



To: Town of Ridgway
From: Ridgway Area Chamber of Commerce
Subject: Q3 Interim Lodging Tax Report
Date: Friday, October 5, 2018

Dear Ridgway Town Council,

The RACC Board of Directors is happy to share our third quarter report with the Town of Ridgway. We are excited by the progress that continues to be made at the organization.

Included with this report is the Chamber's Lodging Tax P&L statement. As a reminder, RACC's QuickBooks structures are organized around the Town-approved marketing plan and managed by Middleton Accounting. These actuals are a direct pull from QuickBooks and reflect a continued diversification of investments designed to advance our local business community.

It has been a busy and exciting two months since our last report to the Town. Much of our attention has focused on our annual golf tournament, which was redesigned in 2017, with all net proceeds now being returned directly to the business community. This year the funding is be directed towards a new youth apprenticeship program that will support both our youth and business community in the short and long-term. We are very excited to share that the Chamber, in partnership with the Ouray Tourism Office, secured a \$10,000 grant from the Colorado Tourism Office (CTO) to support off-season marketing. Details are below. We see this as not simply an exciting new grant, but the beginning of a pivot in the Chamber's general marketing strategy to focus our resources on off-season promotion. Meanwhile, the Creative Corridor large matching grant of \$25,000 was approved earlier this month, which represents the continuation of an important Town/Chamber collaboration.

We continue to see progress being made as a result of the organizational infrastructure investments made in 2017, especially through RidgwayColorado.com and the exceptional group of contractors now engaged with the organization.

We look forward to hearing any questions or comments you have regarding this interim report and continuing to partner with the Town of Ridgway to advance the interest of local businesses and the community as a whole.

Sincerely,

A handwritten signature in cursive script that reads "Colin Lacy".

Colin Lacy

President, Ridgway Area Chamber of Commerce

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Staffing

As shared in the last report, Program Coordinator, Pamela Cannalte maintains a lead staffing role for the organization focused in particular on the operational/program management of our different tracks of work. In particular, management support to the Visitor Center, membership relations, and the implementation of select special projects throughout the year, including this year's golf tournament and Visitors Guide support. Pamela has been a terrific leader and contributor to the organization's mission and the community more broadly, and we are very proud to have her on our team.

Meanwhile, we are excited to share that we are officially dropping the "interim" in Hilary Lewkowitz's title following a successful three month engagement, which included leading on our successful CTO grant application. Hilary brings a unique background in sustainable tourism marketing and has worked on behalf of communities across Colorado and the world. This position, with direction from the board, will lead on the implementation of the Chamber's marketing strategy and activities. This includes working with the board to develop a new marketing strategy that focuses in particular on boosting economic activity in the low/shoulder season.

The combined average hours for Pamela and Hilary are in line with what we had budgeted for Peri's time, at approximately 25hrs/week. We have in effect broken out program implementation, membership and operations into one role and marketing management into another. We look forward this model proving effective over the coming months.

After 11 years of exceptional service, Judy King will be transitioning out of the role of Visitors Center coordinator. We are in discussion with potential candidates to fill the role in 2019. We thank Judy for her leadership, service and years of contributions to our community. Judy was recognized, together with all of our Volunteers at a Volunteer Appreciation dinner in September. An [article](#) is linked here and image below:



Our exceptional group of local consulting partners and staff, all based in Ridgway, now includes:

- *Program Coordinator* -- Pamela Cannalte
- *Marketing Director* – Hilary Lewkowitz
- *Online Content and Storytelling Consultant* – Tanya Ishikawa
- *Visitors Center and Volunteer Coordinator* – Judy King (transitioning in 2018)
- *Accounting* – Middleton Accounting (Jane Pulliam)
- *Website and Technology Partner* -- Peak Media (Josh Gowans)
- *Media and Design Partner* – Sprout Design Studio (Nicole Green)
- *Communications and Social Media Consultant* – Ashley King-Grambley
- *Youth Ambassador* – Elizabeth Mueller

Board of Directors

As noted in the last report, we are very happy to have two wonderful additions to the RACC board in Daniel Richards (Colorado Boy) and Amanda Swain (Ridgway Adventure Sports). This brings the Chamber to a full seven member board for the first time in several years.

