

PALISADE BOARD OF TRUSTEES Presentation Cover Sheet

Meeting Date: January 28, 2025

Presented By: Devan Aziz, Community Development Director

Department: Community Development & Planning

Re: Presentation

SUBJECT:

Palisade Economic Development Study

SUMMARY:

The Town of Palisade commissioned this economic development study to establish foundations for a comprehensive economic strategy. The Town extends its appreciation to Dr. Perry for leading this research effort, and to Associated Governments of Northwest Colorado (AGNC) for their vital support through the 2024 Technical Assistance Grant.

Special thanks to the Palisade Chamber of Commerce for their partnership, and to all residents, visitors, and business owners who participated in surveys and provided valuable insights for this study.

Purpose of Presentation:

Present findings and recommendations from the economic development study to inform the Town of Palisade's future economic development strategy.

Funding Source:

AGNC 2024 Technical Assistance Grant Town of Palisade



PALISADE

ECONOMIC DEVELOPMENT: AN INITIAL ASSESSMENT

This study was conducted by Alvarium Economics, LLC., and commissioned by the Town of Palisade

January 2025



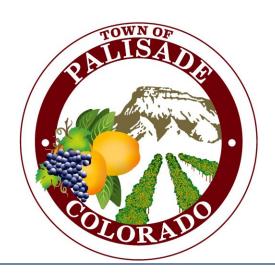


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EXECUTIVE SUMMARY

Seasonality Challenges: Economic activity in Palisade peaks in the fall at 27% above average and declines sharply in the winter at 29% below average, which impacts local businesses and tax revenues.

Age and Housing: Palisade has an older than average demographic, which limits housing availability and inhibits workforce growth and retention.

Economic Drivers: Agritourism, agriculture, and government are important economic drivers, with wineries and distilleries among the top contributors.

Tourism Strengths: Palisade's identity revolves around agritourism, festivals, outdoor activities, and collaboration among local businesses.

Infrastructure Needs: Improvements are needed in bike lanes, sidewalks, signage, and connectivity in order to increase tourism and provide accessibility for residents.

Opportunities for Growth: Growth could be provided by increasing winter tourism with events, Powderhorn partnerships, and targeted marketing to Salt Lake City and local communities.

Community and Quality of Life: Residents value Palisade's small-town feel, but resist growth on a large scale. Affordable housing and more diverse retail options are priorities for local residents.

Regulatory and Accessibility Barriers: State and county regulations and dependency on I-70 accessibility threaten the resilience of the area.

Business Support Needs: Grants, tax incentives, and streamlined regulations are vital for businesses in Palisade to succeed.

ACKNOWLEDGEMENTS

This study was conducted by Alvarium Economics, LLC., and commissioned by the Town of Palisade. The surveys and focus group were conducted with the help of the Town of Palisade. Special thanks to the businesses, residents, and visitors who took the time to answer surveys and attend focus groups.

METHODOLOGY

This study was commissioned to determine the first steps of a broader Palisade economic development plan. The goal was to collect data from businesses, visitors, and residents in order to provide insights for an economic development plan for the Town of Palisade.

This study consists of three primary sections:

- 1) Palisade data analysis
- 2) Business survey and focus group (SWOT analysis)
- 3) Visitor survey

The goal of the first section on Palisade data is to present data on the seasonal nature of Palisade's economy, population trends, housing data, and economic diversification.

The second section presents data from a business survey sent to local business leaders. These same leaders were asked to join a focus group where Palisade's strengths, weaknesses, opportunities, and threats were discussed in the context of economic development.

The third section covers a visitor/resident survey conducted by the Town of Palisade at a farmers market event in September 2024. This survey questioned residents and visitors on the topics of walkability, crime and safety, "things to do," variety of businesses and shops, and spending.

The information was collected and compiled into charts and tables for the purpose of starting a broader discussion of how Palisade can engage in economic development planning and which policies and ideas should be targeted.

The study area is the Town of Palisade, which consists of most of zip code 81526. In the report there are some comments from businesses and visitors that mention East Orchard Mesa (EOM). Note that EOM is not in the boundries of the Town of Palisade and their services.

All comments from businesses and visitor are copied directly from their survey response. This was done in order to preserve the exact meaning of their comments. No phrasing or spelling was changed to improve response grammar or spelling.

PART 1: PALISADE DATA

Palisade Seasonality

This section focuses on presenting data and analyzing seasonality, economic diversification, population trends, and housing data. This data section will help inform the survey results from the business survey, SWOT analysis, and visitor survey in the subsequent sections.

Seasonality is one of the top issues in Palisade's economy due to the seasonal nature of the agritourism industry. In addition to this, the agricultural industry has seasonal employment swings, which creates further seasonal fluctuations. Figure 1 illustrates Palisade's sales tax

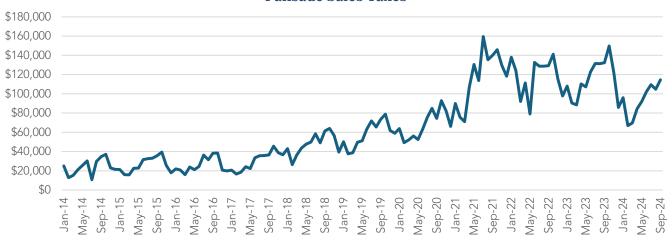
collections, which shows spending seasonality graphically. Palisade collects a sales tax of 2% on retails sales and taxable services. Peak seasonal economic activity is in September and October, with the lowest tax months of the year in February and March. This can be seen via the seasonal index in Tables 1 and 2.

The seasonal sales tax index takes data back to 2014 and compares the monthly fluctuations in sales tax collection to the average. The seasonal index in October is 1.27, which can be interpreted as October having 27% more sales taxes than the average. March is 0.716, which

means March has approximately 29% less sales tax collection. The difference between March and October would be the two added together, or a 56% difference in sales tax collection.

Using sales tax as a proxy for economic activity in Palisade would mean there is a 56% difference in economic activity between the peak season and off season. Table 2 calculates a seasonal index for each season, with winter as December through February, and so on. There is 17% more economic activity in the fall than average, while summer has 13% more than average. Total sales tax collection for 2023 was \$1,379,866.

Figure 1: Palisade Sales Taxes



Source: Town of Palisade

Table 1: Monthly Seasonality Index: Town of Palisade

Month	Average Tax	Seasonal Index
1	\$61,641	0.944
2	\$48,754	0.747
3	\$46,739	0.716
4	\$59,495	0.911
5	\$59,255	0.907
6	\$69,790	1.069
7	\$77,319	1.184
8	\$75,412	1.155
9	\$79,141	1.212
10	\$83,281	1.275
11	\$67,510	1.034
12	\$56,233	0.861

Table 2: Seasonal Seasonality Index: Town of Palisade

Season	Average Tax	Seasonal Index
Spring	\$55,163	0.844
Summer	\$74,174	1.134
Fall	\$76,644	1.172
Winter	\$55,543	0.850

Palisade Tax from Mesa County Seasonality

Palisade gets sales tax revenue from Mesa County. This tax can be collected anywhere in Mesa County, and a percentage of the Mesa County sales tax is distributed to the municipalities. This particular dataset does not show the specific seasonality of Palisade, but it does show the seasonality of Mesa County as a comparison number. Mesa County collects a sales tax of 2%. Peak sales tax collection month in Mesa County is August, with 10% above average sales taxes. March is the lowest sales tax collection month, at almost 16% below the average. When comparing seasons, spring has the lowest amount collected, with summer as the highest. Total sales tax collection in 2023 was \$2,369,341.

Comparing the peak Mesa County seasonal index month of August (1.10) with the peak month in Palisade (1.27) shows a significant difference in seasonality between the county and town of Palisade. Seasonal indices for the Mesa County sales tax collection that Palisade receives can be found in Tables 3 and 4.

