### Industrial Park

- Potential to attract light industrial companies, manufacturing, and technology firms, diversifying the economy and creating high-quality jobs.
- Building out the 16-acre parcel could add \$12 M+ in assessed value and create year-round jobs, reducing commuter ratio.

### Mid-Scale Hotel & Hospitality Investment

- A 40-60-room hotel could capture visitors now lodging in Salida, adding lodging-tax revenue.

### Infrastructure Improvements

- Investments in roads, utilities, and broadband can support growth, improve resident quality of life, and attract remote workers.

### Community Building Initiatives

- Events, festivals, public art, and improved parks can strengthen community ties and enhance vibrancy.

## Threats

### Potential Ski Town Risks

- Rapid growth of Monarch Mountain or acquisition by larger conglomerates could transform Poncha Springs into a resort-centric town, altering its character and creating affordability challenges.

### Rapid Growth Challenges

- Rapid in-migration and second-home interest could outpace attainable-housing supply, eroding the Town's affordability advantage.
- Growth without timely upgrades could stress roads, utilities, and water supply, curbing investment momentum.

### Economic Volatility

- Dependency on a few sectors and seasonal tourism increases vulnerability to economic downturns.

# Tourism and Recreation

## Existing Tourism Infrastructure

### Attractions

Poncha Springs benefits from several nearby natural attractions and recreational hubs. The Monarch Mountain Ski Area lies 18 miles west on US50—about a 20-minute drive—drawing a winter influx of skiers and snowboarders. The Arkansas River is roughly 4 miles east of Town, while the South Arkansas River flows directly through Poncha Springs, offering convenient public access for fishing and riverside walks.

In addition, the Town serves pass-through visitors headed to mountain-biking, hiking, and off-roading trailheads scattered across Chaffee County, all reachable within 10–30 minutes by car.



1

**Ten-minute radius:**  
Arkansas River put-ins for rafting, kayaking, gold-medal fly-fishing; access to Colorado Trail and Methodist Mountain bike network.

2

**Twenty-minute radius:**  
Monarch Mountain skiing/snowboarding (winter) plus new mountain-coaster and disc-golf plans (summer).

**Monarch Mountain logged 220,000 skier visits in the 2022-23 season—an all-time high<sup>1</sup>.**

**213,000 unique visitors passed through Poncha Springs from March 2024 to February 2025, confirming the Town’s role as a year-round conduit for recreation traffic<sup>2</sup>.**

**County-wide tourism spending reached \$178 million in 2023, up 21.4 % since 2019; Monarch alone accounts for an estimated \$57 million of that impact, and Arkansas River rafting adds \$100 million annually<sup>3</sup>.**

### Lodging

Poncha Springs has limited lodging options within the Town limits. Apart from 3 small motels (Poncha Lodge, Rocky Mountain Lodge, River Orchard Place) and a handful of short-term rentals, most overnight visitors find accommodations in nearby Salida or Buena Vista. Local data indicates that there has been an increase in short-term rental properties, reflecting a regional trend driven by tourism demand and the scenic setting.

<sup>1</sup> <https://www.koaa.com/colorado-culture/monarch-mountain-sets-single-day-visitation-record-over-the-weekend>

<sup>2</sup> Placer.ai

<sup>3</sup> <https://arkvalleyvoice.com/beginning-a-chaffee-county-conversation-about-tourism/>

Many residents and business leaders perceive an opportunity for a developer to build additional lodging—particularly a mid-range hotel or more upscale accommodation—to capture travelers bound for Monarch Mountain or summer river recreation.

Any lodging expansion would need to factor in community concerns about housing affordability and preserving the Town’s small-scale character.

### Dining and Other Visitor Services

The dining options in Poncha Springs include a few locally owned eateries, a brewery in the industrial park (Elevation Brewery), and a grocery store (LaGreens) that serves both residents and passersby. While some visitors and new residents appreciate the convenience and local charm of these businesses, others note that it can be challenging to attract travelers to stay or dine in Poncha Springs when neighboring Salida offers a wider array of restaurants and nightlife. Efforts to expand or diversify the local dining scene could boost tourism spending and create new small-business opportunities.

- **Core offerings:** Elevation Beer Co. taproom, LaGree’s Market & Hardware, ten cafés/food trucks, one gas-station deli.
- **Survey sentiment:** 92 % of residents want more restaurants/cafés; 61 % want entertainment venues.
- **Opportunity:** Cluster new eateries in the planned Town Center and along US 50/285 frontage; pair with façade-improvement grants to elevate highway curb appeal.

Venue	Style / Specialty
<b>Tony’s Restaurant</b>	Mexican American counter service
<b>LaGree’s Market &amp; Deli</b>	Grocery store with deli, grab-and-go meals, coffee counter
<b>Poncha Pub</b>	Casual sandwiches, salads, full bar
<b>Elevation Beer Co. + Mangia Food Truck</b>	Craft-beer taproom & Italian food truck
<b>Red Truck Pizza Co.</b>	Wood-fired pizza
<b>Thai Mini Café</b>	Thai dishes & American breakfast
<b>Iron Chest Steakhouse</b>	Steak & seafood, cocktails
<b>Hunger Shack / Hunger Trailer</b>	BBQ, burgers, soft-serve (seasonal)
<b>FlaminGo Breakfast Spot</b>	Breakfast bowls, pastries & coffee (mornings, trailer)
<b>Wander Wyldr Coffee &amp; Bowls</b>	Espresso drinks, smoothie bowls, light lunch
<b>Alba Bakery &amp; Coffee</b>	Espresso, pastries, sandwiches
<b>Vino Salida Wine Cellars</b>	Winery & tasting-room flights, charcuterie boards

## Seasonal Visitor Trends

Tourism in Poncha Springs is strongly tied to the seasonal flow of outdoor recreation. Winter sees an influx of skiers and snowboarders en route to Monarch Mountain, often passing through Town on their way to and from the slopes. Meanwhile, during summer, white-water rafting on the Arkansas River is concentrated 10-25 miles north and east—between Salida and Buena Vista—where the majority of commercial outfitters are based. While often bypass Poncha, the Town still captures some spill-over business from visitors who choose to stay in Salida and make side trips for hiking, mountain biking, or OHV riding on Forest-Service roads accessed via County Road 120 and Marshall Pass<sup>1</sup>. The fall season is comparatively quieter, though leaf-peeping (particularly along CR220 and Marshall Pass Road)<sup>2</sup> and local festivals can still draw visitors.



Season	Primary Drivers	Typical Business Conditions
<b>Winter (Dec–Mar)</b>	Alpine skiing & snowboarding at Monarch	ADR peaks on holiday weeks; restaurants in Salida report 75 – 80 % weekend capacity
<b>Summer (Jun–Aug)</b>	Rafting (Salida/BV reach of Arkansas River), mountain biking, hiking, OHV	Regional lodging occupancy ≥ 70%; rafting outfitters upstream frequently sell out weekend slots; Poncha captures ancillary dining and retail from Salida-based visitors
<b>Shoulder (Apr–May; Oct–Nov)</b>	Fishing, gravel biking, leaf-peeping	ADR dips 20–25 %; opportunity for events to stabilize cash flow

<sup>1</sup> <https://www.colorfulcolorado.com/poncha-springs/>  
<sup>2</sup> <https://www.coloradodirectory.com/maps/collegiate.html>

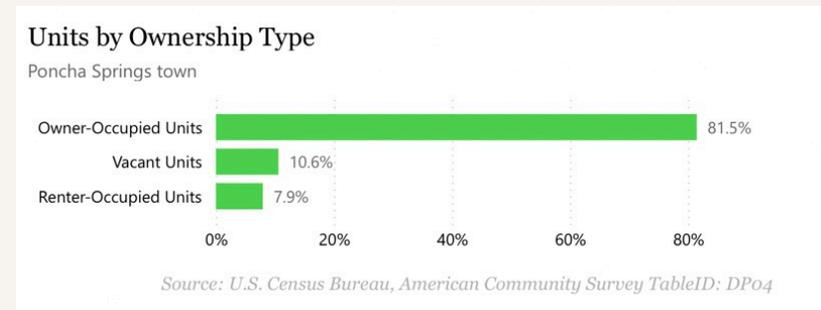
# Housing

## Availability and Composition

- **Current stock.** The 2023 ACS counts **612 housing units** in Poncha Springs—about **166 units per square mile**. Single-family detached dwellings represent **76.4% of the inventory**, single-family attached another **18.1%**, and true multifamily (three units or more) just **2.6%**.
- **New construction momentum.** A combined **25.5% of all housing units in the Town have been built since 2010**. There is an active subdivision pipeline (e.g., Poncha Meadows, Tailwind, The Crossroads) and steady demand from in-migrating retirees and remote workers.
- **Vacancy and second-home share.** Overall vacancy stands at **10.6%**; more than half of those empty units (**55%**) are classified “seasonal, recreational, or occasional use.”

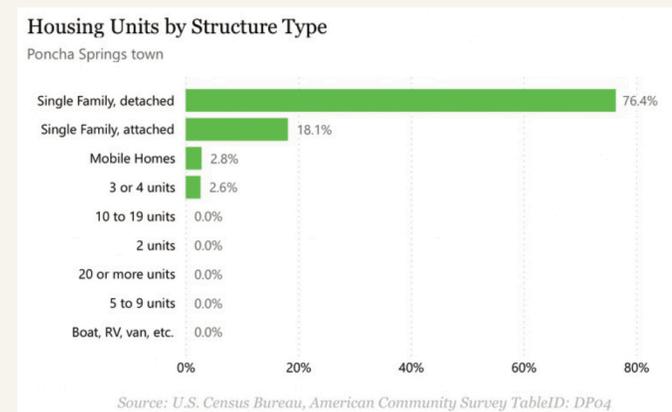


**Figure 13: Units by Ownership Type in 2023**



Source: Census Data, ACS

**Figure 14: Housing Units by Structure Type in 2023**



Source: Census Data, ACS

# Home Values and Capacity

## Zillow Home Value Index

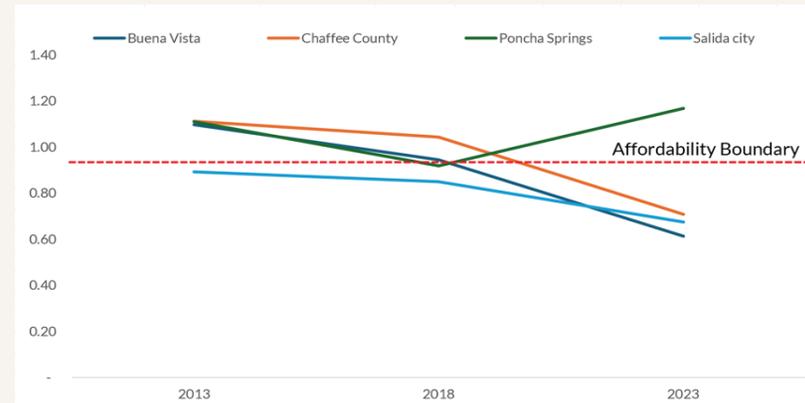
	2018	2023	Growth
<b>Poncha Springs</b>	\$326,382	\$513,817	57%
<b>Salida</b>	\$415,234	\$671,285	62%
<b>Buena Vista</b>	\$362,499	\$ 620,294	71%
<b>Chaffee County</b>	\$396,752	\$646,561	63%
<b>Colorado</b>	\$378,870	\$537,568	42%

## Median Household Income

	2018	2023	Growth
<b>Poncha Springs</b>	\$40,625	\$94,028	131%
<b>Salida</b>	\$46,309	\$69,773	51%
<b>Buena Vista</b>	\$44,918	\$58,409	30%
<b>Chaffee County</b>	\$54,580	\$70,909	30%
<b>Colorado</b>	\$68,811	\$92,911	35%

**Price appreciation.** Local values rose 57% between 2018 and 2023, tracking the mountain-resort corridor yet still trailing the 62–71% growth seen in Salida and Buena Vista.

