COLORADO SPRINGS’ GREAT OUTDOORS: LINKS TO QUALITY OF LIFE AND ECONOMIC VITALITY

- January 2019 -
EXECUTIVE SUMMARY

El Pomar Foundation’s Pikes Peak Heritage Series was launched in 2015 to celebrate and raise awareness of the natural assets of the Pikes Peak Region. Using its convening capacity, the Foundation brings key organizations, stakeholders, and leaders together. Discussion topics focus on key ideas about how the region can best promote and protect its natural, social, and human resources in a diverse economy with a high quality of life. The Pikes Peak Heritage Series, along with event partners the Colorado Springs Chamber & Economic Development Corporation (EDC) and Visit Colorado Springs (VisitCOS), convened outdoor recreation leaders and local industry leaders on October 19, 2018 at the Penrose House in Colorado Springs, Colorado to discuss these topics.

The Links to Quality of Life and Economic Vitality Symposium was designed to highlight the role outdoor recreation plays in both the economic prosperity of the Pikes Peak region and the unique quality of life celebrated by its inhabitants. With its world-class outdoors, Colorado Springs has captured widespread notoriety as a city people want to reside in and visit. To that end, Pikes Peak Heritage Series sought to facilitate a discussion around how Colorado Springs can further capitalize on its natural and urban assets to attract tourists, workers, and industry to work, play and stay. The symposium began with an historic overview of how the natural assets of the region have been leveraged historically to solicit tourism and business. As demographics have shifted since the founding of Colorado Springs, outdoor recreation is still central to its DNA. The Colorado Springs Chamber & EDC and VisitCOS addressed ways in which the region is currently marketed to those who want to visit and potentially live here.

Governor Hickenlooper has recognized how central outdoor recreation is to Colorado’s identity, and so in 2015, he launched the Colorado Outdoor Recreation Industry Office (OREC). Luis Benitez, the director of OREC, works to embed the culture of outdoor recreation within industries and communities across the state. Aside from its economic impacts, Benitez discussed the impact areas associated with outdoor recreation, lending credence particularly to its positive influence on health and wellness at the October 20th event.

Outdoor recreation is not only a booming economic sector itself, but has allowed other industries to prosper in the Pikes Peak region. A panel of leaders from the tourism, healthcare, hospitality, outdoor recreation, and technology sectors remarked on how our outdoors and quality of life help attract prospective employers and employees, and actionable next steps to best utilize what Colorado Springs has to offer. Many of these executives remarked that access to nature and outdoor recreation were influential among a series of other factors that both employees and employers were mindful of in their searches.
Dear Colleague,

The Pikes Peak Heritage Series, a program of El Pomar Foundation, hosted the Link to Quality of Life and Economic Vitality symposium on October 19, 2018. Fourteen speakers and panelists from a variety of industries presented during the symposium, and I am pleased to present this white paper summarizing the event.

Since 2015, the Pikes Peak Heritage Series has aimed to celebrate and raise awareness of the natural assets of the Pikes Peak Region. Previous events have focused on wildfires, parks and open spaces, tourism and the outdoors, and conservation. Each of these events brought together community leaders and industry experts to explore various opportunities and challenges in our region. Through this event, we sought to expand the conversation beyond the outdoor community and explore how other industries in Colorado Springs leverage the region’s natural attractions in their businesses.

This paper is intended to share information discussed at the Economic Vitality symposium, which brought together community stakeholders and regional CEOs to discuss the role our natural amenities and outdoor recreation play in driving the economic development of our region. We hope that the information presented here is of use to everyone from conservation experts to outdoor enthusiasts to corporate recruiters as we strive to make Colorado Springs an enjoyable place for all to work, play and stay.

I would like to thank all of the speakers who took time to prepare and present at the Quality of Life and Economic Vitality Symposium. I would also like to specifically thank the El Pomar Foundation staff who work on the Pikes Peak Heritages Series, planned the event, and wrote this white paper.

Walt Hecox, Ph.D., Senior Program Advisor

Emily Padgett, Program Director

Erin Kerr, Program Associate

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Sincerely,

R. Thayer Tutt, Jr.

Vice-Chairman and Chief Investment Officer
INTRODUCTION

Colorado Springs’ quality of life has been nationally touted over the past two years, having secured the city’s position as the most desirable place to live and one of the best places to live by the US News and World Report. It is undisputed that outdoor recreation and tourism are important parts of those quality of life rankings. The natural beauty of the Pikes Peak Region has helped to attract and retain residents in the Colorado Springs area for decades. According to The Nature Conservancy, “Quality of life, including outdoor recreation amenities is ranked as one of the main factors considered when choosing company location.” Economic development experts largely agree that a key driver of quality of life for business start-ups and innovative employees revolves around access to outdoor recreation.