Figure 2: Palisade Sales Taxes from Mesa County

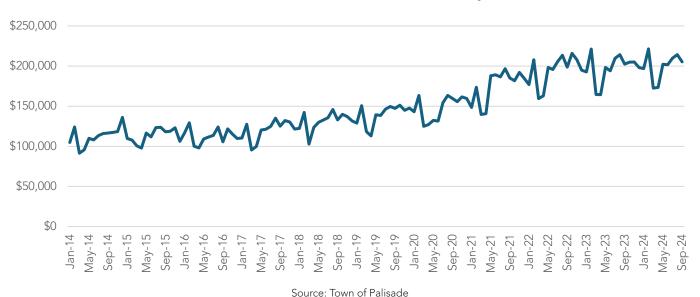


Table 3: Monthly Seasonality Index: Town of Palisade

Month	Average Tax	Seasonal Index
1	\$140,943	0.950
2	\$160,794	1.083
3	\$124,562	0.839
4	\$126,902	0.855
5	\$149,461	1.007
6	\$148,710	1.002
7	\$156,587	1.055
8	\$163,300	1.100
9	\$154,214	1.039
10	\$153,907	1.037
11	\$153,533	1.035
12	\$149,024	1.004

Table 4: Seasonal Seasonality Index: Town of Palisade

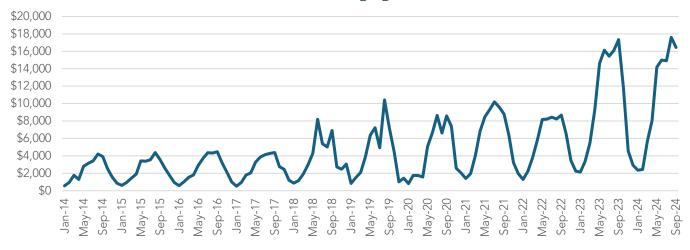
Season	Average Tax	Seasonal Index
Spring	\$133,642	0.900
Summer	\$156,199	1.052
Fall	\$153,885	1.036
Winter	\$150,254	1.012

Palisade Lodging Tax Seasonality

Starting in January 2023, the Palisade lodging tax rate was increased to \$6.00 per room per night. Looking at Figure 3, this increase is seen starting in 2023. The Palisade lodging tax is extremely seasonal and peaks in August, with the lowest month in January. In August, Palisade collects 70% more lodging tax

than average, while in January it collects 78% less. Table 6 shows the seasons, with summer (June-August) collecting 63% more than average, and winter (December-March) collecting 69% less. Lodging taxes moved horizontally from 2014 to 2017, jumped to a higher level from 2018 to 2022, and hit a new level in 2023 and 2024 due to the lodging tax increase. Total sales tax collection for 2023 was \$119,238.

Figure 3: Palisade Lodging Tax



Source: Town of Palisade

Table 5: **Monthly Seasonality Index: Town of Palisade**

Month	Average Tax	Seasonal Index
1	\$1,090	0.226
2	\$1,664	0.344
3	\$2,852	0.590
4	\$4,137	0.856
5	\$6,693	1.385
6	\$7,710	1.595
7	\$7,586	1.569
8	\$8,251	1.707
9	\$8,210	1.699
10	\$5,048	1.044
11	\$2,522	0.522
12	\$1,768	0.366

Table 6: Seasonal Seasonality Index: Town of Palisade

Season	Average Tax	Seasonal Index
Spring	\$4,561	0.951
Summer	\$7,849	1.637
Fall	\$5,260	1.097
Winter	\$1,507	0.314

Population and Demographics

3.000

2,500

2,000

1,500

1,000

500

0

Palisade has a population of 2,593, with 1,366 males and 1,205 females. The median age is 47.1 years, which is older compared to the Colorado median age of 37.3. The age population breakdown is shown in table 6. 17.88% of Palisade's population is between 35 and 44, while 15.91% are between 65 and 74.

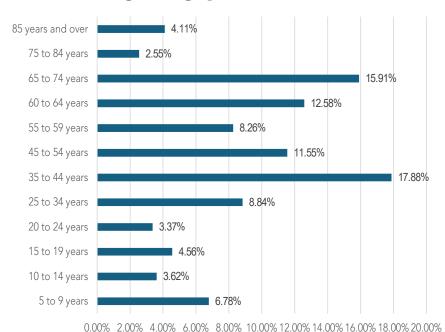
Palisade's population peaked in 2008 at 2,784. The oil and gas bubble brought on significant population growth in the 2000's in Mesa County, and can be seen in Palisade's population. Unlike Mesa County, which continued to increase population after the oil and gas boom, Palisade began slowly losing population. Palisade's population has increased over the last few years after hitting a recent low of 2,562 in 2020, and has increased to 2,593 in 2023.

Figure 4

Source: Colorado State Demography Office

Palisade Population

Table 7: **Age Demographic Breakdown**



Source: U.S. Census, ACS 5 Year Estimates

Table 8: Race and Ethnicity

Race/Ethnicity	Count
American Indian and Alaskan Native	24
Asian	27
Black or African American	9
Hispanic or Latino	304
Native Hawaiian and Other Pacific Islander	3
Some Other Race	120
White	2,175

Source: U.S. Census, ACS 5 Year Estimates

Housing

Table 9 shows key data points for the Palisade housing market from the Colorado State Demography Office. As of 2023, there are 1,317 total housing units in Palisade. 1,227 of these are occupied, leaving 90 vacant units. That is a 6.83% vacancy percentage. Since 2013, or over the last decade, housing supply has increased only 2.3%. However, over the same time period, the population has fallen 3.7%.

Tables 10 and 11 show housing data from the U.S. Census, which differ slightly from the State Demography Office. The advantage of Census data is that it has more detail. According to table 10, 609 of the 1,223 total housing units are considered 1-unit, detached, which would be standalone single family homes. 36 are 1-unit, attached, such as townhomes or duplexes, with 316 being 2 units or more, and 272 mobile homes. Of the Census estimate of 1,171 occupied housing units, 864 of them are owner-occupied, while 307 are renter-occupied.

Table 9: Housing Data for Palisade

Location	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total Housing Units	1,287	1,284	1,281	1,277	1,268	1,262	1,259	1,255	1,271	1,295	1,317
Occupied Housing Units	1,187	1,186	1,184	1,192	1,193	1,196	1,192	1,185	1,198	1,212	1,227
Vacant Housing Units	100	98	97	85	75	66	67	70	73	83	90
Vacancy Percent	7.75	7.66	7.55	6.67	5.91	5.25	5.28	5.58	5.74	6.41	6.83
Household Population to Total Housing Units Ratio	2.01	2.00	1.99	2.00	2.01	2.01	2.00	1.98	1.97	1.95	1.93
Total Population	2,694	2,674	2,671	2,672	2,659	2,649	2,626	2,562	2,566	2,578	2,593

Source: Colorado State Demography Office

Table 10: Housing Units by Type

Category	Count
Total housing units	1,233
1-unit, detached	609
1-unit, attached	36
2 units	49
3 or 4 units	178
5 to 9 units	82
10 to 19 units	7
20 or more units	0
Mobile home	272
Boat, RV, van, etc.	0

Source: U.S. Census, ACS 5 Year Estimates

Table 11:
Occupied Housing Units

Count
1,171
864
307
2.23
1.86

Source: U.S. Census, ACS 5 Year Estimates

Palisade Economy

Palisade is primarily an agricultural town that focuses on agritourism. Table 12 shows data from IMPLAN on employment and labor income in Palisade. IMPLAN is a widely used economic modeling tool that helps analyze the economic impact of various activities or changes within an economy. It uses an input-output matrix to measure how spending, investments, or policy changes in one sector affect other sectors, jobs, income, and overall economic activity in a specific region. IMPLAN also estimates detailed local data using a variety of data sources. The data represents 2023 numbers. The top industry in Palisade by employment is "support activities for agriculture and forestry" (214), followed by "beef and cattle ranching" (184). Federal government employees have the highest labor income, followed by local government. The top non-government labor income is "other real estate." Note the negative number for labor income in beef cattle ranching. Industries that receive subsidies can have negation of their labor income calculation due to the way IMPLAN estimates labor income.

Note that the category "employment and payroll of local government, education" and "employment and payroll of local government, other services" includes all non-state municipalities, such as county employment or other government entitity employment, not just Palisade.