- *President* – Colin Lacy (US2020)
- *Vice President* – Jason Bojar (Balance Natural Medicine)
- *Secretary* – Tim Patterson (RIGS)
- *Treasurer* – Barb Latham (Citizens State Bank)
- *At Large*
 - Erin Stadelman (Ouray County Fairgrounds and Rodeo Association)
 - Daniel Richards (Colorado Boy)
 - Amanda Swain (Ridgway Adventure Sports)

Colorado Tourism Office Grant

We are very excited to share that the Chamber, together with OTO, has received a Small Marketing Match Grant for \$10,000 from the CTO, which is based on a 25% match (\$2,500). RACC and OTO will be collaborating on the grant in an effort to increase countywide off-peak season visitation and visitor-driven economic opportunities. Both organizations recognize that summer tourism visitation is close to maximum capacity. In contrast, businesses struggle to keep a consistent cash flow during the off-peak seasons of October through April. **This is the first success application to the CTO by the Ridgway Chamber.**

Below is a press release that details the grant and opportunity:

Ridgway and Ouray Receive State Grant to Promote Off-Peak Season Tourism

The Ridgway Area Chamber of Commerce (RACC) and the Ouray Tourism Office (OTO) are pleased to announce their recent award of a \$10,000 marketing grant from the Colorado Tourism Office to promote countywide, off-peak season visitation and tourism-driven economic opportunities. Ridgway and Ouray recognize that summer tourism visitation is at or near maximum capacity. In contrast, local

businesses struggle to keep a consistent cash flow during the shoulder seasons of October through April. The marketing grant will be used to target off-peak season months in an effort to increase tourism-driven economic opportunities for local businesses. This is the first tourism-related, countywide collaboration that will lay the foundation for future marketing strategies around off-peak season travel periods, and Ridgway Chamber's first state Tourism Office grant award as the lead applicant.

The two biggest challenges for Ridgway and surrounding area business owners are seasonal swings (off-peak season income) and hiring/retaining employees, according to a 2017 study conducted by Durango-based RPI Consulting. Over the years, Ridgway and Ouray have seen businesses close because of decreased cash flow during the slower months. It has also been challenging to hire and retain employees without being able to promise year-round employment. The purpose of this new initiative is to increase visitors during the off-peak seasons, which will directly impact the success of our local economy by bringing more financial (and workforce) stability to local businesses.

This grant will greatly enhance both Ridgway's and Ouray's current marketing programs. To date, Ouray and Ridgway have not worked together towards a collaborative countywide marketing strategy. In addition, neither Ridgway nor Ouray has specifically targeted off-peak season tourism in marketing campaigns. This grant will be the start of a long-term marketing strategy to unite Ouray County stakeholders towards a common goal of tourism development beyond the busy summer season. The marketing initiatives will be based on a series of itineraries highlighting countywide tourism assets that are accessible during the months of October through March. Target markets will be high-value outdoor enthusiasts and creatives that are looking to experience uncrowded and authentic Colorado mountain towns.

"We see this grant as only the beginning of a new and ongoing strategy to focus marketing efforts specifically on the off-peak season, and to do so in collaboration with Ouray. Our board believes this is where we can move the needle for our business community and their employees", commented Colin Lacy, RACC Board President.

"This grant represents an opportunity for Ouray and Ridgway to showcase our shared assets and unique experiences in the seasons where we would like to see more economic stability. Both the Ouray Tourism Office and Ridgway Area Chamber of Commerce share a vision of a sustainable, community-first and experience-based destination marketing program, and this forms the basis of a new collaborative strategy between the organizations. This grant, and the shoulders seasons, are our best opportunity to start moving forward on a sustainable path into the future. We applaud RACC for taking the lead on this grant and look forward to working with their excellent team in the upcoming year.", said Kat Papenbrock, Executive Director, Ouray Tourism Office.

Outside of just this CTO grant, RACC intends to guide its broader marketing strategy to focus in particular on this shoulder/low season period. This is a period that is critical for our businesses success and an area where we believe we can begin to move the needle in terms of impact. This grant would support the development of a marketing plan, which will include a series of itineraries based on existing initiatives: Creative Corridor, Hot Springs Loop, Colorado Spirits Trail, and San Juan Skyway. Itineraries will detail off-peak season tourism assets related to existing initiatives, and incorporate activities, restaurants and lodging throughout the county. This is just be the beginning of a broader strategy to target the shoulder and low seasons.