The Pikes Peak Heritage Series, Colorado Springs Chamber and EDC, and Visit Colorado Springs all have a vested interest in continuing to promote the unique quality of life that this region offers. Mayor John Suthers and Thayer Tutt both highlighted the historical connection to the great outdoors begun by General Palmer and Spencer Penrose near a century ago when they each moved to the base of Pikes Peak. General Palmer in founding the city had a vision for building a city to match our scenery, and Spencer Penrose, founder of the Broadmoor Hotel and regional attractions, saw the incredible potential of Pikes Peak. Both great men spent the bulk of their lives promoting the region. Today, our connection to the great outdoors is one of the main reasons that residents want to live, work, and play in Olympic City USA.

Economic development is a complex process, one that both builds upon existing attributes of competitive advantage and seeks to reach out for new opportunities to expand and diversify employment and prosperity. As summarized by economist Walt Hecox, Colorado Springs and Pikes Peak region is outstanding and nationally ranked. However, efforts to attract new economic activity are highly competitive with other comparable regions and cities.

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Our natural assets, economic growth and national rankings cannot be taken for granted. Natural assets can be overwhelmed by too many visitors and intense uses. Maintaining infrastructure and quality must be made sustainable and consciously managed. A combination of millions of visitors and hundreds of thousands of outdoor enthusiasts can lead to the very precious, delicate parts of nature that underpin high quality of life being loved to death.

The symposium convened stakeholders to discuss how these factors impact individuals and businesses on a practical basis. The event sought to bring focus to the role of the outdoors, identify how competitive Colorado Springs is as a brand, and provide voices from business sectors in the role the outdoors plays in attracting and retaining key employees and new businesses.
71% of Colorado residents participate in outdoor recreation each year, and Colorado Springs is uniquely positioned to capitalize on that trend. We are blessed with 150 miles of easily accessible trails and a large amount of public land – a total of 13.4% of the state is managed by state agencies. The region’s availability of parks per capita is nationally competitive, and these factors have led to a boom of organizations dependent on the outdoors. Finally, employment by the travel and tourism industry is 16.6% in Colorado Springs.

Park Land as a Percent of City Area
Since its incorporation in 1871, Colorado Springs has highlighted and been renowned for its natural amenities. The imposing presence of Pikes Peak and the 300 days of sunshine annually were a draw to Colorado Springs’ founder Gen. William Palmer, and developers like Spencer Penrose and Winfield Scott Stratton. These gentlemen built roads, parks, hotels and cultural attractions to bring people to the region and capitalized on the economic opportunities the landscape provided.

In the late 19th and early 20th centuries, Colorado Springs was a well-known health retreat, as the high mountain air was viewed as a relief for individuals suffering from tuberculosis. One advertisement from the time billed Colorado Springs as “an atmosphere absolutely aseptic and free from all germ life.”

The same qualities that attracted thousands of visitors seeking the health benefits of the region - sunshine, clean air, access to outdoor recreation - also appealed to tourists and outdoor enthusiasts looking for a place to vacation. In the mid-20th century, the Chamber of Commerce advertised the Pikes Peak Region as the “Gateway to America’s Vacation Land” where people could come to hunt, fish, bathe in mineral springs, walk in the Garden of the Gods, and ascend Pikes Peak by car or on foot.

In 2016 Colorado Springs began marketing itself as Olympic City USA as an homage to the U.S. Olympic Committee, the Olympic Training Center and numerous sporting organizations that all call Colorado Springs home. The Olympic Training Center in particular draws upon the region’s outdoor amenities, as athletes from across the country come to train in the extensive network of trails in the region. The 2020 of the U.S. Olympic Museum and Hall of Fame will further strengthen the city’s international reputation for amateur sports.

Pikes Peak has played a prominent role in the history and identity of Colorado Springs. As the city has grown from small Western outpost to health retreat to one of Colorado’s largest cities, Pikes Peak and the surrounding landscape have provided numerous benefits and opportunities to residents and visitors alike.
KEYNOTE

With the density of outdoor companies, natural assets found in the state, and a workforce emboldened by the outdoors, Governor Hickenlooper launched the Colorado Outdoor Recreation Industry Office (OREC) in 2015. OREC was the second of fewer than ten offices in the nation that provides a central point of contact, advocacy and resources at the state level for the diverse constituents, businesses and communities that rely on the continued health of the outdoor recreation industry.