Table 12: Palisade Top 20 Industries by Employment

Seef cattle ranching and farming, including dedolots and dual-purpose ranching and farming 184 -\$566,469	Category	Employment	Labor Income
Seedlots and dual-purpose ranching and farming Suppose Suppo	Support activities for agriculture and forestry	214	\$2,549,959
Employment and payroll of local govt, education Mineries 90 \$2,651,295 Employment and payroll of local govt, other services Preveries 78 \$2,482,823 Distilleries 68 \$3,168,646 Construction of new single-family residential structures All other crop farming 54 \$285,443 Employment and payroll of federal govt, non- military Mood kitchen cabinet and countertop manufacturing Nursing and community care facilities 51 \$2,551,819 Securit farming 50 \$824,135 Full-service restaurants 50 \$1,584,702 Employment and payroll of state govt, education 45 \$2,171,384 Bread and bakery product, except frozen, manufacturing Retail - Food and beverage stores Securities and commodity contracts intermediation and brokerage	Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	184	-\$566,469
Wineries 90 \$2,651,295 Employment and payroll of local govt, other services 81 \$6,363,762 Services 78 \$2,482,823 Distilleries 68 \$3,168,646 Construction of new single-family residential structures 60 \$3,975,360 All other crop farming 54 \$285,443 Employment and payroll of federal govt, non-military 53 \$7,393,201 Nood kitchen cabinet and countertop manufacturing 51 \$2,551,819 Nursing and community care facilities 51 \$2,526,304 Fruit farming 50 \$824,135 Full-service restaurants 50 \$1,584,702 Employment and payroll of state govt, education 45 \$2,171,384 Bread and bakery product, except frozen, manufacturing 41 \$1,572,075 Retail - Food and beverage stores 39 \$1,589,231 Securities and commodity contracts intermediation and brokerage 36 \$540,619	Other real estate	119	\$4,027,963
Employment and payroll of local govt, other services Breweries 78 \$2,482,823 Distilleries 68 \$3,168,646 Construction of new single-family residential 60 \$3,975,360 Structures 54 \$285,443 Employment and payroll of federal govt, non-military 55 \$7,393,201 Mood kitchen cabinet and countertop 51 \$2,551,819 Mouraing and community care facilities 51 \$2,526,304 Fruit farming 50 \$824,135 Full-service restaurants 50 \$1,584,702 Employment and payroll of state govt, education 45 \$2,171,384 Bread and bakery product, except frozen, 41 \$1,572,075 manufacturing 82 Retail - Food and beverage stores 39 \$1,589,231 Securities and commodity contracts intermediation 36 \$540,619 and brokerage	Employment and payroll of local govt, education	112	\$6,417,805
Rerevices Reviews Rerevices Reviews Rerevices Reviews	Wineries	90	\$2,651,295
Distilleries 68 \$3,168,646 Construction of new single-family residential structures 60 \$3,975,360 All other crop farming 54 \$285,443 Employment and payroll of federal govt, non-military 53 \$7,393,201 Wood kitchen cabinet and countertop manufacturing 51 \$2,551,819 Nursing and community care facilities 51 \$2,526,304 Fruit farming 50 \$824,135 Full-service restaurants 50 \$1,584,702 Employment and payroll of state govt, education 45 \$2,171,384 Bread and bakery product, except frozen, manufacturing 41 \$1,572,075 Retail - Food and beverage stores 39 \$1,589,231 Securities and commodity contracts intermediation and brokerage 36 \$540,619	Employment and payroll of local govt, other services	81	\$6,363,762
Construction of new single-family residential 60 \$3,975,360 structures All other crop farming 54 \$285,443 Employment and payroll of federal govt, non-military Wood kitchen cabinet and countertop 51 \$2,551,819 manufacturing Nursing and community care facilities 51 \$2,526,304 Fruit farming 50 \$824,135 Full-service restaurants 50 \$1,584,702 Employment and payroll of state govt, education 45 \$2,171,384 Bread and bakery product, except frozen, 41 \$1,572,075 manufacturing Retail - Food and beverage stores 39 \$1,589,231 Securities and commodity contracts intermediation 36 \$540,619 and brokerage	Breweries	78	\$2,482,823
All other crop farming 54 \$285,443 Employment and payroll of federal govt, non- military Wood kitchen cabinet and countertop 51 \$2,551,819 manufacturing Nursing and community care facilities 51 \$2,526,304 Fruit farming 50 \$824,135 Full-service restaurants 50 \$1,584,702 Employment and payroll of state govt, education 45 \$2,171,384 Bread and bakery product, except frozen, 41 \$1,572,075 manufacturing Retail - Food and beverage stores 39 \$1,589,231 Securities and commodity contracts intermediation 36 \$540,619 and brokerage	Distilleries	68	\$3,168,646
Employment and payroll of federal govt, non- military Wood kitchen cabinet and countertop Mursing and community care facilities Fruit farming Full-service restaurants Employment and payroll of state govt, non- manufacturing 50 \$2,551,819 \$2,526,304 \$1,584,702 \$2,171,384 \$3,702 \$4,135 \$2,171,384 \$4,135 \$2,171,384 \$4,135 \$4,170,384 \$1,572,075 \$1,572,075 \$2,171,384 \$2,171,384 \$3,171,384 \$3,171,384 \$4,185 \$4,187,2075 \$4,187,2075 \$4,187,2075 \$4,187,2075 \$4,187,2075 \$4,187,2075 \$4,187,2075 \$4,187,2075 \$4,187,2075 \$4,187,2075 \$4,187,2075 \$5,2075 \$5,2076 \$6,2076	Construction of new single-family residential structures	60	\$3,975,360
Mood kitchen cabinet and countertop Fruit farming Full-service restaurants Employment and payroll of state govt, education Bread and bakery product, except frozen, manufacturing Retail - Food and beverage stores Fecurities and commodity contracts intermediation and brokerage	All other crop farming	54	\$285,443
Nursing and community care facilities 51 \$2,526,304 Fruit farming 50 \$824,135 Full-service restaurants 50 \$1,584,702 Employment and payroll of state govt, education 45 \$2,171,384 Bread and bakery product, except frozen, 41 \$1,572,075 manufacturing Retail - Food and beverage stores 39 \$1,589,231 Securities and commodity contracts intermediation 36 \$540,619	Employment and payroll of federal govt, non- military	53	\$7,393,201
Fruit farming 50 \$824,135 Full-service restaurants 50 \$1,584,702 Employment and payroll of state govt, education 45 \$2,171,384 Bread and bakery product, except frozen, 41 \$1,572,075 manufacturing Retail - Food and beverage stores 39 \$1,589,231 Securities and commodity contracts intermediation 36 \$540,619	Wood kitchen cabinet and countertop manufacturing	51	\$2,551,819
Full-service restaurants 50 \$1,584,702 Employment and payroll of state govt, education 45 \$2,171,384 Bread and bakery product, except frozen, 41 \$1,572,075 manufacturing Retail - Food and beverage stores 39 \$1,589,231 Securities and commodity contracts intermediation 36 \$540,619 and brokerage	Nursing and community care facilities	51	\$2,526,304
Employment and payroll of state govt, education 45 \$2,171,384 Bread and bakery product, except frozen, 41 \$1,572,075 manufacturing Retail - Food and beverage stores 39 \$1,589,231 Securities and commodity contracts intermediation 36 \$540,619 and brokerage	Fruit farming	50	\$824,135
Bread and bakery product, except frozen, manufacturing Retail - Food and beverage stores Securities and commodity contracts intermediation and brokerage \$1,572,075 \$1,589,231 \$540,619	Full-service restaurants	50	\$1,584,702
manufacturing Retail - Food and beverage stores 39 \$1,589,231 Securities and commodity contracts intermediation 36 \$540,619 and brokerage	Employment and payroll of state govt, education	45	\$2,171,384
Securities and commodity contracts intermediation 36 \$540,619 and brokerage	Bread and bakery product, except frozen, manufacturing	41	\$1,572,075
and brokerage	Retail - Food and beverage stores	39	\$1,589,231
Coffee and tea manufacturing 33 \$1,748,127	Securities and commodity contracts intermediation and brokerage	36	\$540,619
	Coffee and tea manufacturing	33	\$1,748,127

Source: IMPLAN, 2024

Palisade Economy continued

Table 13 illustrates output by industry for Palisade. Output is defined as the total value of goods and services produced within a specific industry or economy. It is a broad measure that includes all forms of revenue such as sales, production, or other forms of economic activity over a defined time period. The top industry by output is distilleries, followed by owner-occupied housing, wineries, and breweries. Agribusiness industries export much of their products out of Palisade, which is the reason for the higher output numbers. The \$39.6 million output value represents the estimated market value of housing services that homeowners provide to themselves, including what they would hypothetically pay in rent, along with maintenance, repairs, property taxes, and mortgage interest. This is included as an industry to accurately capture how housing contributes to the local economy, even though homeowners aren't actually exchanging money for rent.

Table 13: Palisade Top 20 Industries by Output

Industry	Output
Distilleries	\$49,467,906.64
Owner-occupied housing	\$39,611,890.54
Wineries	\$28,550,162.14
Breweries	\$22,759,423.68
Petroleum refineries	\$22,042,320.76
Coffee and tea manufacturing	\$22,021,616.02
Other real estate	\$19,099,487.46
Employment and payroll of federal govt, non-military	\$11,696,886.83
Construction of new single-family residential structures	\$9,688,638.97
Wood kitchen cabinet and countertop manufacturing	\$9,510,771.19
Oil and gas extraction	\$9,362,624.51
Support activities for oil and gas operations	\$8,070,486.88
Construction of other new residential structures	\$8,053,663.11
Employment and payroll of local govt, education	\$7,483,111.90
Employment and payroll of local govt, other services	\$7,442,357.93
Bread and bakery product, except frozen, manufacturing	\$6,944,757.93
Truck transportation	\$6,538,340.93
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	\$6,353,302.65
All other miscellaneous professional, scientific, and technical services	\$5,892,558.69
Electric power transmission and distribution	\$5,102,913.68

Source: IMPLAN, 2024

Palisade Economy continued

Table 14 shows industry composition comparison for Palisade, Mesa County (which includes Palisade), and Colorado. This data is from the U.S. Census. Palisade has a much higher concentration of construction jobs than Mesa County and Colorado, with a lower percentage of arts, entertainment, recreation, and food services jobs. Census data can be flawed and has a small sample size, so the estimates should be viewed with caution. Overall, this data shows that Palisade's general industries are not that different from Mesa County and Colorado.

