

2011 Colorado Planning & Management Region Report

Region 5 – Cheyenne, Elbert, Kit Carson and Lincoln Counties

Introduction

The East Central region of Colorado (Colorado's Central Plains) is comprised of Cheyenne, Elbert, Kit Carson and Lincoln Counties. Agriculture is the base economic driver in each of the four counties, but the 8,000 square-mile region is very diverse.

The population of the region in 1990 was 23,712. As of the 2010 Census, the total population had grown to 38,659. Between 2000 and 2010, Elbert was the only county in the region to experience significant growth. The majority of this growth took place in the northwest corner of the county, within commuting distance of metro Denver. Kit Carson increased by a little more than 3%, while Cheyenne and Lincoln counties experienced net declines.

County	2000	2010	% Change
Cheyenne	2,231	1,836	-17.71%
Elbert	19,872	23,086	16.17%
Kit Carson	8,011	8,270	3.23%
Lincoln	6,087	5,467	-10.19%
Colorado	4,301,261	5,029,196	16.92%

Source: State Demography Office

Jobs & the Economy

The principal employer in all four counties is public, making the impact of lost revenues to the local governments that much more visible. The reaction varies from county to county, with the greatest impact seen in Elbert County where the Commissioners ordered large staffing cutbacks across the board and eliminated the county's public safety dispatching service altogether, contracting with Arapahoe County for joint dispatching. County offices are open only from Monday-Friday.

Like rural plains communities throughout the Midwest, many of Colorado's Central Plains' towns have main streets filled with vacant storefronts. Households are often single older persons whose grocery and basic needs are less. As small "Mom and Pop" stores that have provided basic services for years come up for sale, there are few interested buyers. While such a business may still have cash flow under the original owner, that owner probably also has limited debt. Added debt for the new buyer plus the impact of an ever declining market means the continued existence of the small hardware stores and grocery stores in towns with a population under 1,000 becomes doubtful. The current economy makes this even more unlikely.

Oil and Gas valuations (impacting Cheyenne County and just recently to great extent Elbert County) are unstable.

Housing

Suburban development in western Elbert County is changing the overall housing profile for the Region. For the balance of Elbert County and the other counties within this Region, housing stock is affordable and older. There is significant available housing that is quite affordable and is a leading asset for the Region's proposed people attraction strategy. Even adjusting for substandard housing there is still significant room to attract new population with existing housing stock. Other critical infrastructure ranging from water supply to schools has adequate surplus capacity to absorb this level of growth. Such development could significantly enhance tax bases, workforce availability and domestic markets.

Agriculture

In spite of external influences, the agricultural economy in the region remains fairly stable. Kit Carson County has an agricultural economy enhanced by deep well irrigation. The Republican River Compact must now be enforced and Kit Carson County farmers face the potential of shutting down hundreds of wells, with possible negative economic impacts far beyond any ever experienced in the history of the County or the Region. Farm crops also are at the mercy of destructive weather events as well as price fluctuations at the market. Commodity prices in the fall of 2011 were very high and the 2011 harvest (in general) produced above average yields...though drought conditions continue to negatively impact pastures and haying in varying parts of the region.

Cheyenne, Lincoln, and Elbert counties are mostly dry land farming areas and are more likely to field large cattle ranches than large grain-producing farms. However, Cheyenne, Lincoln and Kit Carson are all strong wheat and corn growing counties, with sunflowers and proso millet as secondary crops.

Clean energy

Opportunities exist for the development of renewable energy sources on Colorado's Central Plains. Once the necessary electric power transmission lines are built, wind power will become a reality throughout the region. Farmers or ranchers who own the parcels on which the turbines are placed will benefit annually. The counties' tax bases will increase. Construction jobs related to development of wind farms are substantial but there will be far less permanent jobs once the farms are in operation. Strategies must be developed that will creatively capitalize on this new industry.

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34 wind turbines constructed northwest of Burlington came online in early 2011. They're expected to generate a total of 51 megawatts of electricity, enough to power 15,000 to 20,000 homes. The turbines are spread among seven landowners, and there is room for additional towers.

In August 2011 the Cedar Point wind project (a joint effort between Enbridge and Renewable Energy Systems Americas, Inc.) completed 139 turbines capable of generating up to 252 megawatts of electrical power. The towers are located in both Lincoln and Elbert Counties, north and west of Limon.

Solar farms and bio-diesel plants also are realistic industries to capture and develop in the coming years. Ethanol is not a currently a target industry.

Other

The largest Helium Production facility in the nation is located near Cheyenne Wells. While the facility is not currently operating at capacity, we're hopeful that future opportunities to increase the helium supply will be developed, increasing this plants production.

New projects

Home Sweet Prairies (www.homesweetprairies.com), a new regional project, has just been implemented. The four counties are promoting the availability of affordable housing units throughout Colorado's Central Plains. This grass roots economic development effort capitalized on the homes and the area's traditional and valued rural lifestyle. The target audiences are retirees and "lone eagles" wanting to work from home

Goals for the coming year

The greatest economic development need within the region is economic stabilization and diversification. Each area within the region needs to capitalize on its assets. Growing from within has a greater chance of success than bringing new business and industry to the area, but efforts to attract new jobs from outside the region should also continue.

In 2012, alternatives will be explored to redesign and reuse the main streets of many of the towns. Retail, as many of us knew it, is gone forever. Internet and 1-800 businesses are shipping within 24 hours. There are realistic opportunities for the region and each of the counties and most of the towns to become more economically viable by capitalizing on the resources that exist.

The area through its various economic development organizations will work in 2012 to try and simplify the access for businesses to the complex network of financing programs for small business.

Additional Partnerships should be explored among communities within the region. Some of the smallest towns must consider becoming great neighborhoods to the larger communities down the road. Standing and working together is even more important in these difficult economic times.