The mission at the Colorado Outdoor Recreation Industry Office is to inspire industries and communities to thrive in Colorado’s great outdoors. This is done by focusing on four impact areas:

» Economic development
» Conservation and stewardship
» Education and workforce training
» Health and wellness

Luis Benitez, a noted mountain guide, former town councilman, and current director of OREC, noted that the outdoors ought to be a bipartisan issue due to the economic contribution it makes in our country. His office has spent the last three-and-a-half years listening to stakeholders in business, nonprofit, and government in order to better tell the story of why the public should pay attention to the outdoors. First and foremost are job creation, wages, and consumer spending. Secondarily, he mentioned the intersection of wages and quality of life. He stated that the outdoors plays a role in tipping quality of life when wages and economic conditions are competitive.

This study, conducted by Southwick Associates for Colorado Parks and Wildlife, estimates the economic contributions of outdoor recreational activity in Colorado during 2017. The results are provided at the state-level as well as for seven regions within the state. The total economic output associated with outdoor recreation amounts to $62.5 billion dollars, contributing $35.0 billion dollars to the Gross Domestic Product of the state. This economic activity supports over 511,000 jobs in the state, which represents 18.7% of the entire labor force in Colorado and produces $21.4 billion dollars in salaries and wages. In addition, this output contributes $9.4 billion dollars in local, state and federal tax revenue. Similar interpretations can be applied to the regional results. Outdoor recreation constitutes a substantial part of the Colorado economy.

Find the full report here: https://cpw.state.co.us/Documents/Trails/SCORP/2017EconomicContributions_SCORP.pdf
The natural beauty of the Pikes Peak Region – one of the primary factors that inspired Spencer Penrose and Winfield Scott Stratton to market it as unique travel destination for people across the world – endures as a consistent force for attracting visitors to the region. Mild climate, blue skies, stunning scenery, and a multitude of natural attractions contribute to the allure of the Pikes Peak Region. Doug Price, CEO of VisitCOS, recognizes the role natural amenities play in the success of Colorado Springs as a worldwide tourist destination. Looking ahead to the future, Price and his colleagues designed a long-term plan on how to further improve the experience for visitors to Colorado Springs and the Pikes Peak Region.

The Destination Masterplan was designed to ensure that Colorado Springs will be prepared to meet the increased demand for local and unique experiences by tourists. In doing so, VisitCOS has looked to the development of infrastructure, facilities, services, attractions and events in securing the Pikes Peak’s bearing amongst the most-desired tourist destinations. They have discerned that outdoor recreation ranks at the very top among things that visitors want to experience when they visit Colorado Springs. With quick access to parks, trails, open space, mountains and public lands, the outdoor amenities provide endless opportunities for tourists to enjoy both the thrill and serenity of nature.

But, as Price remarked, the Destination Master Plan is not just about travel and tourism. It’s about economic development and how all the sectors of the economy work together. In doing so, it will also generate significant economic benefits for the region. In 2018, more than 23 million people visited Colorado Springs, creating a $2.3 billion economic impact that supports thousands of jobs. Price’s philosophy on the cycle of travel tourism is simple: if you build a place where people want to visit, you’ll build a place where people want to live. And, if you build a place where people want to live, you’ll build a place where people want to work. If you build a place where people want to work, you’ll build a place where business wants to be.

The Pikes Peak region is not just competing for visitors anymore. It is also competing for talent, investment and business and coordinated destination promotion – central to which is how we leverage our world-class outdoors.
The Colorado Springs Chamber & Economic Development Corporation is in the midst of a five-year strategic economic plan to capitalize on the momentum and appeal of the Pikes Peak region, the focus of which are three industry sectors: sports medicine and related health services; professional, scientific and technology services; and aviation and specialty manufacturing. In addition to these primary targets, however, a fourth local target has been presented: The Experience Economy. This target is aimed at addressing a recurring theme from the stakeholder input process: Colorado Springs must do more to leverage its quality of place assets to attract and retain skilled workers, particularly millennials.

Using a marketing strategy that aimed to measure how over 900 respondents nationwide perceive and assess the strengths of the Pikes Peak region, the Chamber & EDC found words like beautiful, outdoors, and quality of life to be among some of the most prominent perceptions of the region. In fact, quality of life is the highest ranking perception of Colorado Springs by corporate executives outside the region, while the region’s availability of skilled workers is a close second. Dirk Draper, CEO of the Colorado Springs Chamber & EDC, and his colleagues are keenly aware of the reputation the Pikes Peak region bears, and have sought to capitalize on it.

Outdoor recreation, a $17 billion dollar industry in Colorado, is thought also to yield positive spin-off results in other ways. Outdoor recreation has been a tool that the Chamber & EDC have consciously used in attracting key employees and companies. Above workforce availability, market access, infrastructure and utilities, Draper regarded quality of life as the ‘top of the pyramid’ in his hierarchy of Economic Development. The Chamber & EDC emphasizes quality of life every time it talks to companies and individuals, and there are times when that’s a decision maker in relocation decisions, according to Draper.