Table 14: Industry Composition Comparison

Industry	Palisade Census	Palisade %	Mesa County Census	Mesa County %	Colorado Census	Colorado %
Civilian employed population 16 years and over	1,265		74,492		3,151,694	
Agriculture, forestry, fishing and hunting, and mining	85	6.72%	1,684	2.26%	59,222	1.88%
Construction	225	17.79%	7,743	10.39%	248,490	7.88%
Manufacturing	97	7.67%	4,515	6.06%	211,426	6.71%
Wholesale trade	56	4.43%	1,563	2.10%	58,779	1.86%
Retail trade	151	11.94%	7,646	10.26%	313,321	9.94%
Transportation and warehousing, and utilities	42	3.32%	4,332	5.82%	160,011	5.08%
Information	4	0.32%	846	1.14%	82,446	2.62%
Finance and insurance, and real estate and rental and leasing	83	6.56%	3,887	5.22%	218,616	6.94%
Professional, scientific, and management, and administrative and waste management services	161	12.73%	9,175	12.32%	504,863	16.02%
Educational services, and health care and social assistance	273	21.58%	19,033	25.55%	685,627	21.75%
Arts, entertainment, and recreation, and accommodation and food services	31	2.45%	7,162	9.61%	302,116	9.59%
Other services, except public administration	57	4.51%	3,094	4.15%	154,960	4.92%
Public administration	0	0.00%	3,812	5.12%	151,817	4.82%

Source: U.S. Census, ACS 5 Year Estimates

PART 2: BUSINESS SURVEY

The business survey was administered in September 2024. The businesses surveyed were selected by the town of Palisade to represent the business community. Seventeen businesses responded, and these businesses were subsequently invited to participate in the SWOT analysis focus group discussed in the next section. Data from this survey was used to help direct and guide the SWOT focus group.

The goal of this survey was to understand the primary concerns for businesses in Palisade. The business survey had 12 topics: Business profile, economic climate, infrastructure and resources, growth and development, workforce and skills, community and quality of life, agritourism-specific questions, economic development programs, crime and walkability, seasonality, long term planning, and a section for open-ended commentary.

Business Profile and Economic Challenges

Table 15 lists the industry identification of the businesses who responded to the business survey. Of the 17 respondents, eight

of them were in the hospitality industry, three in agriculture, two in retail, and four responded "other." The other industries self-identified as "real estate," "cabinet shop," "The Chamber of Commerce," and "The Historical Society and history museum." Table 16 shows the number of employees, with four of the respondents having over 20 employees, one in the 11-20 range, seven in the 6-10 range, and five in the 1-5 range.

Table 17 lists the length of time that each business has been operating in Palisade. Eight reported being in business for more than eight years, six from 4-10 years, and two from 1-3 years. These responses show that the business survey mostly comes from long-time business residents in the Palisade area.

Businesses were asked how they would rate the overall economic climate of Palisade on a scale between 1-10. The average of the responses was 6.5, with 13 of the responses rated between 5-8, and one response that indicated a 2. None of the responses were ranked at 9 or 10. Table 18 asked businesses to select which of the economic issues on the list were their top economic challenge. Twelve selected seasonality, while one each selected infrastructure, regulation and permits, and workforce availability. There were no responses to marketing/visibility or other.

Table 15: What is the primary industry of your business?

La decetario	C	D
Industry	Count	Percentage
Agriculture (farming, viticulture, etc.)	3	17.65%
Hospitality (lodging, dining, etc.)	8	47.06%
Retail	2	11.76%
Other (please specify)	4	23.53%
Total	17	100.00%

Table 17: **How long has your business been operating in Palisade?**

Response Options	Percentage	Frequency
1-3 Years	3	17.65%
4-10 Years	6	35.29%
Over 10 Years	8	47.06%

Table 16: How many employees do you currently have?

Response Options	Count	Percentage
1-5	5	29.41%
6-10	7	41.18%
11-20	1	5.88%
Over 20	4	23.53%

Table 18:

What is the biggest economic challenge your business faces?

Response Options	Count	Percentage
Seasonality	12	80.00%
Infrastructure (roads, utilities, etc.)	1	6.67%
Regulation and permits	1	6.67%
Workforce availability	1	6.67%
Marketing/Visibility	0	0.00%

Agritourism Revenue and Infrastructure

Table 19 shows the percentage of revenue that comes from agritourism activities from business respondents. Six responded less than 25%, three at 20%, one at 51-75%, and five over 75%.

Table 20 shows the results regarding the quality of infrastructure in Palisade, where businesses respondents were asked to rate the quality of infrastructure from "Poor-1," to "Excellent-4." The average of responses was 2.31, or between "Fair" and "Good." The majority of participants responded with "Good" at 6, with 1 "Excellent," 2 "Fair," and 4 "Poor." Note that this question asks only about local infrastructure such as transportation and utilities. Palisade is responsible for the water plant, sewer, parks and facilities, transportation (roads/sidewalks), and irrigation within town limits.

Table 21 shows the open-ended responses to the infrastructure question in table 6. Respondents mentioned Xcel power outages as a major problem, along with sewer and water, sidewalks and roads, and different transportation options. Note that the Town of Palisade is not responsible for power.

Table 19:
What percentage of your revenue comes from agritourism related activities?

Response Options	Frequency	Percentage
0-25%	6	40.00%
26-50%	3	20.00%
51-75%	1	6.67%
Over 75%	5	33.33%

Table 20:

How would you assess the quality of local infrastructure (e.g., transportation, utilities)?

Response Options	Frequency	Percentage
Excellent = 4	1	7.69%
Good = 3	6	46.15%
Fair = 2	2	15.38%
Poor = 1	4	30.77%

Table 21:

Open-ended responses to "how would you assess the quality of local infrastructure?"

The town is finding ways to improve infrastructure with its current projects but still needs to figure out updates to some much needed sewer and water infrastructure

it's either car or bike to get around which can lead to more drunk driving/biking. We need more hop on/off transportation especially up on EOM. Xcel cutting power randomly also makes it incredibly difficult to keep doors open, however that is outside the purvey of local govt.

Power outages, traffic congestion & lack of sidewalks during tourist season

Xcel electric service has too much downtime and power surges.

Our sewer rates quadrupled this year, we do not have clarity on the agreement on the sewer lift station on Palisade Basecamp property, lack of sidewalks and bike paths on the Fruit and Wine Byway - especially North River Road, Palisade Basecamp was not included in the fiber upgrade that was advertised as all of the Town of Palisade.

Sidewalks and roads are in disrepair making many spaces inaccessible for those with diverse needs. EV charging stations do not work. Power outages continue to be a problem for businesses. Some businesses within city limits still cannot access fiber.

Infrastructure continued

Table 22 shows what resources or facilities business owners feel they are lacking. The "other" category was the top response category, and included the open-ended responses "wifi in the Vinelands," "recreation facilities in the Town of Palisade," "all of the above," and "housing."

Table 23 shows the results to what types of infrastructure improvements would benefit business the most, and then provided an open-ended response listed in table 10. "Parking" received 5 responses, "Utilities" 2, and "Other" 3. The "Other" open-ended responses were "bike lanes/signage," "all of the above," and "housing for first time home owners."

Table 24 shows the free responses to the question "are there any specific regulatory changes that would benefit your business?" Respondents mentioned signage on I-70 to pull tourists into town, less regulation/revision of land code, a more businesss-friendly attitude and infrastructure improvements.

Table 22:

Are there any specific resources or facilities you feel are lacking?

Response Options	Frequency	Percentage
Parking facilities	2	18.18%
Public transportation options	1	9.09%
Educated or skilled workforce	2	18.18%
Road maintenance or expansion	1	9.09%
Other (please specify)	5	45.45%

Table 23:
What types of infrastructure
improvements would benefit your business

Frequency	Percentage
5	50.00%
2	20.00%
3	30.00%
0	0.00%
0	0.00%
	5 2 3

Table 24:

Open-ended responses to "are there any specific regulatory changes that would benefit your business?"

Grants to preserve the historical nature of the downtown building and improve the facade and having flexible bike building codes for the older buildings

tavation

less regulation. So many hours spent on forms, reports, and compliance driven by local, State, and national agencies

Signage for 128 east third building. Renters (Craig gallery and real estate office) have had a hard time attracting customers

Permission for vendors to do tastings in the store

A more business friendly attitude and infrastructure.

Signage on I-70 to pull tourists into town. Better signage for Riverbend Park. More trail builds in Palisade.

Update of our CUP without restrictions on our extended stays and a lodging tax that is based on a percentage versus a flat fee

Revision of land code to make it more business friendly and include affordable housing plan.

Business growth and labor force

Businesses were asked about their plans for business development and what incentives would help them expand their business. Table 25 shows the results to "What are your business's growth plans for the next 5 years," and demonstrated that businesses plan to "expand current offerings" (7), "add new services or products" (2), "increase operational efficiency" (2), and two "other" responses that included "want to move to a newer, larger building."