**Figure 15: Home Affordability Index**



Source: Census Data, ACS

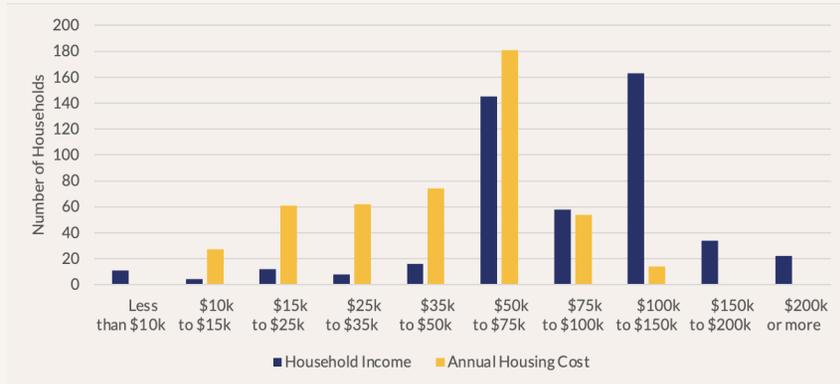
\* Note: Values at or above 1 are considered 'affordable' for the median household, while values below 1 are unaffordable (the median household would not qualify for the median priced home). Adapted from Texas A&M's Home Affordability Index, with MHI used in place of MFI, average annual national 30-year mortgage rate used in place of regional Core Logic rate, and a 28% qualifying ratio.

**Income surge offsets ratio.** Median household income more than doubled (+131%) over the same period, holding Poncha's value-to-income ratio (5.06) near the Colorado average (5.79). Despite price appreciation, Poncha Springs' housing remains relatively more attainable than its river-valley neighbors.

**Affordability.** Between 2018 and 2023 Poncha Springs moved back above the affordability threshold, driven by a 131% jump in median household income that outpaced its (still substantial) 57% home-price appreciation. In contrast, Salida, Buena Vista, and Chaffee County overall continued to lose affordability, dropping to 0.69–0.72. Poncha now stands out as the only locality in the valley where the typical resident household can statistically afford the typical home—a competitive advantage.

# Housing Cost Burden

**Figure 16: Poncha Springs: Income Vs Housing Cost**



Source: Census Data, ACS

\*Blue bars = number of households in each income bracket

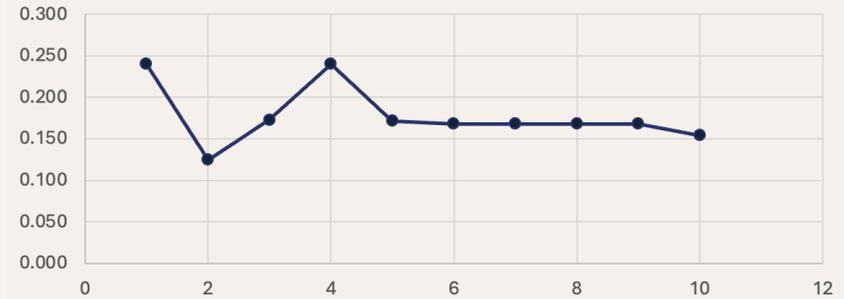
\*Yellow bars = number of households in the annual housing-cost bracket whose dollar range most closely matches that income tier (e.g., \$18-24 k in housing costs mapped to the \$50-74.9 k income tier—because 30-35 % of \$65 k = \$20 k).

30 % of Poncha Springs' median household income (\$94 k) equals \$28 k per year—right at the boundary between the \$24-30 k and \$30-36 k cost buckets.

- **Middle-income households dominate.**
  - The largest blue bars are at \$50-149k, representing ~66% of all households.
  - Correspondingly, the largest blue bar is the \$18-24k cost bucket, implying that many of those middle-income households pay roughly 25-35% of income on housing—within the classic affordability band.
- **Cost pressure on lower tiers.**
  - The \$15-25k income group (12 households) faces housing-cost options mostly in the \$6-12k range, resulting in potential cost burdens >30%.

- **Upper-income households spend more, but proportionally less.**
  - While 22 households earn \$200k+, there are zero reporting housing costs above \$36k/year, suggesting top earners are not necessarily driving high local price points—many may be recent homeowners with locked-in mortgages.

**Figure 17: Housing Cost Burden By Income Decile**



Source: Census Data, ACS

- **Stress points at the extremes**
  - The **bottom decile** spends nearly a quarter of income on housing—even before utilities—though still under the 30% “cost-burden” line.
  - A second pinch point appears in **decile 4** (around \$60-65k income) where median cost burden again touches 24%.
- **Middle- and upper-income households are generally not cost-burdened**
  - From decile 5 upward, median housing costs

hover at 15-17% of income, well below the 30% affordability threshold.

- **Policy implications**

- **Workforce/attainable units** in the \$9.6–15k annual range (\$800–\$1,250 per month) will directly benefit households earning \$45–75k—those clustered in deciles 3–4.

The methodology pairs the income and housing-cost distributions by percentile to approximate what an “average” household in each decile spends. While exact cross tab data would sharpen the picture, the pattern is clear: **affordability risk is concentrated among lower- and lower-middle-income residents.**



## Key Market Observations

- **Rental supply and workforce housing.** Multifamily comprises < 3% of the housing stock and STR growth diverts units from the long-term market. Employers cite difficulty recruiting staff who can find year-round leases under \$1,400 per month.
- **Product diversity.** “Missing-middle” housing forms—duplexes, cottage courts, townhomes—remain scarce. Most new construction is detached single-family on 6,000- to 9,000-sq-ft lots, a format that limits price diversity and land-use efficiency.
- **Second-home pressure.** Seasonal/occasional vacancies exceed 5% of total stock. Without policy intervention, that share could rise as Monarch Mountain pursues summer amenities and visitor stays lengthen.
- **Aging demographic.** As the population continues to age and the median income rises, the demand for downsized, low-maintenance units and accessible design—product types not widely available today – will increase.
- **Regional spill-over.** Salida’s and Buena Vista’s high home prices continue to push employees, service workers, and first-time buyers south to Poncha Springs. The increased demand is raising prices faster than local wages for non-remote occupations.
- **Mixed Resident Sentiment.** Community survey results show 29% of residents struggle to find suitable housing, 57% are neutral, and 14% are satisfied.

# Infrastructure

## Transportation

The Town's roads, utilities, and connectivity need to keep pace with growth to support future development.

### Regional Highway Upgrade

In April 2024 the Colorado Department of Transportation (CDOT) broke ground on a \$22 million realignment that converted the legacy three-way junction (Intersection of US 50 and US 285) into a four-way signalized intersection and resurfaced six miles of US 50 toward Maysville<sup>1</sup>. The project, scheduled for completion before the 2025 summer season, will reduce peak-season queue lengths by an estimated 35 percent (CDOT modelling).

### Pedestrian and Bicycle Infrastructure

With a low Walk Score and few sidewalks, the Town recognizes the need to create safer walking and biking routes. Plans for a more walkable Town Center (discussed later) and Recreation Complex include building sidewalks, crosswalks, and possibly a trail or pathway system connecting key parts of Town. A specific challenge is the US 285 highway corridor, which currently has poor pedestrian connectivity (residents noted, for example, that the bridge over US 285 to the disc golf course is unsafe for walkers/ bikers). Addressing these gaps with pedestrian bridges, trails, or bike lanes will improve both quality of life for residents and the experience for visitors passing through.

<sup>1</sup> <https://www.codot.gov/news/2024/april/officials-break-ground-on-new-intersection-in-poncha-springs>

## Telecommunication

### Broadband

The 2023 ACS reports 16.1 percent of Poncha Springs' workforce works from home—above the state's 13.4 percent average—underscoring the importance of reliable high-speed service. Continued improvement in broadband access, whether through fiber-optic expansions or wireless broadband solutions, will be essential in supporting home-based businesses and attracting tech-savvy entrepreneurs. Investment in broadband and reliable utilities is directly linked to the Town's ability to attract new residents and companies in the digital economy.

In 2024-25 Visionary Broadband (which acquired and rebranded local provider Aristata) began deploying state-grant-funded fiber throughout Chaffee County, completing 19 miles of construction in the first quarter of 2025 and bringing gigabit-capable service to communities including Poncha Springs, Salida, and Buena Vista<sup>2</sup>.

<sup>2</sup> <https://www.vcn.com/news/apr-16-2025-visionary-broadband-rebrands-aristata-communications-upgrades-service>

# Community Facilities

## Recreation Complex

Many residents want public facilities like a community center or recreation center. The Town's Recreation Master Plan includes a Recreation Complex and other community amenities.

- The Town's Parks & Recreation Master Plan update, led by KLJ Engineering, entered Phase 2 in April 2025.
- Initial public-meeting materials outline a 25- to 30 thousand-square-foot indoor facility (gymnasium, walking track, multipurpose rooms) to be built on Town-owned land south of Poncha Avenue, adjacent to planned ballfields and a new trailhead.
- Cost estimates remain conceptual, but KLJ staff told the Parks & Recreation Committee (7 Jan 2025 meeting) that capital in the \$16–20 million range is typical for similar mountain-town recreation centers; funding would require a mix of grants, certificates of participation (COPs), and a dedicated sales-tax increment.

## Schools and Childcare

There are no schools in Poncha Springs (children attend schools in Salida), though as the Town grows, the need for local educational or childcare facilities may rise.

- The Chaffee Early Childhood Council's 2023 survey found the County is short 488 licensed childcare slots for ages 0–5<sup>1</sup> and that 35 percent of parents missed six or more workdays per year due to lack of care<sup>2</sup>.