Colorado Creative Corridor

RACC has teamed up with the Ridgway Creative District in gathering and presenting information and suggested itineraries to the Colorado Tourism Office for the Colorado Creative Corridor project, which is officially being kicked-off at the Creative Industries Summit in Greeley in May. The Chamber provided \$5,000 in matching funds in order for Ridgway to be included in this important project, which will bring additional visitors to the area during all times of the year. Not only will they come to the area but with the help of the suggested itineraries, they will visit a variety of businesses and “creatives” in the area, bringing income to the area in times that have historically been slower economically. We are excited for this project to continue to bring value to the business and creative economy for years to come, and look forward to this continuing to be an important example of the positive impact of Chamber/Town collaboration.

It is important to note RACC’s investment of \$5,000 to establish Ridgway as a Creative Corridor community reflects the single largest financial investment from any organization from any community involved with the Corridor. It is also RACC’s largest investment into a special initiative for the year.

We are very excited to have the \$25,000 CTO grant confirmed to support the initiative again in 2019. With regards to 2019, we will be reaching the \$5,000 community requirement by splitting the expense with the Town of Ridgway. We believe it is important for this to continue to be a joint effort between Town and Chamber, and we also believe this an important opportunity that we have yet to even begin to realize. Going forward, Hilary will serve in a lead strategy role from the Chamber’s end on how we can begin to capitalize on this significant investment and opportunity.

Website

RidgwayColorado.com remains the #1 Google search result for keyword “Ridgway Colorado” as well as other high value keywords. Site optimization is an ongoing effort, however we're continuing to invest in additional content and our staff/contractors continue to monitor the site and keep membership content fresh and up to date.

We have just begun incorporating the branding for the “Five Themes” (detailed below) within the website and are also beginning to incorporate the new itineraries within the site.

We are nearly complete with the development of a CRM (customer relationship management) for the website. With leadership from Peak Media, we will be using CiviCRM technology to better manage Chamber membership and online content. The technology will enable various functionality options, including improved membership content management on the site. One benefit will also be our ability to automate the membership renewal process, which will ultimately save the Chamber significant amounts of time on “membership drives”, which has typically been a major staffing capacity drain. As with any technology, its value will ultimately be dependent on how we use it and keep it up to date. Pamela is playing a lead role in uploading our current data into the new system and will manage the content and data input on an ongoing basis. Ultimately we believe this will be an important tool for us

to leverage in a variety of ways and allow us to function at a higher level, even with are relatively limited staffing capacity.

Visitors Guide

Development of the 2019 is well underway with leadership from our communications partner and Visitors Guide editor, Tanya Ishikawa. We are preparing to make additional improvements on the content, including the creation of a more county-wide narrative on select themes. For the first time, in 2019, the guide will have a single cover with both “Ridgway and Ouray”, which will significantly improve the user friendless of the guide and is another step in the right direction of Ridgway/Ouray collaboration.

100,000 copies were distributed this year as a result of the collaboration with Ouray. In 2017, we invested in improving and aligning the content of the Ridgway guide, in partnership with Tanya. We are very pleased with this significantly improved narrative and the alignment of the guide with the five marketing themes of Culinary Experiences, History & Heritage, Arts & Entertainment, Outdoor Adventure and Health & Wellness.

The 2019 guide will include an introduction from our 2019 Youth Ambassador Emma Wallin, who completed an interview and application process just this week. We again thank Elizabeth Mueller for her leadership role as our first Youth Ambassador in 2018 (details in the golf tournament press release below).

Golf Tournament

We were very proud of the results of this year’s golf tournament and impact that success can have on the community in 2019 and beyond. Please see below for our press release on the event:

Ridgway Chamber Golf Open kickstarts youth programs

Several Ridgway teens will get a boost along their career paths due to the new Ridgway Youth Apprenticeship Program, funded by proceeds from the Ridgway Chamber Golf Open. The tournament on Sept. 15 at the Divide Ranch and Club raised more than \$3,500, which will provide scholarships for **at least three** Ridgway students to participate in multi-week apprenticeships in 2019.