Table 26 shows that businesses believe that grants or low interest loans would help them expand their business, with almost half of respondents answering this. The next largest answer was "marketing assistance" at four responses. "Workforce development" (2) and "streamlined regulatory process" (1) were the other options.

When asked what improvements business would like to see in its economic development plan, nine businesses responded with "business incentives or tax breaks," two responded with "more tourism promotion," and two responded with "improved infrastructure (Table 27)."

Palisade businesses respondents did not have major problems with skilled workforce availability, with five responding "Good" and six responding "Fair." Two responded "Poor," which is 15% of the sample (Table 28).

Table 25:
What are your business's growth plans for the next five years?

Response Options	Frequency	Percentage
Expanding current offerings	7	53.85%
Adding new products or services	2	15.38%
Operational efficiency	2	15.38%
Other (please specify)	2	15.38%

Table 27:
What specific improvements or initiatives would you like to see in Palisade's economic development plan?

Response Options	Frequency	Percentage
Business incentives or tax breaks	9	69.23%
More tourism promotion	2	15.38%
Improved infrastructure	2	15.38%

Table 26:
What kind of support or incentives would help you expand your business?

Response Options	Frequency	Percentage
Grants or low-interest loans	6	46.15%
Streamlined regulatory processes	1	7.69%
Workforce development or training	2	15.38%
Marketing assistance	4	30.77%

Table 28:

How would you rate the availability of skilled labor in our area?

Response Options	Frequency	Percentage
Good	5	38.46%
Fair	6	46.15%
Poor	2	15.38%

Workforce and Housing

Table 29 shows the open-ended responses to the question "What skills or training do you find most lacking in the local workforce?" Respondents were not given options, and were just asked to write in what they thought. "Culinary," "attention to detail," "management support," and "committment" were all mentioned.

Table 30 asks the question "How much of an issue is housing in workforce availability" with seven responding "Major issue," five responding "Minor issue," and one responding "No issue." Table 31 lists the open-ended responses to the question "If you see housing as an issue in Palisade, what suggestions do you have to fix the issue?" Proposed solutions ranged from selling land for subsidized housing tied to local employment and promoting high-income industries, to incentivizing hotel developments and creating affordable multifamily or highdensity housing. Efforts to convert Airbnbs into worker housing, promoting affordable developments in surrounding areas, and annexing nearby properties for potential expansion were also suggested. Additionally, grants for lodging, partnerships with community-focused builders, and data-driven policies on shortterm rentals were seen as key to addressing this issue.

Table 29:

What skills or training do you find most lacking in the local workforce?

Attention to detail, responsibility, aptitude, attendance, focus
Culinary
Mid-Level and Upper Management throughout all sectors
Commitment to work and provide for themsleves

Table 30: How much of an issue is housing in workforce availability?

Response Options	Frequency	Percentage
Major issue = 3	7	53.85%
Minor issue = 2	5	38.46%
No issue = 1	1	7.69%

Table 31:

Open-ended responses to "If you see housing as an issue in Palisade, what suggestions do you have to fix the issue?"

Sell a portion of its land to me to build subsidized housing with the condition that tenants be employed in Palisade. Or, attract companies to move to Palisade that are high skilled/knowledge industry companies that only have high income employees so a higher cost of housing is not an issue.

Seasonal workforce housing is very scarce and what is available is expensive. This is not just a Palisade issue but a bigger State and national issue. Powered by fiscal policy on the State and national level resulting in spiraling inflationary pressure. Out of control wage demands chasing quality of life issues resulting in ever higher finshed product costs which then result in supressed product demand. The move to short term rental activities (Air BNB and VRBO) took availability out of the community. Incentivised hotel development is an absolute requirement is required for any sustainable future growth.

The overall cost of living in Colorado has really exploded in recent years. This of course is not just a Palisade issue but speaks to the broader issue of inflationary pressures. I know of specific instances where businesses are calling it guits because the cost of housing has become a major barrier.

We are turning our airbnbs into worker housing where local hospitality and industry workers can get a break on rent so they're not just working to pay rent.

Building affordable apartment or condo units

Work to promote surrounding communities to build new apartment complexes and affordable rent

grants to allow us to provide lodging options at our business

Come up with creative solutions for multifamily and/or high density housing in a way that fits into Palisade's heritage. Annex additional 81526 properties into the Town. Address short term stays and seasonal/unoccupied housing by using data to determine if restrictions/making those spaces more available to permanent residents will in fact alleviate housing pressures.

Town must work with builders that understand the needs of our community and will listen to our community.

Community and Quality of Life

Table 32 shows the responses to "How satisfied are you with the quality of life in our community for your employees?" The weighted average was 3.62, which falls between "Neither satisfied nor dissatisfied" and "Somewhat satisfied." According to the survey, businesses reported that 47.10% of workers live in Palisade, implying that approximately 53% commute from outside Palisade.

Table 33 lists the open responses to the question "What community improvements would make our region more attractive to your business?" These answers were very widespread, ranging from a community center with family programs, to including infrastructure, increasing hotel accommodations, and other ideas.

Table 32:

How satisfied are you with the quality of life in our community for your employees?

Response Options	Frequency	Percentage
Extremely satisfied = 5	3	23.08%
Somewhat satisfied = 4	4	30.77%
Neither satisfied nor dissatisfied = 3	4	30.77%
Somewhat dissatisfied = 2	2	15.38%
Extremely dissatisfied = 1	0	0.00%

Table 33:

Open-ended responses to "What community improvementswould make our region more attractive to your business?"

An active community center with family programs

hotel development

hotel space

more weekday/night activities to draw from Junction and Fruita- swing dancing in square, something along the lines of First Friday but not on Fridays. Not close down all the streets downtown, just more activities. Would love to see the local square made more activity friendly- movies, games etc

Parking, alley access

Upgraded infrastructure to fit the needs of a growing community & attract winter tourism

Business friendly attitude and promotion

More restaurants, hotel accommodations and car charging stations

recreation center and/or sports complex for competitive sports (like canyon view)

Affordable housing, businesses in the town center that remain open year-round, revitalization and occupancy of vacant commercial spaces.

cleaning up the entry to Palisade off the highway.

Quality of Life and Agritourism

Table 34 lists the open-ended responses to the question "What is the Palisade idenity, and how can we build around this identity?" Businesses defined Palisade's identity as a small, agricultural, and wine-focused community with a scenic charm that attracts visitors through agritourism and outdoor recreation. Roots in farming, wineries, and small-town appeal were key responses, alongside a focus on biking and walkable neighborhoods.

To build on this identity, businesses suggested aligning new developments with the town's agricultural and rural character,

avoiding overgrowth of subdivisions, and enhancing family-friendly activities, retail, and restaurants. Marketing and education around Palisade's identity, improved infrastructure, and a welcoming highway entry were also seen as essential to promoting Palisade's appeal.

Table 35 shows that more than 50% of business respondents had agritourism as their primary business activity. Table 36 shows the activities that businesses offered related to agritourism, with the biggest responses for "events and festivals," "farm to table experiences," and "wine tasting or vineyard tours."

Table 34:

Open-ended responses to "What is the Palisade identity, and how can we build around this identity?"

Small, wine, agriculture, and access (to outdoor recreation). To build around this we look at any new improvements through the lens of being consistent with our identity and tweak them so they are or stop them if they arenâ \in TMt.

agritourism is the driver and will continue to be in the future. Palisade is an idyllic island of solitude and beauty that atracts visitors from all over the world

an idyllic oasis of calm and serentity with a beauty of farm and ag-centric activities

Right now the identity is either peaches or wine. Not really anything for families. We need more activities and opportunities for families if we are to keep our community growing

Small town appeal, agriculture, wineries, biking. It would be good to have more retail and restaurants,

Wine Country, Farm Country, Pastoral community

Small town with strong agricultural roots, down to earth and friendly people. Protect from growth of subdivisions which takes away the sense of rural community. New builds should maintain character of town with a sense of neighborhoods and space. Sidewalks and bike lanes connecting the town are important to keep a walkable/non-motorized community

agritourism - continue to add infrastructure that makes Palisade a destination (keep people in Palisade so they do not have to travel to Grand Junction or other areas)

What is the "Palisade identity"? Marketing and education around this would help develop understanding and improvements around the identity.

Agriculture. I feel like we do a good job with agritourism and promoting what put Palisade on the map and that is our farms. cleaning up the entry to Palisade off the highway.

Table 35:
How significant is agritourism to your business model?

Response Options	Frequency	Percentage
Primary focus = 4	7	53.85%
Secondary focus = 3	3	23.08%
Minimal focus = 2	2	15.38%
Not related = 1	1	7.69%

Table 36:
Which agritourism activities does your business offer or plan to offer?