<sup>1</sup> <https://www.chaffeecommunity.org/childcare>

<sup>2</sup> <https://arkvalleyvoice.com/the-2023-data-is-in-county-childcare-needs-are-growing/>

# Workforce Development

## Workforce Snapshot

Statistic (2023 ACS)	Poncha Springs	Colorado	Implication
Labor-force participation	76.8%	65.4%	Highly engaged workforce
Self-employed share	20.5%	11.3%	Strong entrepreneurial culture
Remote-work share	16.1%	13.4%	Elevated importance of reliable broadband
Bachelor's degree or higher	34.5%	46.4%	Interest, skills in trades
Live-and-work in Town	5.8% of resident workers	98.2% of resident workers	94% commute out; skills not captured locally
Median age	52 yrs	37.9 yrs	Large cohort nearing retirement

## Existing Workforce Training Assets

- Colorado Mountain College (CMC) – Salida Campus (10 mi).** Offers certificate, associate, and bachelor pathways in EMT-Basic, Certified Nurse Aide, Business Administration, Early Childhood Education, and Skilled Trades Technology. Customized contract training for employers.
- Chaffee County Economic Development Corporation (CCEDC).** Coordinates sector partnerships and employer-driven “micro-upskilling” courses with CMC, CU Leeds School of Business, and local industry.
- Salida & Buena Vista high-school CTE programs.** Offer construction trades, hospitality, and healthcare pathways; Poncha youth are eligible to enroll through existing inter-district agreements.
- Salida Workforce Center (CDLE).** Free employer recruitment, apprenticeship design, and up-/re-skilling vouchers for qualified job-seekers.

## Potential Development Initiatives

Poncha Springs possesses the raw ingredients of a resilient rural talent ecosystem – high engagement, entrepreneurial zeal, and a growing remote-work population. To ensure that there continues to be sufficient highly trained workers to meet the employer’s needs, continued local training aligned to target industries and community workforce-supporting amenities (housing,

childcare, recreation) that persuade young families and technicians to plant roots will be important. Leveraging regional institutions—CMC for certificates, the Workforce Center for career services, and the EDC for talent-pipeline coordination—allows local businesses to meet their needs without the Town needing to fund the programs.

Potential Initiative	Lead / Partners	Funding
Conduct <b>Employer Skills Audit</b> ; map 3-year hiring needs.	Town + CCEDC + Workforce Center	CDLE Local Planning Grant
Launch <b>Poncha TechWorks</b> – 12-week welding & industrial-maintenance certificate delivered at CMC Salida; first cohort 15 students.	CMC + industrial-park employers	CO Talent Pipeline Grant
Establish <b>Remote-Worker Welcome Program</b> (coworking vouchers, relocation microsite).	Town + Broadband provider	Local lodging-tax set-aside
Open <b>Entrepreneur Hub</b> in future Town Center (shared offices, maker space).	Town + SBDC + County EDC	EDA Public Works Grant + CDBG
Introduce <b>Local Internship / Apprenticeship Fund</b> supporting high-school CTE students in construction, hospitality, healthcare.	School districts + employers + CMC	Colorado Opportunity Scholarship Initiative

# Business Environment

## Potential Development Initiatives

- **Efficient approvals and direct access to decision-makers.**
  - Business owners and developers praised the “one-phone-call” culture at Town Hall
  - Permits for small commercial remodels average 12–15 business days—well below the 30-day countywide norm
- **Enhanced land-use codes.** In 2024–25 the Town initiated a comprehensive code update that:
  - Designated a Town Center Mixed-Use district to enable mixed-use, residential and commercial development, and
  - Adopted Ordinance 2025-02 regulating short-term rentals (cap, licensing, and fee schedule) to balance tourism with attainable housing.
- **External resources.** Poncha Springs businesses can tap several no-cost or low-cost support services:
  - **Central Mountain Small Business Development Center (SBDC)** — delivered around 190 consulting hours to Chaffee County firms in 2024 and offers free one-on-one advising, workshops, and loan-package assistance.
  - **Central Mountain Entrepreneurs Accelerator (run by the Chaffee County EDC)** — monthly peer-roundtables and mentor matching

for growth-stage founders.

- **Salida Chamber of Commerce** — membership bundle includes website listing, annual visitor-guide placement, and group advertising discounts that extend to Poncha-based companies.



## Cost & Incentive Profile

- **Streamlined licensing.** Poncha Springs general business license requires a single two-page application and a **\$25 annual fee**, among the lowest in Colorado.
- **Modest local tax burden.** The combined 2025 retail sales-tax rate is **7.65%** (2.9% state, 2% Town, 2.75% county/other), below Salida's 8.65% and Buena Vista's 8.55%.

Cost / Tax	Poncha Springs	Salida	Buena Vista
Base sales-tax rate	7.65% (2% Town)	8.65% (3% City)	8.15% (2.5% Town)
Business license fee	\$25 flat	\$75	\$50
Impact fees (5k-sq-ft retail shell)	\$1.30/ sq ft	\$2.15 / sq ft	\$1.90 / sq ft



## Current Business Mix & Market Gaps

Sector	Existing Operators (2025)	Observed Gap / Demand
<b>Food &amp; Beverage</b>	<p><b>9 establishments</b></p> <ul style="list-style-type: none"> <li>• 5 full-service restaurants (Red Truck Pizza, Thai Mini, Hunger Junction, Tony's, High Rockies)</li> <li>• 3 limited-service cafés (Elevation Beer Co. taproom, LaGree's deli counter, Flamingo)</li> <li>• 2 liquor / tasting rooms (Vino Salida, Firehouse Liquors)</li> </ul>	92% of survey respondents want additional restaurants/cafés; no family dining after 9 p.m.
<b>Retail</b>	<p><b>21 establishments</b></p> <ul style="list-style-type: none"> <li>• 6 Gas/Convenience (Conoco, Alta, Sinclair, etc.)</li> <li>• 3 Hardware/Lumber (Poncha Lumber, Chelf Lumber, Intermountain O/H Door)</li> <li>• 4 Outdoor-Gear &amp; Gifts (Western Archery, Mountain Sports Haus, etc.)</li> <li>• 2 Liquor stores</li> <li>• 2 Grocery/Market</li> <li>• 4 Other misc. retail</li> </ul>	Leakage to Salida for apparel, specialty grocery, and sporting goods.
<b>Services</b>	<p><b>29 establishments</b></p> <ul style="list-style-type: none"> <li>• 17 Construction trades (GCs, framers, electricians, crane rental)</li> <li>• 4 Professional / business services (legal, accounting, design)</li> <li>• 3 Health &amp; wellness (clinics, fitness)</li> <li>• 5 Auto repair &amp; personal services</li> </ul>	Childcare, co-working space, professional services under-represented.
<b>Industry</b>	<p><b>5 establishments</b></p> <ul style="list-style-type: none"> <li>• 2 Craft beverage production (Elevation Brewery, Vino Salida)</li> <li>• 3 Fabrication &amp; light mfg. (crane/weld shop, prefab panels, small-batch gear)</li> </ul>	Vacant 16-acre county parcel for light-manufacturing cluster (welding, outdoor-gear fabrication, prefab panels).

*Totals tie back to the 82 business licenses recorded in the ESRI 2024 Business Summary.*

## Opportunities for Targeted Growth

Target Sector	Rationale	Potential Near-Term Actions
Hospitality & F&B	Ski/raft traffic + 213K annual pass-through visitors; residents demand more dining	Package a hotel-restaurant pad site; establish façade-grant pool for highway-front businesses.
Outdoor Recreation Products & Services	Brand alignment; existing industrial park; UPS/FedEx hub proximity	Market 16-acre parcel to gear manufacturers; consider sponsoring MTB-weekend expo to attract niche brands.
Light Manufacturing / Fabrication	Cheaper land & utility tap fees than Salida	Adopt personal-property-tax rebate (3-yr declining scale) for firms adding ≥ 10 jobs.
Remote-Work & Tech Services	16% remote-worker share; gigabit fiber rollout in 2025-26	Launch Remote-Worker Welcome program; search converting vacant storefront to co-working facility with 24/7 access.
Value-Added Ag & Craft Beverages	Ranching heritage; Elevation & Vino Salida proof of concept	Zone Town-Center alley for farmers-and-makers market; pursue CO Proud Agritourism Grant.

## Opportunities for Targeted Growth

**Formal incentives.** The Town currently relies on low fees/taxes as its de-facto incentive. As competition for industrial tenants increases, Poncha may need a small-scale incentive policy (tap-fee credits, personal-property-tax rebates, TIF) to stay competitive.

**Code capacity.** Future growth may require additional planning staff or on-call consultants to keep review times short while enforcing design standards.

**Marketing collateral.** In future, developing a professional “Invest in Poncha Springs” prospectus—highlighting sales-tax rates, shovel-ready sites, and lifestyle metrics—can elevate outreach to site selectors and investors.

Poncha Springs combines low regulatory overhead with proactive staff and regional partnerships, giving it a nimble, business-friendly profile. Above steps, layered onto the Town’s entrepreneurial culture, have potential to diversify the economy and attract the dining, lodging, and light-manufacturing operators that residents request.

# Market Analysis

## Quick Market Snapshot

- **Population:** 1,287 (2023) with a forecast 1.2 % annual growth through 2029
- **Total Retail Sales in Town:** \$90.3 million across 82 establishments
- **Employee-to-Population Ratio:** 46 jobs per 100 residents—evidence that Poncha Springs already functions as a service hub for a wider trade area
- **Retail Mix:** 21 establishments (28 % of businesses) are in Retail Trade and another nine (12 %) in Accommodation & Food Services, pointing to a visitor-oriented economy

Highway 50 / 285 visibility, proximity to Salida, and Chaffee County’s outdoor recreation brand pull non-resident spending into Town, yet selected everyday-goods categories remain under-served.



## Demand Profile (Resident Spending Potential)

Category	Household Spend (2024)
Full-service restaurants (food away from home), alcoholic beverage	\$1,608,632
General merchandise / hardware (maintenance & remodeling materials + major appliances + housewares + small appliances)	\$610,169
Pharmacy & personal care (prescription + non-prescription drugs)	\$392,463
Outdoor gear & bike service (sports/recreation equipment)	\$194,731



## Supply Profile (Local Sales)

Category	Establishments (Sales)	Aggregated Local Sales (2024)
Full-service restaurants (food away from home), alcoholic beverage	<ul style="list-style-type: none"> <li>● Red Truck Pizza - \$1.64M</li> <li>● Thai Mini Café - \$0.49M</li> <li>● Hunger Junction - \$0.49M</li> <li>● Tony's - \$0.10M</li> <li>● High Rockies Cuisine - \$0.10M</li> <li>● The Flamingo - \$0.16M</li> <li>● Vino Salida Wine Cellars - \$1.46M</li> <li>● Elevation Beer Co \$15.26M</li> </ul>	\$19,694,000
General merchandise / hardware (maintenance & remodeling materials + major appliances + housewares + small appliances)	<ul style="list-style-type: none"> <li>● Poncha Lumber \$6.33M</li> <li>● Chelf Lumber \$2.30M</li> <li>● Intermountain Overhead Door \$1.21M</li> <li>● Lagree's Market &amp; Hardware \$0.46M</li> </ul>	\$10,295,000
Pharmacy & personal care (prescription + non-prescription drugs)	<ul style="list-style-type: none"> <li>● No dedicated drug or personal-care retailers in Town</li> </ul>	\$0
Outdoor gear & bike service (sports/ recreation equipment)	<ul style="list-style-type: none"> <li>● Western Archery \$2.45 M</li> <li>● Mountain Sports Haus \$0.85 M</li> <li>● All-Season Snowmobile &amp; ATV \$0.70 M</li> <li>● High Valley Bike Shuttle \$0.11 M</li> <li>● Arkansas River Guns \$0.20 M</li> </ul>	\$4,315,000
Lodging	<ul style="list-style-type: none"> <li>● Poncha Lodge \$0.10 M</li> <li>● Rocky Mountain Lodge \$0.05 M</li> <li>● River Orchard Place \$0.10 M</li> </ul>	\$255,000

## Leakage (Demand - Supply)

Category	Net Leakage	Interpretation
Full-service restaurants, alcoholic beverage	\$18,085,368	Dining supply already draws highway travelers and Salida day-trippers.
General merchandise / hardware	\$9,684,831	Two large lumber yards anchor a county-wide building-materials cluster.
Pharmacy & personal care	(\$392,463)	Entire category leaks to Salida/Buena Vista—clear retail gap.
Outdoor gear & bike service	\$4,120,269	Retailers import spend from regional hunters, cyclists, ATV users.