Overall, the value of our recreational amenities can’t be overstated in advancing the economic development and prosperity of the Pikes Peak region. It is the essence of this place so many are fortunate to call home.
Five CEOs were invited to speak to the importance of the outdoors in supporting regional quality of life and driving attraction, retention, and development in their respective economic sectors.

» **Hospitality** – Barry Brown (VP of Sales and Marketing, Broadmoor Hotel)
» **Information Technology** - Mike Juran (CEO, Altia Inc.)
» **Outdoor Recreation Business** - Steve Kaczmarek (Owner, Borealis Fat Bike)
» **Sports/Tourism** - Christopher Leidel (CEO of United States Olympic Museum)
» **Healthcare** – Margaret Sabin (Former President & CEO of Penrose-St. Francis)
Although these individuals represent a variety of industries, similar themes emerged when discussing their approaches to employee attraction and retention. All five stressed the importance of the outdoors in attracting employees, but did not consider access to an active lifestyle as the sole factor in an employee’s consideration of a job. Rather, access to nature and outdoor recreation were some of the many features both employers and employees were mindful of in their searches. For example, Margaret Sabin, speaking about Penrose-St. Francis, explained how prospective nurses consider quality of life and access to outdoors when looking to move to a place, but their highest priorities in the job search are social factors such as recycling, diversity, and idealism. This more holistic approach to the job search means employers must sell the job, the city and their values to a prospective employee.

Similar to the healthcare industry, the information technology (IT) sector strives to highlight the region’s work-life balance and competitive pay when hiring. Mike Juran of Altia Inc. noted that Colorado Springs offers both of those attributes and he works to highlight these to potential employees. He also discussed how local industries can better capitalize on the universities within city limits to recruit employees. These students, as prospective employees, are already familiar with the outdoors and all Colorado Springs has to offer in terms of access to nature and quality of life, and employers need to demonstrate that there is also a viable job market.

Barry Brown of the Broadmoor Hotel highlighted the hotel’s efforts to strike a balance between hiring and retaining local staff and the need to hire international staff to supplement work during the peak summer season. Due to the cyclical nature of the hospitality industry it is not always feasible to highlight quality of life and access to the outdoors when hiring during the busy seasons. However, Mr. Brown noted the Broadmoor hires beyond traditional hospitality roles since they offer fly-fishing, ranching and horseback riding, zip lining, and mountain biking and always get applicants who value the outdoors as part of their job in these roles due to the nature of the positions offered.

Much like the Broadmoor attracts outdoor-oriented employees for their nature programming, Steve Kaczmarek of Borealis Fat Bike has found some of his employees moved to Colorado Springs from larger cities for the quality of life the region offers. These employees are interested in working for a company that shares their passion for the outdoors that compliments their beliefs and lifestyle. Like the other panelists, he was quick to note the important factor the outdoors plays for his company and its employees, but did not go so far as to label it as the pivotal factor for himself or his employees. Rather, he stressed the multitude of factors that go into any business decision; from proximity to distributors to rental costs.

Chris Liedel of the United States Olympic Museum encapsulated the views of the other panelists well when discussing the development of the US Olympic Museum and its goal to highlight the outdoors with Pikes Peak as the focal point of the building’s design. This awareness of the outdoors and desire to incorporate it into the fabric of the museum reflects the desire of both employers and employees in the Pikes Peak Region to make the outdoors a part of their lives as much as possible while remaining cognizant of other factors that contribute to our quality of life.

All panelists agreed more can be done to highlight the natural amenities of the Pikes Peak Region and encourage employees to take advantage of the outdoors. From highlighting volunteer opportunities with outdoor groups to establishing a daily walk in a park during lunch, employers have many options when considering ways to encourage employees to get outside and recognize the important role the outdoors play in their employees’ lives.
What opportunities exist in our Pikes Peak region for employers to champion and employees to contribute to the natural assets of the Pikes Peak Region? Our session concluded by reviewing ways the satisfaction and connection of employees to the outdoors is key to raising the quality of life while enhancing our natural resources. Numerous employee-sponsored volunteer days and hours exemplify this reality: engaged employees seeking the outdoors for breaks from work and as a respite to recharge are a win-win situation. Other options include: attending outdoor recreation meetings; serving on related boards, councils and task forces; becoming a financial supporter of local outdoor organizations; and advocating for outdoor recreation as issues and policies arise. Many local organizations exist and welcome hands-on participation, including the Rocky Mountain Field Institute, Trails and Open Space Coalition, Focus on the Forest, and Volunteers for Outdoor Colorado. The newly formed Pikes Peak Outdoor Recreation Alliance (PPORA) offers a coordinated way to seek out such opportunities on their web site.

http://ppora.org/sign-up
To enhance, encourage and promote the current and future well-being of the people of Colorado.