Response Options	Frequency	Percentage
Agritourism lodging (bed & breakfasts, cabins, etc.)	4	11.76%
Wine tastings or vineyard tours	5	14.71%
Events and festivals	8	23.53%
Farm-to-table experiences	7	20.59%
Educational activities	4	11.76%
Farmers markets or on-site farm shops	3	8.82%
Farm tours	3	8.82%

Agritourism and Economic Development Programs

76.9% of respondents said that their business collaborates with other local agritourusm businesses or attractions. The collaboration partners are listed in table 37. Businesses were asked if they participated in local economic development programs, and 55.5% responded "Yes." Table 38 lists the open ended comments associated with this question. Table 39 reports the open-ended responses to the question "Are there any partnerships or collaborations that would benefit Palisade's agritourism industry that haven't been explored?"

Table 37:

Do you collaborate with other local agritourism businesses or attractions?

CAVE and WIDB

Landlord to Cave, Craig gallery and Real estate

Wine tasting events

other wineries, CMU, restaurants and food trucks

Sip and shop events

offering local products in our general store including beer, wine and spirits, tours and other transportation options

We rely on area agritourism businesses to provide tours and dinners to guests.

Table 38:

Have you participated in any local economic development programs? If so, what was your experience?

Grand Junction Economic Development Board, Business Incubator Enterprise Zone Board

Business incubator to help us initially build Basecamp - good experience

The Palisade Chamber of Commerce's primary focus is economic development. We are close partners with other area chambers, CMU/CMU Tech, CSU,SD51, Grand Junction Economic Partnership, the SBDC, and the Business Incubator. We currently sit on 3 Workforce Development Boards within Mesa County, regularly attend continuing education in regards to economic development, and hold regular educational opportunities for business owners and employees.

Table 39:

Open-ended responses to "Are there any partnerships or collaborations that would benefit Palisade's agritourism industry that haven't been explored?"

Probably. How outside the box should we look?

Would love to get more kid farm activities. Show the city kids how farms work, really work, get them planting in their own yards, set up more apiaries and increase our bees, if people understand the life here, they will want to save it and not just come eat a peach and get drunk

Celebrity endorsement

Colorado Department of Agriculture's 'Colorado Proud' campaign and the Colorado Scenic Byway designation for the Fruit & Wine Trail

Creating unique winter attractions to Palisade

Chamber of Commerce, CAVE, Western Colorado Horticulture Society, AgriWest, Farm Bureau, Colorado Agritourism Association, CSU, CMU, SD51

Not sure

Seasonality and Economic Development

The issue of seasonality is important to Palisade, as agritourism hits its peak in summer and fall, while winter and spring see less economic activity. 75% of respondents (9) said that the seasonal nature of Palisade's economy has a "Severe" impact on their business, while 25% (3) answered "Moderately," and zero businesses answered "Minimally" or "Not at all."

Table 40 shows open-ended responses to the question "What suggestions do you have to encourage economic activity during the off season?" Businesses suggested several strategies to encourage economic activity during Palisade's off-season. These included attracting high-skilled, high-wage companies with year-round employees who can support local businesses and developing housing to accommodate them.

Improving accessibility and affordability of travel, particularly addressing winter congestion on the I-70 corridor and high airline costs, was seen as essential.

Suggestions also included creating unique winter attractions, festivals, and events, including partnerships with Powderhorn and Grand Mesa Nordic Council to promote winter activities and "Ski & Stay" packages. Marketing efforts focused on local residents and nearby communities, with events like film festivals or monthly "stay open late" nights that could encourage spending. Revitalizing commercial spaces and diversifying businesses in the town center, along with grants or programs to support operations during the off-season, were also mentioned as ways to sustain economic activity year-round.

Table 40:

Open ended responses to "What suggestions do you have to encourage economic activity during the off season?"

Attract more non tourism, high knowledge or high skilled companies that have a lot of highly paid employees then add some housing to house these new people so they can spend money year round at our businesses.

On a broader scale the winter issue becomes a CDOT issue with major traffic congestion along the I70 corridor out os Denver. Traffic is bad as it relates to overall volume and the constant threat of closure due to accidents. The casual "weekend getaway" becomes less attractive when your drive time extends from 4 hours (typical) to eight or even total closure. The airline traffic in and out of GJT in the winter months is horribly expensive, with a large percentage of travel being siphoned off by Montrose / Telluride.ter months

more activities promoted toward locals and not just palisade locals but all of the valley locals, would love to do a film festival that draws in crowds but that is a major undertaking

Restaurants, retail. That is the hard question.

Come up with winter attractions

Attract year-round businesses/events that locals can support

creating Partnerships with Powderhorn and Grand Mesa Nordic Council to market winter activities on the Mesa and Apres Events in Palisade, The Ski & Stay package. Marketing to local Mesa County residents to Explore Palisade. 'One night a month' Event to encourage local businesses to stay open late offering a special discount or activity.

Festivals. Regular hours for businesses.

unique winter activities, less regulation on our extended stays, grants or programs that would help us "keep the lights on" during the off-season

Make upstairs units in town center more accessible and prioritize revitalization of infrastructure, commercial space, and filling vacant spaces with a variety of businesses that would be attractive to both visitors and residents (professional space, service based businesses, retail, restaurants, wineries, etc.) within the town.

Economic Development

Table 41 shows the responses to what types of programs or services businesses would like to see introduced. "Business grants" were the top response (6), with "tourism marketing assistance" (2) and "workforce training programs" (1). There were two "Other" responses, "incentivize hotel development for year round accommodations" and "would love to have a Cave office, but cost is too high."

Table 42 shows that businesses view developing new industries as the top opportunity for economic growth in Palisade over the next 5-10 years, followed by expanding agritourism, and promoting arts and culture. Of the 3 "Other" responses, two commented that all of the above were important, and one said "annexation going East" was their top opportunity.

Eight businesses recommended "business incentives or tax breaks" as an initiative to be added to Palisade's economic development plan, followed by "improved infrastructure" (3) and "training/education programs" (1). This can be seen in Table 43. The other answer was "a concerted effort to place two 80 room mixed retail hotel developments would greatly impact a positive future for the community."

More than half of businesses (7) were "Somewhat optimistic" about the future of palisade, with four "Very optimistic," and two "Neutral." No businesses reported being "Somewhat pessimistic" or "Very pessimistic" (Table 44).

Table 41:
What types of programs or services would you like to see introduced?

Response Options	Frequency	Percentage
Business grants or loans	6	54.55%
Tourism marketing assistance	2	18.18%
Workforce training programs	1	9.09%
Other (please specify)	2	18.18%

Table 43:
What specific improvements or initiatives would you like to see in Palisade's economic development?

Response Options	Frequency	Percentage
Business incentives or tax breaks	8	61.54%
Improved infrastructure	3	23.08%
Training and education programs	1	7.69%
Other (please specify)	1	7.69%
More tourism promotion	0	0.00%
Sustainability and environmental programs	0	0.00%

Table 42:
What are the biggest opportunities for economic growth in Palisade over the next 5-10 years?

Response Options	Frequency	Percentage	
Developing new industries	5	38.46%	
Promoting arts and culture	2	15.38%	
Expanding agritourism	3	23.08%	
Other (please specify)	3	23.08%	

Table 44:

How optimistic are you about the economic future of Palisade?

Response Options	Frequency	Percentage
Very optimistic = 3	4	30.77%
Somewhat optimistic = 2	7	53.85%
Neutral = 1	2	15.38%
Somewhat pessimistic	0	0%
Very pessimistic	0	0%

Economic Development continued

Businesses were asked what the single most important change or improvement the town of Palisade could make to support their business and the local economy. Table 45 shows the openended responses to this question. Businesses commented that in order to support local businesses and boost the economy, Palisade should focus on attracting new businesses, improving tourism infrastructure with affordable hotel accommodations, and diversifying its business district to include more family-friendly and shopping-oriented options. Enhanced infrastructure, such as parking and sidewalks, and incentives for development on vacant lots were also mentioned. Note that

Palisade has recently invested in sidewalk infrastructure, as well as aerial imagery to map transportation networks.

Table 46 finalized the survey by asking for any additional comments for Palisade's economic development plan. The responses stressed diversifying Palisade's economy beyond tourism with a business park, revitalizing downtown, and improving outdoor recreation spaces. Key priorities included developing vacant lots, enhancing infrastructure, fostering partnerships, and addressing parking solutions, alongside encouraging ideas for events and activities.

Table 45:

Open-ended responses to "What is the single most important change or improvement the town of Palisade could make to support your business and the local economy?"

Attract businesses to move to palisade.

affordable hotel accomodations is a key to the development of tourism in the short and long term

Palisade desperately needs more hotel space and less short term rental (air bnb / VRBO)

More vibrant family and shopping oriented business district and not just bars and a few restaurants.

Incentive to in fill vacant lots. Infrastructure etc.