## Competitive Strengths

- 1. Regional Building-Trades Hub** – \$10M in hardware/lumber sales indicates Poncha is a building supply hub for Chaffee County.
- 2. Outdoor-Recreation Retail Cluster** – Archery, bike, snowmobile and gun shops generate more than \$4 M in sales, reinforcing the Town’s recreation-gateway identity.
- 3. Food & Beverage Anchor** – Eight sit-down eateries gross nearly twelve times resident spend, supporting an emerging visitor economy.

# Strategies

1. Town Identity
2. Town Center
3. Hotel Development
4. Industrial Park
5. Community Engagement, Events, and Placemaking
6. Execution and Project Management

# 1. Town Identity

## Observations

- Poncha Springs is experiencing historic population growth and accelerated development. The influx of new residents makes having a clear, unified sense of identity more critical.
- The community has signature assets:
  - A welcoming small-town atmosphere
  - Dramatic mountain vistas
  - Convenient access to Monarch Mountain and the Arkansas River
  - Historical and agricultural roots
  - Relaxed outdoor-oriented lifestyle
- A well-defined town identity would guide future projects, reinforce community character, and strengthen civic pride as growth continues.

## Key Objective

**Establish a distinctive, authentic identity reflecting Poncha Spring's small-town charm and mountain heritage. The vision drives land use & economic development policies.**



## Key Findings

A strong and authentic town identity facilitates and guides growth that is consistent with the resident's vision. It unifies how the Town presents itself to residents and visitors, fostering local pride and giving people a memorable impression of the community. When all aspects of Poncha Springs – from its building styles and public spaces to its events and businesses – align with a common theme or story, the result is a consistent experience that reinforces one's connection to the place. This clarity in identity will guide decision-making for design and development, ensuring new projects enhance the Town's mountain heritage while also protecting against development that wouldn't be consistent with the resident's vision. A well-defined identity would make Poncha Springs more competitive and attractive as a destination for work and living. Businesses and investors are more inclined to commit to a town with an appealing and authentic character, and residents benefit from a well-planned community that genuinely reflects their heritage and values.

## Strategic Actions

Establish clear branding, design guidelines, and community initiatives that celebrate Poncha Springs's small-town atmosphere, scenic vistas, and outdoor lifestyle – guiding everything from the Town's aesthetics and business mix to policies that preserve community character and affordability.

- **Brand Identity:** Hire a professional consultant to conduct a branding and visioning exercise. Deliverables could include logo, tagline, Vision Statement, and brand guidelines.
- Organize public workshops and surveys to gather input from residents about the values, history, and themes that best define Poncha Springs.
- Create official brand guidelines (approved by the Town Board) – including logos, color palettes, signage styles, and slogans – to ensure consistent use of the new identity in signage, websites, and publications.
- Launch a visibility campaign to promulgate the new identity throughout the Town: update gateway welcome signs, municipal letterheads and websites, and tourism marketing materials so that Poncha Springs's brand is visible and reinforced at every touchpoint.

- **Development & Zoning Policy Updates:** Update zoning, development codes, and architectural guidelines to reinforce Poncha Springs’s intimate scale and rustic, mountain-town aesthetic rather than allowing generic or out-of-place designs.
  - Introduce overlay zoning or design standards for key commercial areas to restrict excessive building heights and encourage use of mountain-style architectural elements (wood, stone, pitched roofs).
  - Create or refine character districts (e.g. a Town Center district, a highway commercial corridor) with tailored design criteria reflecting the desired look and feel of each area in line with the town’s brand identity.
  - Integrate the new brand principles into the project review and approval process – for instance, require that development proposals be evaluated for consistency with Poncha Springs’s identity guidelines, and consider expedited approval or other incentives for projects that exemplify the desired character.
- **Business Attraction & Retention:** Proactively support small, independently-owned businesses that reflect Poncha Springs’s identity – such as outdoor recreation outfitters, farm-to-table restaurants, local artist galleries, and artisan shops – rather than large chains that could make the town feel generic.
  - Partner with business support organizations (like the Small Business Development Center, SBDC) to host workshops and mentorship programs for local business owners. These sessions can cover marketing, branding, and store design practices that help individual businesses succeed while collectively reinforcing the Town’s unique atmosphere.
- **Affordability & Livability:** Reflect the town identity in policies that support Poncha Springs’s social fabric and affordability. Ensure that the community’s character is not lost to unchecked resort development or rising costs.
  - Work with Chaffee County to adopt housing policies (such as workforce or affordable housing requirements) for new developments. For instance, require that larger residential or mixed-use projects include some housing that is attainable for local employees, allowing people who work in Poncha Springs to also live here and remain part of the community.
  - Establish development policies for larger-scale developments. Possible requirements could include that larger employers provide some level of housing for their workers, and infrastructure, traffic, and workforce impact studies as a pre-requisite for permits.

## 2. Town Center

### Observations

- Commercial activity is concentrated along US 50 and US 285.
- There is presently no central, walkable Town Center that invites residents and visitors to linger, shop, dine, and socialize.
- Last year, more than 250,000 people visited the Town with average dwelling time of 49 minutes.
- Average visits per visitor: ~2.4 annually
- A prominent undeveloped parcel at the highway crossroads offers a strategic site for a mixed-use “Main Street” style Town Center that can present Poncha Springs’ small-town character and mountain aesthetic .
- 75% of survey respondents “agree” or “strongly agree” that there should be a walkable downtown.
- Planned mixed-use development could become ‘Main Street’
  - Coordinated planning between the Town and the landowner can shape this development into a pedestrian-friendly hub—integrating storefronts, public spaces, and community events—rather than isolated, highway-oriented development
  - Nearly every respondent (92 %) would like to see additional restaurants or cafés, and 61 % specifically request entertainment venues—amenities that flourish when paired with regular events and inviting public spaces.



### Key Objective

**Establish a distinctive, authentic identity reflecting Poncha Spring’s small-town charm and mountain heritage. The vision drives land use & economic development policies.**

## Key Findings

Town Center would serve as the social and economic heart of the community. A Town Center – a concentrated cluster of shops, eateries, and public spaces in a pedestrian-friendly setting would entice more people to stop and spend time locally. This would strengthen community bonds by giving residents a place to meet and gather and also boost the local economy by capturing more spending from travelers who might otherwise pass through. Moreover, a well-designed Town Center would reinforce Poncha Springs’s identity as a distinctive small town, complementing the new recreation complex that is planned nearby. In short, investing in a Town Center will help Poncha Springs evolve from a highway crossroads into a destination in its own right, benefiting both quality of life and the Town’s finances.

## Strategic Actions

Create a Town Center district with a mix of retail, dining, office, and public spaces, designed at a human scale in keeping with Poncha Springs’s small-town feel – thereby providing a gathering place for the community while attracting visitors and business activity.

- **Partnership with Landowners for Town Center Planning:** Engage the primary private landowner(s) of the central undeveloped land to collaborate on a shared vision for a “Main Street” style Town Center. The Town should take a role in facilitating a public-private partnership to master-plan this area.
- Convene facilitated stakeholder workshops that include the landowner, Town officials, and community members. In these sessions, present data on market demand and community preferences (drawn from surveys or open houses) to identify common goals for the Town Center. Emphasize the mutual benefits of a successful town center – for example, the landowner stands to gain increased property value and steady commercial tenants, while the community gains a walkable hub and tax revenue.
- Develop a formal agreement (such as a Memorandum of Understanding or development agreement) outlining

each party's commitments to the Town Center project. This agreement might specify that the developer will create a site plan with mixed-use buildings, sidewalks, and a public plaza, and in return the Town will consider supporting infrastructure improvements or offering an expedited approval process.

- Provide clear incentives for cooperation by the landowner/developer. For instance, the Town can offer expedited permit review and reduced development fees if the proposal includes key elements the community desires (wide sidewalks, space for local businesses, architectural design that fits the mountain-town aesthetic). Publish a checklist of these desired elements so the developer knows exactly how to qualify for the incentives.
- **Link between Town Center and Recreation Complex:** Ensure there is a direct, convenient connection between the planned new recreation center and the emerging Town Center district, so that each amenity reinforces use of the other.
- Secure any necessary land or easements and build pedestrian access that links the Town Center site to the recreation center. This should be designed to be attractive and safe – for example, include landscaping, street trees, adequate lighting, and sidewalks or bike lanes – so that people feel invited to travel between the two sites.
  - This will encourage residents and visitors to park once and walk, making both the Town Center and recreation center more accessible and increasing foot traffic for Town Center businesses.

# 3. Hotel Development

## Observations

- Poncha Springs serves as an active gateway to year-round recreation, welcoming an estimated 210k + skier visits to Monarch Mountain and sizable summer crowds for rafting, biking, and hiking along the Arkansas River
- Current lodging inventory comprises two small motels totaling fewer than 50 rooms and 41 short-term rentals
- Overnight guests commonly secure accommodations in neighboring towns, so many visitor dollars for lodging, dining, and shopping flow to nearby towns rather than staying in Poncha Springs

## Key Objective

**Increase the share of visitor spending that occurs in Poncha Springs by developing local lodging and hospitality services.**



## Key Findings

To capture a share of the growing tourism demand and foster a more robust local economy, Poncha Springs can recruit a mid-size hotel. The Town's strategic location at the intersection of two highways and near popular attractions makes it a potential stopover – yet without a hotel, it remains merely a quick pit stop for many travelers. By developing a hotel appropriately scaled to fit Poncha Springs's small-town character, the community can encourage visitors to stay overnight and spend more time (and money) in Town. This would boost sales tax revenues and provide year-round jobs in hospitality. In addition, a hotel would cement Poncha Springs's identity as a welcoming gateway to the region's outdoor adventures, offering convenience and comfort to tourists. By positioning itself as a convenient and pleasant place to pause and stay, Poncha Springs can transform its role in the tourism ecosystem from a pass-through junction to a destination.