Create business incentives to attract development of existing business property owners and attract new business industries

Parking solution

1. Working with our business as a partner with open lines of communication. (i.e. lodging tax %, competition of lodging - harvest host/hip camp regulation and offering camping during bluegrass festival, understanding of sewer - significant increase to fees and still responsible for lift station at Basecamp, providing fiber infrastructure down North River Road, sidewalk and bike path improvement for Fruit and Wine Byway)

Improve partnerships

Table 46:

Open-ended responses to "Do you have any additional comments or suggestions for Palisade's economic development plan?"

Outside of tourism, a diversified business community with a business park located to the east. While it is popular to think that a "work from home" community is sustainable, I don't see how this drives a sustainable tax base for future growth. Work from home businesses and activities don't contribute to the property tax base but place inordinate demands on infrastructure.

I have a LOT of ideas for events and activities and will happily get you more info that is way too much to fit in this space

Thank you for doing this survey and asking the questions

Top 3 Priorities Should Be: 1. Improve and Maintain Area Outdoor Recreation Spaces 2. Historic Preservation and Downtown Revitalization 3. Improve Partnerships with State and Local Agencies

Incentive to in fill vacant lots. Infrastructure etc.

Create business incentives to attract development of existing business property owners and attract new business industries

Parking solution

1. Working with our business as a partner with open lines of communication. (i.e. lodging tax %, competition of lodging - harvest host/hip camp regulation and offering camping during bluegrass festival, understanding of sewer - significant increase to fees and still responsible for lift station at Basecamp, providing fiber infrastructure down North River Road, sidewalk and bike path improvement for Fruit and Wine Byway)

Improve partnerships

Business Focus Group: SWOT Analysis

Palisade businesses who were invited to answer the business survey were asked to take part in focus group discussion that focused on a SWOT analysis, or strengths, weaknesses, opportunities, and threats within the context of Palisade's economic development potential. The following is a summary of the discussion points from business owners that took place on October 10, 2024. While all the discussion points are included to further a conversation of economic development, some discussion points may have financial, physical, policy and perceptual constraints.

Strengths

- Palisade's identity is a small town, with high walkability and welcoming people. Wine and peaches are the main attractions, however, the collaboration between businesses of all kinds leads to non-peach/wine related businesses in the tourism space to get involved and reap the economic benefit of the agricultural nature of the economy.
- 2) The "tourism window" leads to an economic boom in Palisade as demand for various goods and services increases drastically with the influx of people.
- 3) Cycling, the year-round availability of outdoor activities, and various festivals bring people to Palisade and lead to tourist dollars being spent in Palisade restaurants, wineries, shops, other businesses.
- 4) The professional and industrial industry within Palisade perform better on a year-round basis compared to the agrotourism industry. This seems like a common phenomenon in small cities where the local economy is reliant on tourism, however it becomes the focal point of Palisade's economy in the winter months.

Weaknesses

- Seasonality in a highly agrotourismcentric economy leads to down months. In this case, winter causes a lot of businesses' revenues to decline. Business owners have to choose between losing money or closing their doors – a lose-lose scenario.
- 2) Local citizens are reluctant to and sometimes even lobby against the economic growth and expansion of the city. The identity of Palisade to most citizens would be compromised by too much expansion, and because of that, various efforts of local government and/or business owners are met with strong opposition.
- 3) Lack of infrastructure for biking. Besides the Palisade Plunge, there aren't many options for mountain bikers. For road cyclists, safety is an issue in most areas as there are limited sidewalks and shallow shoulders. Note that many of the road cyclist issues mentioned were outside of the jurisdiction of Palisade, which creates an opportunity to work with other public entities.

Opportunities

- 1) Because of the reliance on the "tourism window" for many businesses, an obvious opportunity is to expand that time frame to include some or all of the winter months. Some ideas to do this include capitalizing on the amazing cross-country snow trails and capturing the economic opportunity of skiers coming from Powderhorn. Furthermore, I-70 and the Denver to Palisade passes scare a lot of potential tourists away from making the trip to Palisade. Shifting marketing dollars to the Salt Lake area rather than the Denver area seems to be a solution for this problem and could lead to more winter tourism.
- 2) Palisade business owners feel isolated from a lot of the economic development organizations or tools that seem available to Grand Junction or Fruita businesses. The Town of Palisade has appointed a representative from the Board of Trustees to Grand Junction Economic Partnership (GJEP) and a representative to Associated Governments of Northwest Colorado (AGNC). There is an opportunity to further leverage these relationships and increase communication and awareness between our elected trustees and the business community.
- 3) Signage into Palisade off of the highway is lacking. A "Welcome to Palisade" sign such as the ones in Grand Junction and Fruita are an opportunity to draw more visitors to Palisade. Also, the only entry point into Palisade proper doesn't showcase the beauty of the city. An entry point into the city that showed a more representative view of the city might lead to more visitors and improve the image of Palisade.
- 4) A Grand Junction and/or Fruita to Palisade private direct shuttle service would allow the local population to enjoy what Palisade has to offer on a more regular basis.
- 5) A more bike-friendly environment would draw additional visitors. Bike-friendly lanes and signage, and other events to encourage bike riding in the town of Palisade is a potential new visitor and tourism angle and is a complement to the mountain biking draw that Fruita and other parts of the Western Slope have.

Threats

- Palisade and its tourist population are dependent on I-70 and the passes being open. When unforeseen environmental events such as mudslides close those roads, Palisade is negatively affected.
- 2) There are many regulatory barriers for Palisade. County and State agencies such as the PUC (Public Utilities Commission) stymie many of the economic development project ideas that are put forth.
- 3) The population of Palisade seem to be getting older and from a demographic point of view, business owners have a hard time hiring young professionals.

PART 3: VISITOR/RESIDENT SURVEY, DEMOGRAPHICS

The visitor and resident survey took place on September 1, 2024 and was administered at the Palisade farmers market by the Town of Palisade. Both visitors and residents were surveyed, asking questions about their satisfaction with living or visiting Palisade, the variety of shops, safety, and walkability. There were 37 respondents, 10 of whom live in Palisade, and 27 who were visiting Palisade.

Figures 5 through 7 illustrate the demographic information of the respondents. 27% of respondents were in the 25-34 age group, with most of the ages evently distributed. Of the 27 visitor respondents, 10 had visited "less than 1 year," five "1-5 years," four "six to ten years," and eight "10 plus years." 67.5% of respondents had income between \$40,000 and \$12,000, with few lower income respondents (less than 40%) in the survey.

Table 47 shows the respondents zip code. Eleven responded they were from the zip code 81526. This contradicts with a previous question asking "who is a resident of Palisade," in which ten people answered affirmatively. Note that one can have the 81526 zip code and be outside the boundries of Palisade. Eight were from Grand Junction zip codes, ten from other parts of Colorado, and four were from outside the state.

Figure 5: Age distribution 30% 27.03% 25% 18.92% 20% 16.22% 16.22% 16.22% 15% 10% 5.41% 5% 0% 18-24 25-34 35-44 45-54 55-64 65+

Figure 7: What is your approximate household income?

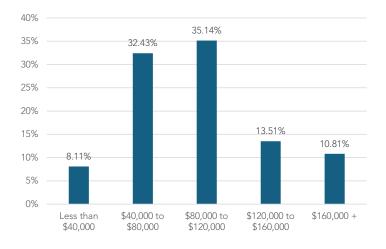


Figure 6: How long have you been visiting Palisade?

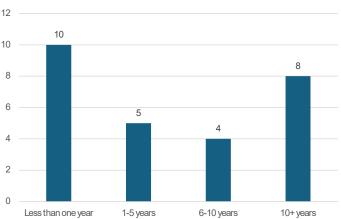


Table 47: What is your zip code?

Location	Frequency	Percentage
81526	11	Palisade, CO
Multiple	8	Grand Junction, CO
80516	2	Erie, CO
80234	1	Northglenn, CO
58324	1	Devils Lake, ND
81401	1	Montrose, CO
80232	1	Lakewood, CO
82435	2	Powell, WY
80121	1	Littleton, CO
19504	1	Barton, PA
80237	2	Denver, CO
80224	1	Denver, CO
79707	1	Midland, TX
80113	1	Englewood, CO

Visitor Shopping and satisfaction

Non-residents were asked what their primary reason for visiting Palisade was (figure 8), 58.85% answered "event/festival" while 42.31% answered "agritourism," and 3.85% answered "shopping." Visitor's were mixed on their view of shopping and restaurant variety in Palisade, with 41.67% responding "somewhat limited" and 33.33% responding "somewhat diverse." The weighted average for figure 9 was 3.14, with 1 being "extremely limited" and 5 being "extremely diverse," implying a slightly higher than neutral rating. Respondents were asked how often they shopped Palisade, with almost half answering "less than 6 times per year." 33 people answered this question and the four who did not respond were from outside of Palisade. Respondents in general were satisfied with things to do in Palisade, with figure 11 having a weighted average of 3.72, indicating an average just below "somewhat satisfied."