## Strategic Actions

Facilitate the development of a mid-tier hotel that meets visitor demand, enhances Poncha Springs's appeal as a destination, and provides new tax revenue and jobs for the community.

- **Suitable Hotel Site:** Proactively pinpoint the best location for a hotel and take steps to make it investment-ready for a developer.
  - Survey the Town for potential hotel sites, focusing on areas near the US 50/US 285 junction or the planned Town Center. Identify one or two parcels that have adequate size, visibility from the highway, and existing or easily extendable utility connections.
  - Ensure that zoning and land-use policies will support a hotel on the selected site. If the ideal site is not already zoned for commercial lodging, initiate a rezoning or create a special use allowance.
  - Open a dialogue with the current property owner(s) of the targeted site. Determine if they are willing to sell or lease the land for hotel development and what conditions or concerns, they have. The Town can facilitate

meetings between landowners and interested hotel developers, positioning itself as a partner in making the project happen.

- **Marketing Support for the Hotel Opportunity:** Promote Poncha Springs to hotel developers and hospitality companies to find the right partner for building and operating the new lodging facility.
- Prepare an information package or prospectus that highlights the business case for a hotel in Poncha Springs. This should include local tourism statistics (for example, traffic counts on the highways, visitor counts at nearby attractions like Monarch Mountain), current lack of competition in lodging, community growth trends, and any Town incentives or support on offer. Emphasize how a hotel would fill a demonstrated need and can expect a solid occupancy rate year-round.
- Reach out to a range of potential investors: This could include regional hotel developers, franchise owners of mid-range hotel brands, or even unique boutique hotel operators looking for expansion in mountain towns. Share the prospectus and invite them to visit Poncha Springs to see the opportunity firsthand.
- Work with regional tourism and economic development entities – such as the Chaffee County Visitors Bureau and Colorado Tourism Office – to spread the word that Poncha Springs is interested in lodging development. For example, ensure the Town’s opportunity is mentioned at tourism conferences or included in regional marketing materials for investors. Hosting an occasional familiarization tour or site visit for interested parties can also showcase Poncha’s charm and potential, increasing the likelihood of securing a hotel development deal.

# 4. Industrial Park

## Observations

- Poncha Springs' designated industrial zone includes a 16-acre County-owned parcel—currently used for vehicle storage and maintenance—that offers a prime site for a modern light-industrial or flex-space businesses
- Economic modeling shows private development of that parcel could raise taxable value from  $\approx$  \$2.6M (raw land) to  $\approx$  \$12M at full build-out, generating roughly \$6K–\$8K in new annual property-tax revenue for the Town and \$18K–\$24K for Chaffee County
- An estimated 90% of Poncha Springs' working residents currently commute to jobs outside Town; local industrial expansion would shorten commutes, retain talent, and boost household spending inside the community

## Key Objectives

- **Diversify and strengthen Poncha Springs' economy by expanding the industrial park. Create more local jobs (reducing the need for residents to commute) and attracts businesses aligned with the region's values.**
- **Build and support a talent base of “doers, thinkers, and makers”.**



## Key Findings

Revitalizing and expanding the industrial park is one of the key strategies for Poncha Springs to diversify its economy beyond tourism and service jobs. The Town's location and assets make it an attractive spot for certain industries – for example, an outdoor recreation equipment manufacturer or a green technology firm could find Poncha Springs ideal, with relatively affordable land, direct highway access, and nearby mountains to test products or inspire employees.

By proactively working with Chaffee County and regional economic development partners, Poncha Springs can upgrade its industrial area into a vibrant hub of production and innovation. Having modern industrial buildings will entice light manufacturing, assembly, or tech companies that seek a business-friendly, lower-cost location to Poncha Springs. The payoff would be a set of stable, year-round jobs that aren't tied to the tourist season, making the community more economically resilient. Additionally, encouraging a mix of larger employers and small start-ups (perhaps through an incubator or maker space) will foster entrepreneurship and skill development locally. In sum, transforming the underused industrial park into a thriving employment center will help broaden Poncha Springs's economic base and provide more opportunities for residents to work and prosper in their hometown.

## Strategic Actions

Attract light industrial tenants to the industrial park.

- **Industrial Land Expansion and Infrastructure:** Unlock additional industrial land for private development and ensure it is equipped with essential infrastructure to support new businesses.
- Collaborate with Chaffee County to facilitate the sale or transfer of the underutilized 16-acre county-owned parcel in the industrial zone to a private developer who will build a modern light-industrial complex. This step will bring idle public land into productive use.
- **Business Incubator or Maker Space:** Nurture local entrepreneurship and attract innovative small businesses by considering establishing a facility in the industrial park that offers shared spaces and resources for start-ups,

artisans, and remote workers.

- Conduct a feasibility study (and/or survey local entrepreneurs and remote workers) to assess the demand for an incubator or maker space. Determine what size and type of facility is needed – for instance, flexible workshop bays, co-working offices, and shared equipment – and what operating model would be sustainable.
- Pursue partnerships with educational institutions like Colorado Mountain College (CMC) to provide workforce training or business development programs in conjunction with the incubator. For example, CMC or a local trade school could offer classes to develop skills relevant to tenants (such as welding, carpentry, or business management), ensuring a pipeline of skilled local labor for new industries.
- Coordinate with regional business support organizations (the Central Mountain SBDC, Chaffee County Economic Development Corporation, etc.) to offer mentorship and funding assistance to incubator tenants. These organizations can help start-ups with writing business plans, obtaining loans or grants, and networking with larger markets – increasing the likelihood that small businesses in Poncha Springs will grow and succeed.
- **Marketing of the Industrial Park to Prospective Tenants:** Actively promote Poncha Springs’s industrial sites and advantages to attract companies in the targeted sectors.
  - Work with the developer to list Poncha Springs’s industrial park sites on state and regional site-selection databases (for instance, the Colorado Office of Economic Development and International Trade’s commercial site finder). Ensure that up-to-date information about available acreage, zoning, and infrastructure is easy to find by any company or site selector researching opportunities in central Colorado.
  - Work with the developer to produce professional marketing materials highlighting the industrial park. This should include a datasheet or prospectus with key facts (location on major highways, proximity to Salida and regional markets, available workforce, low costs relative to urban areas, quality of life perks like outdoor recreation). A dedicated section on the Town’s website and brochures to share at conferences will both be useful.

# 5. Community Engagement, Events, and Placemaking

## Observations

- Long-standing traditions such as the 4<sup>th</sup> of July parade and Easter egg hunt demonstrate an existing foundation of community spirit and volunteer energy
- The annual event calendar is light
- Residents support additional seasonal festivals, outdoor recreation gatherings, and cultural celebrations that showcase Poncha Springs' heritage and mountain lifestyle are
- 43% of survey respondents say they are “dissatisfied” with current efforts to revitalize key commercial areas, underscoring demand for streetscape upgrades, public art, and beautification
- A parallel 43 % express dissatisfaction with building facades and visual appeal along the highway corridors
- US 50 and US 285 corridors serve travelers efficiently
- Upgraded gateway landscaping, cohesive way-finding signage, and public art would signal Poncha Springs' identity and invite passers-by to stop, explore, and spend time in the Town

## Key Objectives

- **Foster civic pride and a sense of place in Poncha Springs**
- **Strengthen the Town's identity through lively events, beautified public spaces, and broad community involvement**



## Key Findings

Cultivating a lively community atmosphere is an often overlooked but vital component of economic development. When towns support events, festivals, and beautification projects, it not only brings neighbors together and strengthens civic pride but also makes communities more attractive to outsiders. A town known for its friendly gatherings and charming appearance will draw in more tourists and encourage travelers to spend time (and money) locally, rather than just driving through. In addition, people looking to relocate for work or quality of life are more likely to choose a place if it projects an image of a close-knit, active community.

By investing in community events (such as expanding the Fourth of July celebrations or introducing a summer concert series) and by enhancing public spaces with art, signage, and landscaping, Poncha Springs can build a stronger identity. These improvements aren't merely cosmetic – they create emotional attachment and memorable experiences that benefit both residents and businesses. In short, fostering community vibrancy through events and placemaking yields a dual benefit: a higher quality of life for those who live here and a more compelling destination for visitors and future residents.

## Strategic Actions

Increase opportunities for people to come together and celebrate Poncha Springs (by expanding local events and traditions), while improving the town's aesthetics and amenities in ways that engage residents of all ages and make Poncha more attractive to visitors.

- **Community Events and Festivals:** Build on Poncha Springs's existing traditions by enhancing annual events and creating new ones that draw residents and visitors together throughout the year.
  - Establish a volunteer-led events committee (or a subcommittee of the Parks & Recreation Board) that is responsible for planning and coordinating town events. This group would brainstorm event ideas, handle logistics, and work closely with Town staff on permitting and use of public spaces.
  - Grow the Town's signature events. For example, expand the Fourth of July parade into a day-long festival with

food vendors and music, or introduce a new summer event such as a monthly outdoor concert series at a park. Additionally, consider a winter market or holiday lighting festival to bring people out in the colder months.

- Partner with local businesses and civic groups for sponsorships and support. Many events can be partially funded or enhanced through contributions from Poncha Springs's restaurants, shops, and organizations (which in turn benefit from the increased foot traffic).
- **Beautification and Placemaking Initiatives:** Improve the visual appeal and friendliness of Poncha Springs through community-led beautification projects and creative placemaking.
  - Create a Town Beautification Committee made up of resident volunteers and local business owners. Charge this committee with identifying priority beautification projects and drafting plans to carry them out. This might include landscaping efforts (planting trees or flowers at town entry points and along main roads), organizing town clean-up days, or commissioning murals and public art that celebrate Poncha's heritage.
  - Enhance way-finding and town signage to bolster Poncha Springs's identity. Consistent, well-designed signage not only helps visitors navigate, but also reinforces the Town's brand. Along with this, add practical amenities like benches, bike racks, and trash receptacles in central spots. These small touches make the Town more user-friendly and encourage people to linger, which supports local businesses and overall placemaking goals.

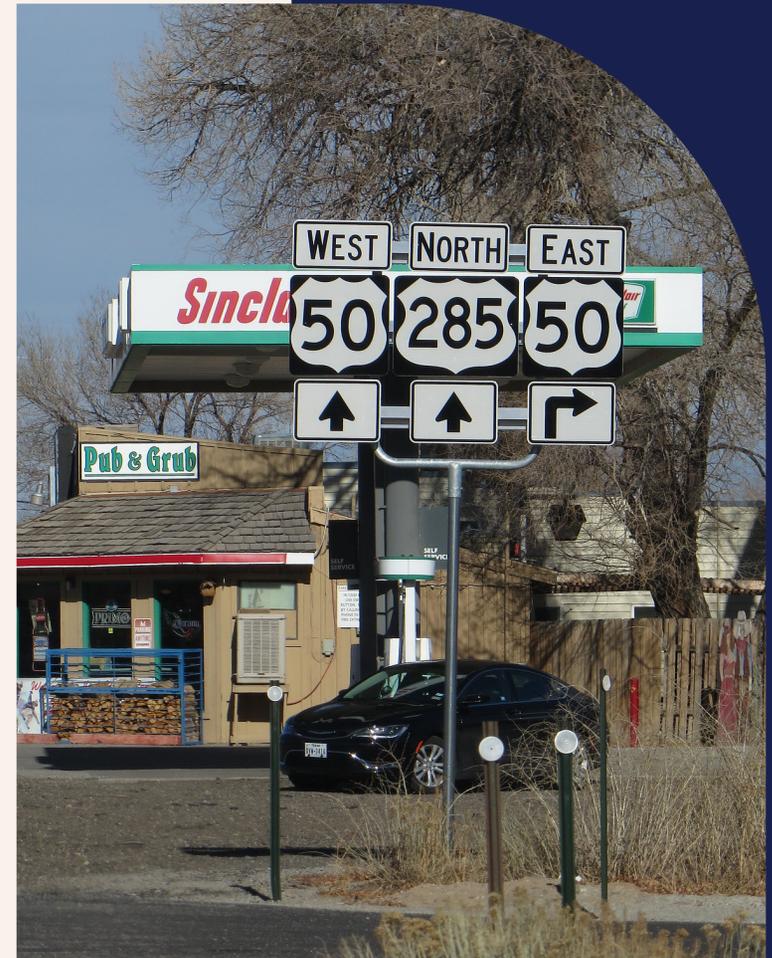
# 6. Execution and Project Management

## Observations

- Poncha Springs operates with a small municipal team and no full-time economic-development officer
- Town staff and elected officials currently share project responsibilities across departments
- Strategic initiatives such as the Town Center partnership, industrial-park build-out, event programming, and branding roll-out span multiple disciplines (planning, finance, communications, and volunteer coordination), making organized project management essential

## Key Objective

- **Implement Poncha Springs's economic development priorities effectively so that each strategic initiative achieves its intended outcomes.**



## Key Findings

Even the best strategies can falter if there isn't clear ownership of tasks, regular monitoring, and the ability to adapt to challenges. By establishing a structured approach – defining who is responsible for what, setting timelines, tracking progress, and communicating openly – the Town can ensure that initiatives like attracting a hotel or expanding the industrial park move forward efficiently.

Given Poncha Springs's limited staff resources, an innovative solution is to utilize fractional economic development services: hiring a specialized consultant or firm on a part-time, contractual basis to provide guidance and hands-on management for economic development projects. This gives the Town access to professional expertise (for example, someone who has executed similar strategies in other communities) without the full cost of a permanent hire. With clear project frameworks in place and fractional economic development resources helping to drive efforts, Poncha Springs can coordinate multiple initiatives at once, keep the Town Board and public informed of progress, and adjust strategies based on what's working. In essence, by improving internal coordination and bringing in targeted expertise, the Town will greatly increase its ability to deliver on the plan's promises and achieve the long-term vision.

## Strategic Actions

Build a reliable and transparent framework for managing economic development projects – including clear roles, sufficient staffing or expert support, and performance tracking – to ensure all strategic initiatives are executed efficiently and are accountable to the community.

- **Internal Capacity and Needs Assessment:** Start by evaluating where the Town's current capabilities are strong or lacking, so you can determine what additional resources or skills are required to implement the plan.
- Survey Town staff and officials to pinpoint gaps in expertise and bandwidth. For example, identify if there is a need for specialized skills like grant writing (to secure funding for projects), project coordination (to handle day-to-day follow up), marketing (to promote opportunities), or other areas. This assessment should result in a clear understanding of which tasks can be managed with existing personnel and which cannot.

- Define the scope of services for any external help needed. Based on the gaps identified, draft a detailed scope outlining what an external economic development professional or team would do. This might include responsibilities such as coordinating the Town Center development meetings, pursuing grants for infrastructure, reaching out to businesses (industrial park and hotel prospects), tracking metrics, and reporting on progress. Include expected deliverables and timelines for each responsibility so that it's clear what outcomes the Town expects.
- **Professional Economic Development Support:** Bring in outside expertise on a part-time or project basis (fractional services) to supplement the Town's capabilities and drive key projects forward.
  - Prepare and issue a Request for Proposals (RFP) for a fractional economic development consultant or firm. The RFP should summarize Poncha Springs's strategic initiatives and specify the roles and outcomes the Town is seeking help with (from the scope defined above). Emphasize the need for experience with small-town or rural economic development, since understanding the local context will be important.
  - Evaluate the proposals based on criteria like relevant experience, approach to the scope of work, references, and cost-effectiveness. Include Town Board members or the project steering committee (see below) in the interview process. Once a suitable consultant/firm is selected, formalize a contract that includes clear performance metrics (e.g. number of business contacts made, grants applied for, projects completed on schedule) and reporting requirements to the Town.
- **Project Management Structure:** Create an internal framework to oversee and coordinate the various economic development initiatives, ensuring accountability and cross-communication between everyone involved.
  - Form a "project steering committee" or coordination team that meets regularly (for example, monthly) to review the status of all ongoing strategic projects. This committee could include the Town Manager, key Town staff who have roles in these initiatives (planning, public works, etc.), and perhaps one or two members of the Town Board or community advisors for broader perspective. The purpose is to break down silos and keep leadership eyes on progress and issues.
  - Implement a routine for performance monitoring and adjustment. The steering committee (and consultant) should identify key performance indicators (KPIs) for each initiative – for example, number of new businesses opened (for Town Center), jobs created (industrial park), or event attendance (community events). Track these KPIs quarterly or annually and evaluate whether strategies are meeting expectations. If not, use the committee meetings to discuss course corrections or additional resources needed, and make recommendations to the Town Board for any changes in approach.

# Appendix

## SWOT Analysis

### Strengths

- **Proximity to Outdoor Recreation**

- Poncha Springs is located near Monarch Ski Resort, the Arkansas River, hiking trails, and mountain biking routes, offering abundant natural assets with untapped potential. These resources have the capacity to significantly boost the local economy through tourism-driven spending on lodging, dining, retail, and outdoor services.

- **Industrial Base**

- Poncha Springs' industrial base is a key economic driver, anchored by established businesses such as Elevation Brewery and Rocky Mountain Crane. These enterprises not only contribute to the local economy but also symbolize the potential for a thriving industrial sector within the Town. Their presence serves as a foundation for attracting additional light industrial and manufacturing companies, further diversifying the local economy and creating high-quality job opportunities.

- **Entrepreneurial and Engaged Workforce**

- Poncha Springs boasts an entrepreneurial workforce, with 20.5% of its population self-employed, reflecting a strong independent and innovative spirit within the community. This high

proportion of self-employed individuals highlights a vibrant small business environment and a culture of self-reliance, crucial for fostering economic diversification and local innovation.

- The Town's engaged nature is further demonstrated by its 78% labor force participation rate, which is significantly higher than in many comparable rural areas. This high level of participation reflects an active and committed population, well-positioned to contribute to Poncha Springs' economic growth and resilience.

- **Affordable Housing (Relative)**

- Poncha Springs offers more affordable housing compared to neighboring communities like Salida, Buena Vista, and the broader Chaffee County. This affordability makes the Town an appealing choice for families, remote workers, and individuals seeking a balance between cost and quality of life.
- As Poncha Springs grows, planning for diversified housing options to accommodate an expanding workforce will be essential. Integrating affordable and workforce housing into development plans can ensure long-term accessibility and inclusivity. Proactively managing housing affordability will help the Town maintain its competitive advantage in attracting a diverse range of residents—from young professionals and

families to retirees—while supporting sustained economic growth.

- **Proactive Town Staff**

- Poncha Springs' staff is forward-thinking and committed to fostering growth through collaborative policies and initiatives. These efforts include strategic planning, partnerships with organizations like the SBDC and Chaffee County, and a focus on attracting diverse businesses. This proactive approach establishes a strong foundation for sustainable economic development and community advancement.
- The Town's leadership also works effectively with private developers, bridging the gap between the community, regional entities, and town priorities related to economic and community development.

## Weaknesses

- **Lack of a Strong Identity**

- Poncha Springs is often perceived as a bedroom community for Salida, lacking a distinct brand or identity that differentiates it within the region. This perception hampers the town's ability to establish itself as an independent destination, diminishing its competitiveness in attracting businesses, visitors, and residents.

- **Limited Community Amenities**

- Poncha Springs lacks certain quality-of-life amenities, such as restaurants and indoor recreational facilities. This deficiency diminishes its appeal to both residents and visitors, limiting opportunities for social engagement and leisure

activities. Additionally, it makes the Town less competitive compared to nearby communities with more diverse offerings.

- **Visual Appeal**

- While Poncha Springs offers beautiful natural surroundings, some areas—particularly along the highway corridors—lack visual cohesion and could benefit from enhancements. The absence of a defined downtown or central gathering space presents an opportunity to create a more inviting and unified community experience. With targeted beautification efforts and design improvements, the Town can elevate its sense of place, boost community pride, and make a stronger impression on visitors and potential investors.

## Opportunities

- **Town Center Development**

- Plans for a walkable, vibrant downtown present an opportunity to redefine Poncha Springs as a welcoming and attractive destination. Façade grants and design standardization can elevate the Town's visual appeal while fostering community pride. A well-planned Town Center could become a magnet for small businesses, cultural activities, and social interaction, driving economic growth and community connectivity.

- **Industrial Park**

- Poncha Springs has the opportunity to transform its industrial base into a vibrant industrial park, serving as a cornerstone for economic diversification and growth. By strategically

developing the area, the Town can position itself to attract a range of businesses, including light industrial companies, manufacturing firms, and technology enterprises. This could include industries such as ski equipment manufacturing, which aligns with the region's outdoor recreation identity, or green technology firms that emphasize sustainability.

- **Tourism and Recreation Initiatives**

- Poncha Springs has a significant opportunity to position itself as a gateway to Monarch Ski Resort, leveraging its strategic location and proximity to one of Colorado's premier outdoor recreation destinations. By fostering a stronger connection to the ski resort, the Town can stimulate economic growth, support local businesses, and generate diverse employment opportunities.
- As a gateway, Poncha Springs can attract visitors traveling to Monarch, encouraging them to extend their stay and spend more within the Town.

- **Infrastructure Improvements**

- Investing in infrastructure is vital for Poncha Springs to support growth, enhance residents' quality of life, and establish itself as a competitive destination for remote workers and businesses. With 16% of the labor force currently working remotely, upgrading infrastructure such as roads, utilities, and broadband is essential to address the needs of

this growing demographic and attract new talent and investment.

- **Community Building Initiatives**

- Creating more community events and public spaces can foster a stronger sense of belonging and pride among residents. Initiatives such as festivals, public art installations, and improved parks can strengthen community connections while enhancing the town's appeal as a vibrant and inclusive place to live and visit.