Figure 8:

What is the primary reason
for your visit to Palisade (non-residents)

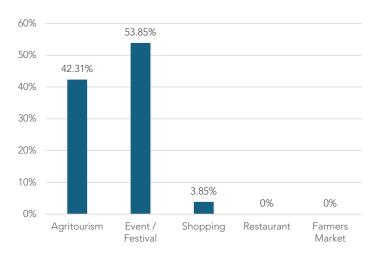


Figure 9:
On a scale of 1-5, how would you rate the variety of shops and restaurants in Palisade?

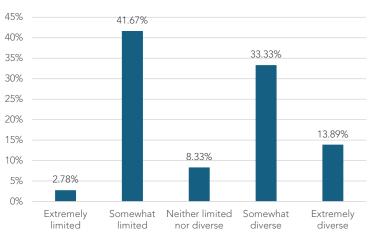


Figure 10: How often do you shop in Palisade?

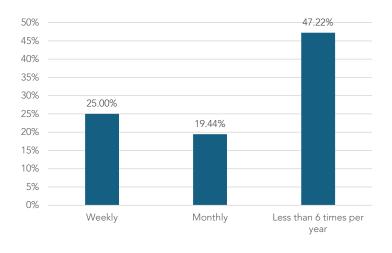
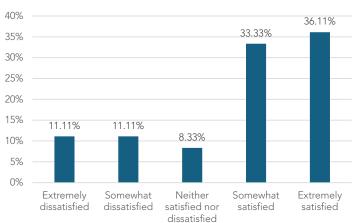


Figure 11:
On a scale of 1-5, how satisfied are you with the things to do in Palisade?



Business Attraction and Safety

Visitors and residents were asked what types of new businesses or attractions they would like to see developed in Palisade. 34.38% wanted to see more outdoor recreation, 25% more restaurants/bars/hotels, 18.75% personal services, and 12.50% specialty retail shops. There was one comment in the open-ended responses from a visitor that responded "fly fishing lessons." Palisade residents were asked what is the primary reason they live in Palisade. The top response was "community/small town feel."

Residents and visitors were asked about safety in Palisade, with 85.71% responding they feel "very safe: walking around Palisade during the day. 64.71% responded "very safe" for walking around Palisade during the night, and 11.76% "somewhat safe." Nobody responded "somewhat unsafe" or "very unsafe" in either the day or night question (tables 48 and 49). The weighted average for the day responses was 4.83, and 3.97 for the night question.

Figure 12:
What type of new business or attraction
would you most like to see developed in Palisade?

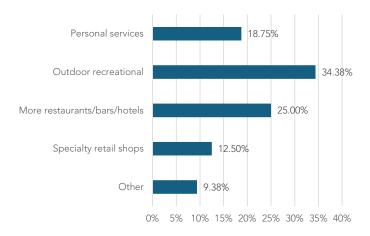


Figure 13:
What is the primary reason you live in Palisade? (Residents)



Table 48:
On a scale of 1-5, how safe do you feel walking around Palisade during the day?

Response Options	Frequency	Percentage
Very unsafe	0	0.00%
Somewhat unsafe	0	0.00%
Neither safe nor unsafe	1	2.86%
Somewhat safe	4	11.43%
Very safe	30	85.71%

Table 49:
On a scale of 1-5, how safe do you feel walking around Palisade during the night?

Response Options	Frequency	Percentage
Very unsafe	0	0.00%
Somewhat unsafe	0	0.00%
Neither safe nor unsafe	3	8.82%
Somewhat safe	4	11.76%
Very safe	22	64.71%
I have not been in Palisade during the evening	5	14.71%

Walkability and Spending

Respondents rated Palisade's walkability "Very high," with a weighted average of 4.34. 54.29% of respondents rated walkability "Excellent," with no one responding "Bad" or "Very bad." Respondents want to see an increase in bike lanes and bike parking (36.36%), with 24.24% wanting better lighting. The "other" responses were open-ended and included "don't change," "better intersections off the highway," and "especially at night, the street lamps were already going out at like 9:30pm."

Visitors were asked how much they spent on their trip to Palisade on various spending categories. Table 50 shows the average spending on each category.

Figure 14:
On a scale of 1-5, how would you rate the overall walkability of Palisade?

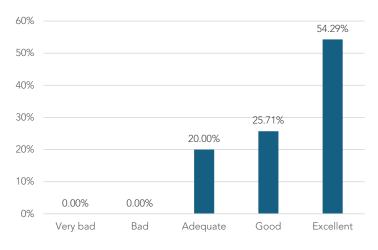


Figure 15:
What type of pedestrian improvement would you most like to see in Palisade?

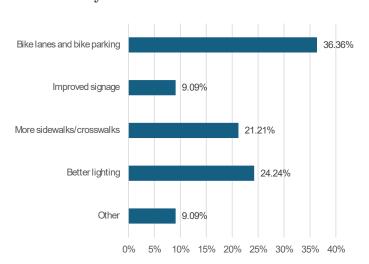


Table 50: **Visitor spending response**

Response Options	Spending
Event / Festival (Farmers Market, Peachfest,, etc.)	\$56.20
Shopping	\$55.53
Restaurants	\$97.17
Agritourism (Wine, Orchards, etc.)	\$86.19
Lodging	\$116.32
Total	\$411.41

Conclusion: Actionable Insights

The following summarizes and categorizes the key points discussed in this report. These points are intended to serve as actionable insights for Palisade's economic development path.

Overcoming Seasonality

Develop Winter Tourism: Partner with Powderhorn Resort and the Grand Mesa Nordic Council to create winter packages such as "Ski & Stay" programs. Host festivals and family friendly activities to attract visitors during the winter season.

Marketing Focus Shift: Direct marketing efforts toward Salt Lake City and other regional markets in order to reduce reliance on I-70 traffic from Denver, and address congestion-related barriers.

Support Off-Season Operations: Connect businesses with state and federal programs, grants, or low-interest loans, to help businesses remain operational during the slower months of the year.

Infrastructure

Transportation Solutions: Improve highway signage, develop a more inviting entryway to Palisade, and support direct private shuttle services connecting Palisade with Grand Junction and Fruita.

Cycling and Walkability Enhancements: Invest in bike lanes, signage, and improved walkability infrastructure to cater to cycling enthusiasts and promote Palisade as a biking friendly community.

Housing and Workforce Development

Affordable Housing Initiatives: Encourage development of high-density or multi-family housing through land incentives and partnerships with community-focused builders. Address short-term rental challenges with data-driven policies to prioritize permanent residents.

Workforce Training Programs: Collaborate with regional educational institutions to address gaps in culinary,

management, and technical skills needed in the local labor force

Economic Diversification and Development

Attract High-Wage Industries: Develop a business park to attract non-tourism, knowledge-based industries with higher-paying jobs to reduce dependency on seasonal tourism.

Agritourism Expansion: Build on Palisade's agritourism industry by encouraging collaboration among local businesses and adding educational farm experiences to diversify offerings.

Downtown Revitalization: Prioritize the revitalization of vacant commercial spaces and promote occupancy with diverse businesses such as retail, restaurants, and professional services.

Community Engagement

Promote Local Identity: Enhance marketing around Palisade's unique identity—agriculture, wine, and outdoor recreation—to align new developments with the town's character.

Business Collaboration and Support: Streamline regulatory processes and expand access to economic development resources for local businesses. Bolster existing relationships among regional economic development organizations to integrate Palisade into broader economic initiatives. Improve communication of these impacts to businesses.

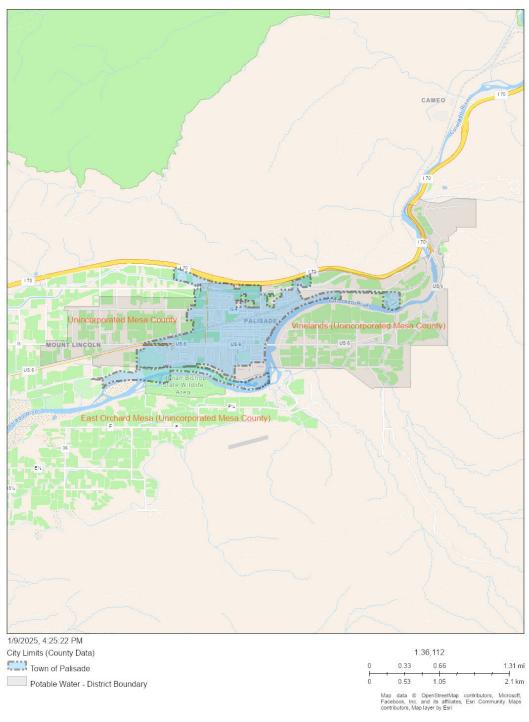
Tourism Foundations

Hospitality Development: Incentivize the construction of affordable, year-round hotel accommodations to meet growing tourism demands.

Event Promotion: Encourage regular, community-oriented events like "stay open late" nights and seasonal festivals to maintain visitor engagement.

APPENDIX: MAP OF PALISADE TOWN LIMITS





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