## Threats

- **Potential Ski Town Risks**

- The rapid growth of Monarch Mountain Ski Resort presents both opportunities and challenges for Poncha Springs. While the resort's expansion into No Name Basin and increasing visitor numbers could stimulate economic activity and boost tourism in the area, it also poses risks that must be carefully managed to preserve the town's character and affordability.
- One significant risk is the potential transformation of Poncha Springs into a resort-centric town, driven by Monarch's growth or its acquisition by a larger conglomerate. Such a scenario could lead to rapid commercialization, fundamentally altering the town's small, community-oriented identity. Increased demand for housing from seasonal workers, second-home buyers, and affluent visitors could further inflate real estate prices, creating affordability challenges for local residents and displacing long-term community members.

- This trend has been observed in other ski towns, where resort-driven growth has led to workforce shortages and a loss of diversity due to rising living costs. Careful planning and proactive measures are essential to mitigate these risks while maintaining the town's unique character and inclusivity.
- **Rapid Growth Challenges**
  - Poncha Springs is experiencing infrastructure strain and rising real estate prices due to rapid growth. These challenges risk surpassing planning efforts, potentially resulting in congestion, service deficiencies, and unaffordable housing. Effective long-term planning and proactive infrastructure investment are crucial to mitigating these risks.
- **Economic Volatility**
  - Relying on a limited number of industries makes Poncha Springs vulnerable to economic fluctuations. During off-seasons or economic downturns, the town's businesses and workforce may encounter significant challenges, highlighting the need to diversify its economic base to ensure long-term stability.

# Industrial Park Analysis

## Overview

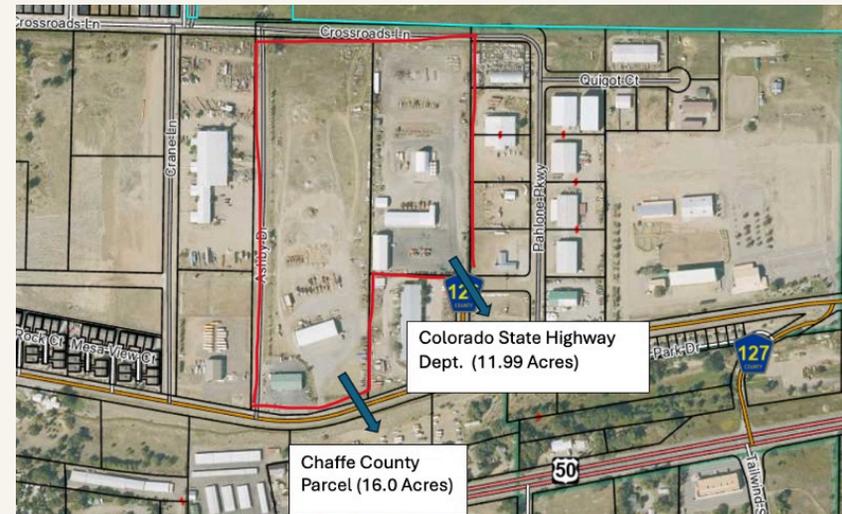
In the area zone for industrial uses between SR 120 and 128, there are two publicly-owned parcels—one measuring 16.02 acres (owned by Chaffee County) and the other measuring 11.99 acres (owned by the State of Colorado). Both locations currently serve as vehicle storage and service facilities.

This analysis projects the economic and public tax revenue potential of converting the County parcel to private light industrial developments.

## Background

### Location and Ownership

- Chaffee County Parcel (16.02 acres): The parcel currently contains three service garages used for storing and maintaining County vehicles and equipment. Much of the parcel is underutilized. The garages occupy 19,520 square feet (approximately 0.45 acres), leaving the remaining 15.5 acres as vacant or storage.
- Colorado State Highway Department Parcel (11.99 acres): The parcel currently includes two service garages used for housing and servicing State Highway Department vehicles and equipment. These garages cover 8,739 square feet, or approximately 0.2 acres. The rest of the lot is undeveloped and is used as a storage area.



## Proposal

- **Phase 1:** The County sells its 16-acre lot to a developer for \$2.6M to create a modern light industrial park. The developer would design the development for light manufacturing, distribution, and logistics and maker space.
- The County would use the proceeds from the sale of the property to move their operations to the County-owned property directly north of the existing site that is outside of Poncha Springs Town limits and upgrade their facilities at the new site.
- **Phase 2:** The State sells its 12-acre lot in the industrial area to a developer to create additional modern light industrial space once the Phase 1 industrial park is fully developed and occupied.

## Methodology for Valuation Analysis / Assumptions

### Data Collection Sources

The following sources were utilized to project the valuations of the property in both its current and developed states:

- Current Market Value of County Property:
  - CoStar – comparison of comparable parcels (zoned for industrial uses) recently sold or listed for sale.
- Projected Taxable Valuation of Finished Development – Data from assessor’s websites were used to determine the current taxable and market valuations in the following industrial parks:
  - Poncha Springs Industrial Park
  - Salida Industrial Park
  - Arkansas Valley Business Park, Buena Vista
  - Fruita Industrial Park

### Assumptions:

- Market Value of County Property: \$2,600,000 (\$160,000 / acre)
- Market Value of Fully-Developed, High-Quality Industrial Property: \$800,000 / acre

### Potential Economic and Community Benefits

- **New Tax Revenues**
  - Chaffee County: \$17,684 - \$24,238 / year

- Poncha Springs: \$5,984 - \$8,202 / year
- **Job Creation**
  - Light manufacturing and logistics operations create skilled and semi-skilled employment opportunities with stable, higher-than-minimum wages.
  - Industrial parks often catalyze complementary businesses (e.g., suppliers, service providers), further expanding job growth.
- **Business Diversification**
  - New industrial businesses from a variety of industries enhance economic resilience.
- **Synergies for Existing Businesses**
  - Purchases of locally sourced materials and professional services (e.g., accounting, legal, consulting) increase with new industrial businesses.
- **Enhanced Public Infrastructure**
  - New utilities and roads would improve infrastructure for adjacent properties and provide for future developments.
- **High-Quality Development**
  - A development agreement between the County and the industrial park developer would ensure that the site reflect community objectives (e.g., design standards, quality of product, environmental considerations).

## Industrial Park Inventory

Ownership	Industry	Occupancy	Parcel Number	Total Valuation (building and land value)	Total Assessed Value	Acreage	Estimated Total Taxes	Tax Status	Taxes per Acre	Poncha Springs Tax Amount	Chaffee County Tax Amount
Pursell Manufacturing Corp	Pursell Manufacturing Corp	Vacant Land	380510100131	\$175,000	\$48,830	1	\$2,508.20	Non-exempt	\$2,508.20	\$114.51	\$338.38
Hughes Tommie R	Storage Warehouse	Light Commercial Buildings	380510100132	\$810,326	\$217,720	0.99	\$11,183.41	Non-exempt	\$11,296.37	\$510.56	\$1,508.76
Town of Poncha Springs	-	Vacant Land	380510100133	\$175,619	\$49,000	0.86	\$2,516.93	Exempt			
Chaffee County	-	Office Building	380510100134	\$593,310	\$165,540	0.88	\$8,503.13	Exempt			
Chaffee County	-	Vacant Land	380510100195	\$117,250	\$32,710	0.502181	\$1,680.18	Exempt			
Bahn Samantha & Bahn Jackson	Alpha Dog Care	Light Commercial Buildings	380510100194	\$354,536	\$90,550	0.502181	\$4,651.19	Non-exempt	\$9,261.98	\$212.34	\$627.50
Pursell Richard A 1/2 Int & Pursell Laura L Family Trust 1/2 Int	Storage Warehouse	Light Commercial Buildings	380510100128	\$3,324,406	\$927,510	4.19	\$47,642.48	Non-exempt	\$11,370.52	\$2,175.06	\$6,427.48
C & D Walsh Poncha LLC & C/O Carlan Walsh	Elevation Brewery	Light Commercial Buildings	380510100126	\$651,852	\$173,500	1.05	\$8,912.00	Non-exempt	\$8,487.62	\$406.87	\$1,202.32

## Industrial Park Inventory (continued)

Ownership	Industry	Occupancy	Parcel Number	Total Valuation (building and land value)	Total Assessed Value	Acreage	Estimated Total Taxes	Tax Status	Taxes per Acre	Poncha Springs Tax Amount	Chaffee County Tax Amount
All Star Gas Inc Of Colorado	All Star Gas Inc Of Colorado	Imps on Comm Land	380510100125	\$201,725	\$56,290	1.05	\$2,891.39	Non-exempt	\$2,753.70	\$132.00	\$390.08
Mwe Investment Group LLC	Animal Care Center	Office Building	380510100124	\$447,025	\$95,340	1.05	\$4,897.23	Non-exempt	\$4,664.03	\$223.58	\$660.69
Ogden Daniel R & Vanesselstine Alexander C	-	Light Commercial Buildings	380510100123	\$238,691	\$66,600	1.05	\$3,420.98	Non-exempt	\$3,258.08	\$156.18	\$461.53
150 Pahlone Parkway LLC	Visionary Broadband	Light Commercial Buildings	380510100121	\$1,466,327	\$400,740	2.07	\$20,584.41	Non-exempt	\$9,944.16	\$939.76	\$2,777.06
Bonneville Brandon & Montemarano Nina L	Classic Cruisers	Light Commercial Buildings	380510100120	\$699,397	\$186,770	1.01	\$9,593.63	Non-exempt	\$9,498.64	\$437.99	\$1,294.28
Colorado State Hwy Department	Service Garage	Light Commercial Buildings	380510100081	\$980,829	\$273,650	11.99	\$14,056.31	Exempt			
Industrial Leasing Partnership	High Country Metals	Light Commercial Buildings	380510100084	\$1,298,002	\$353,780	3.36	\$18,172.26	Non-exempt	\$5,408.41	\$829.63	\$2,451.63
Chaffee County	Service Garage	Light Commercial Buildings	380510100089	\$1,495,114	\$417,140	16.02	\$21,426.81	Exempt			
Salida School District R32-J	Service Garage	Light Commercial Buildings	380510100196	\$914,552	\$255,160	3.65	\$13,106.55	Exempt			

# Hotel Analysis

## Opportunity Overview

Poncha Springs, Colorado is a growing crossroads community (growing from 953 residents in 2020 to 1,287 in 2023, a 35% increase) at the base of Monarch Mountain and the heart of the Arkansas River Valley. Despite The Town sits at the intersection of US Highways 50 and 285, capturing traffic between Salida, Buena Vista, and Gunnison.

Year-round outdoor recreation opportunities such as snow skiing, mountain bike riding, hiking, and kayaking, drawing visitors from across the country.

While Chaffee County has a number of short-term rental properties and a couple of smaller motels, there is only one mid-tier hotel in the County – a Hampton Inn in Salida. A new mid-tier or boutique hotel in Poncha Springs could capitalize on unmet demand, serve the overflow from nearby Salida, and become the go-to accommodation for Monarch Mountain skiers, summer adventurers, and highway travelers.

## Visitation Trends

### Monarch Mountain:

- 210k+ skier visits in 2022–23 (all-time high)<sup>1</sup>
- Single-day attendance record in 2024–25<sup>2</sup>

<sup>1</sup> <https://coloradosun.com/2023/10/02/monarch-ski-area-expansion/#:~:text=Monarch%20ski%20area%20is%20busy,acre%20ski%20area%20in%202002>

<sup>2</sup> <https://www.koaa.com/colorado-culture/monarch-mountain-sets-single-day-visitation-record-over-the-weekend#:~:text=CHAFFEE%20COUNTY%2C%20Colo,from%20skiers%2C%20snowboarders%2C%20and%20tubers>

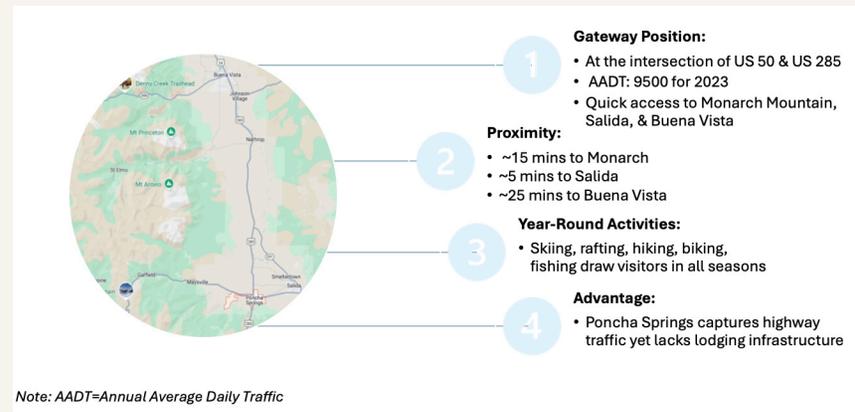
## Tourism Spending<sup>3</sup>:

- Chaffee County annual tourism spending ~\$128 M (up 53% since 2016).
- Monarch Ski Resort drives ~\$57 M in economic impact.
- Arkansas River rafting contributes to ~\$100 M to the Chaffee County economic impact.

## Poncha Springs Visitor Numbers<sup>4</sup>:

- March 2024 - 2025 visitors: 213.3K
- Age group percentages of visitors: 18-34: 22%, 35-54: 34%, 55-65+: 44%

## Location Highlights



<sup>3</sup> <https://arkvalleyvoice.com/beginning-a-chaffee-county-conversation-about-tourism/#:~:text=No%20matter%20what%20your%20view,business%20income%20during%20that%20time>

<sup>4</sup> Placer.ai

## Short-Term Rental (STR) Performance

- **Short-Term Rental (STR) Performance**
  - ~ 40-50 active listings
  - ADR ~\$275
  - Occupancy ~50-55%
  - \$3,700 average monthly revenue per unit
- **Salida STRs**
  - ~ 350-500 listings
  - ADR ~\$276
  - Occupancy ~50-54%
  - \$3,200 average monthly revenue per unit

## Regional Hospitality Overview

### Existing Hotels (Poncha Springs + Salida)

- 18 properties, 684 rooms in Salida/Poncha Springs
- Poncha Springs itself has 2 small motels (<50 rooms total).

### Performance Data (annualized)

- **Occupancy:** ~55-60%
- **ADR:** ~\$123 (12 month)
- **RevPAR:** ~\$65-70
- **Summer peaks:**
  - 70-80% occupancy
  - ADR \$140-150+
- **Winter/shoulder:**
  - 40-50% occupancy
  - ADR ~\$100

## Competitive Benchmarking

### Poncha Springs

- Lodging: A few independent motels (no franchises)
- Rooms: <50
- Key Markets: Monarch skiers (winter), highway travelers, overflow from Salida
- Pain point: Guests have no modern hotel option

### Salida (5 miles east)

- Lodging: Diverse mix – branded hotels (e.g. Hampton Inn, Baymont), historic inns, budget motels
- Rooms: ~500 - 600
- Demand drivers: Year-round tourism (rafting, events, art scene) in addition to Monarch
- Strength: Established hub – visitors expect lodging here

### Buena Vista (25 miles north)

- Lodging: A smaller set of hotels – e.g. Best Western (~52 rooms), Super 8 (~40 rooms), Surf Hotel (boutique ~50 rooms), plus cabins/B&Bs
- Rooms: ~150-200
- Demand drivers: Collegiate Peaks hiking, river rafting, hot springs.
- Strength: Has a high-end boutique property (Surf Hotel) and a highway chain (Best Western) that capture different segments

# Community Engagement Highlights

## Housing

- **Current and Future Growth:**
  - Poncha Springs has 526 housing units, with 310 additional units planned, primarily single-family homes. Multifamily developments are rare despite demand.
  - The community is evolving as a "workforce housing" hub, accommodating many Salida public employees (police, firefighters, etc.).
  - Land and housing trusts are active but limited in scope, with deed restrictions being explored to maintain affordability.
  - Short-term rentals, though not widespread yet, are raising concerns about availability and affordability.
- **Challenges:**
  - The median home price of \$750K is unaffordable for many, and deed-restricted homes do not provide adequate financial uplift to homeowners on resale.
  - Poncha is not part of the local housing authority.
  - Resistance to formal affordable housing plans exists among some leaders, with preference for reducing regulations to lower housing costs.
  - Housing for seniors is inadequate, and younger families are leaving due to high costs and limited housing diversity.
  - Monarch wants to increase its workforce count

but is uninterested in participating in housing subsidies or projects.

- **Opportunities:**
  - Land adjacent to utilities and town limits could accommodate mixed-use and affordable housing projects.
  - Tiny homes and ADUs (Accessory Dwelling Units) are seen as potential solutions to increase affordability and housing diversity.
  - Partnerships with organizations like Colorado Housing Finance Authority, DOLA, and private developers are under discussion.
  - Workforce housing solutions tied to Monarch Ski Resort and tourism infrastructure could be a future focus.

## Infrastructure

- **Sewer and Utilities:**
  - Sewer issues have been resolved through intergovernmental agreements a settlement with Salida, enabling further growth.
  - Utilities like Excel Energy and Atmos Gas are reliable but experience occasional outages. Improved services are needed for businesses reliant on internet and power.
- **Broadband:**
  - Aristada is expanding fiber infrastructure throughout Poncha and Chaffee County,

addressing critical gaps in business and residential internet service.

- Businesses face frequent disruptions in internet access, affecting operations, particularly including for point-of-sale systems.

- **Roads and Transportation:**

- Highway 50 and 285 intersections are key areas for creating a destination feel while improving safety and access.
- A roundabout near Tailwinds is being planned as part of the Highway 50 redesign to improve traffic flow, pedestrian safety, and bike access.
- The industrial park has drainage issues and poorly maintained roads, hindering development.
- The lack of public transportation options is a challenge for residents and visitors, particularly with growing tourism at Monarch Ski Resort.
- Slower traffic, crosswalk enhancements, and roundabouts are being planned to improve pedestrian and cyclist safety.

## Recreation and Parks

- **Proposed Recreation Hub:**

- A 30-acre recreation complex is planned, integrating parks, athletic fields, an indoor facility, and a YMCA-style center for year-round activities.
- The center could include library services, early childhood programs, and open gyms, addressing diverse community needs.

- **Outdoor Activities:**

- Poncha's natural amenities support mountain biking, hiking, river rafting, and disc golf. Expansion of trails and safer highway crossings are priorities for connectivity.
- Pickleball courts (\$1.7M project) and additional sports facilities are highly demanded for both residents and tourists.

- **Tourism Opportunities:**

- Tournaments, training camps, and agritourism (e.g., Hutchinson Ranch events) could attract regional visitors and generate economic benefits.
- Collaboration with Monarch Ski Resort could enhance Poncha's identity as a recreation hub.

## Economic Development

- **Town Center Development:**

- The Town Center is envisioned as a "mini-Buena Vista downtown," focusing on retail, dining, and local arts. Façade grants are proposed to unify the area's aesthetic and create a welcoming atmosphere.
- Businesses like custom fly rod makers and coffee shops are expected to thrive in the new development.

- **Industrial Park:**

- Home to businesses like Elevation Brewery and Rocky Mountain Crane, the park is a regional economic driver. However, it faces issues such as

inadequate infrastructure and underutilized land.

- Plans for expanding industrial uses include attracting manufacturing and tech businesses.

- **Small Business Support:**

- The SBDC and Chaffee County EDC offer workshops, funding resources, and accelerator programs for startups and existing businesses.
- Commercial kitchens and value-added manufacturing facilities are urgently needed to support local entrepreneurs.

## Community Identity and Aesthetics

- **Establishing a Unique Identity:**

- Poncha is positioned as the "Crossroads of the Rockies," a potential branding strategy to guide development and tourism.
- The Town remains divided on embracing a resort identity, with some preferring to maintain its small-town feel while others support leaning into its proximity to Monarch Ski Resort.

- **Beautification Efforts:**

- Enhancements to Highway 50, including landscaping, signage, and pedestrian-friendly features, are critical for establishing Poncha's character.

## Childcare and Education

- **Childcare Crisis:**

- Affordable childcare is a major issue, with families leaving the area due to lack of options. Programs like Head Start are maxed out.
- The Rotary Club and other organizations are seeking funding to establish more childcare facilities.

- **Library Services:**

- The library has plans for expanded services, including GED prep, bilingual programming, and intergenerational activities. A multi-purpose facility is being considered.

- **Education and Workforce Training:**

- Colorado Mountain College offers dual-enrollment and workforce training programs, but additional efforts are needed to address local labor market needs.
- Technical skills training and apprenticeships are underutilized opportunities for workforce development.

## Tourism and Events

- **Monarch Ski Resort:**

- Monarch is the closest ski resort to Poncha and is undergoing major expansions to accommodate 300K annual visitors. Poncha could position itself as the primary lodging and hospitality hub

for the resort.

- Opportunities exist for ski, bike, and golf packages, leveraging Poncha's recreation-friendly image.

- **Festivals and Agritourism:**

- Events like ARKtoberfest, Hutchinson Ranch music festivals, and pumpkin patches could boost tourism while strengthening community ties.

- **Hospitality:**

- Lodging options like yurts and mid-level hotels are being considered to fill gaps in the tourism market.

options are driving workers out of the area, impacting businesses and service industries.

- Contractors and skilled trades are in short supply, making construction and maintenance projects challenging.

- **Food Truck Pods:**

- Seen as an innovative way to promote small-scale entrepreneurship and community dining.

## Environmental Considerations

- **Floodplain and Land Use:**

- Development is limited by floodplain regulations and conservation easements, which protect agricultural and open spaces.

- **Renewable Energy:**

- Solar and wind energy projects are being explored, leveraging Poncha's sunny and windy climate for sustainable growth.

## Business Needs and Workforce Challenges

- **Workforce Retention:**

- Rising housing costs and limited affordable