The program grew out of the chamber’s philosophy that local business success is predicated on local talent, and that the town’s first priority talent pool should be its existing residents and youth. The apprenticeships will include ongoing training and professional development above and beyond a traditional summer job, providing extra staffing capacity to local businesses at no cost during the busy summer months.

“I believe that if you had to pick a single proxy for community success it would be our youths’ ability to find jobs or create their own businesses here after high school or college. To achieve this, you need a strong economy and local businesses, strong schools that are graduating workforce-ready students, and other inputs such as a healthy environment, public safety and infrastructure,” said Ridgway Chamber Board President Colin Lacy.

“Part of the goal with the Apprenticeship Program is not simply to create opportunities for the few students who receive scholarships, but to generate increased awareness of the reality that youth who grow up in our community may not be able to stay or move back, given the significant and increasing costs of living and housing here. That has serious implications for the long-term strength of our community, so the Chamber is helping develop multiple collaborations between schools, students and businesses to address these challenges,” Lacy added.

Last year, the Chamber launched its Youth Ambassador program, to bring a youthful voice to Ridgway’s promotion and provide a local student with professional experience and skills development. Ridgway High School 12th-grader Elizabeth Mueller, who was the 2018 ambassador, was recognized for her work over the past year with an award of a \$500 college scholarship at the Golf Open’s luncheon. The Chamber is currently taking applications from 11th graders for the 2019 ambassador.

Based on a study completed by RPI Consulting, a Durango planning firm contracted by the Town of Ridgway, the #2 challenge of the local business community is quality employee recruitment and retention. The Apprenticeship and Ambassador programs can not only help train and retain quality employees, but also attract other young workers to the town when they see the faces of youth already employed here, Lacy explained.

The #1 challenge identified by the RPI study is slow business during the low season between October and May. This month, the Chamber in partnership with the Ouray Tourism Office secured a grant from the Colorado Tourism Office to develop off-peak season marketing campaigns in 2019.

In other youth outreach, the Chamber actively sought the participation of middle and high school students at this year’s Golf Open. Two student teams competed and the NuVista Credit Union Youth Team earned the Best Net Score, securing them a name plate on the Billings Artworks Trophies displayed at the Divide Ranch & Golf Club and the Ridgway Visitors Center. Two adult teams tied for the Best Gross Score, Ridgway Lodge & Suites and J Bar M Ranch. A coin toss determined that the Lodge & Suites team will get their team member names on the trophies.

As a reminder, Lodging Tax dollars were not allocated to the golf tournament.

Five Themes

With the support of our design partner, Nicole Green of Sprout Design Studio, we have developed a visual representation of the five marketing themes. As we have shared in previous reports, these themes are designed to capture the unique attractions of the Ridgway area and our goal has been to develop these themes and inline with marketing best practices, use them consistently across our media, including website, visitors guide, print ads, social media and visitor center. These are now being adopted across all of our platform in conjunction with the themes:



Arts & Entertainment



Culinary Experiences



Health & Wellness



Outdoor Adventure



History & Heritage

Print Media

The Chamber coordinated co-op ads with local businesses in the 2018 San Juan Skyways publication as well as in three quarterly publications of the Colorado Life magazine. Ridgway and the five themes will be part of the next three Colorado Life publications, which offers a major distribution channel not previously accessed by the Chamber.

Visitor Center

In the staffing section of this report we highlight our Volunteer Appreciation dinner and a thank you to the service of Judy King and all of the volunteers.

In this report, and over the coming months, we want to highlight the need for the Town and other stakeholders, including the Chamber, to begin a conversation of how we can make the necessary improvements to the Visitor Center building and surrounding land. As the Railroad Museum continues its exciting transition to the new location, there is an important need to assess the long-term future and design of the Visitor Center building and lot. This is a critical asset for the entire community and one that will ultimately require much more significant investment than the Chamber itself is capable of making to realize the potential of the asset. This is a request to begin a conversation between Town, Chamber, and the wider community of how we can invest in this asset in the long-term. We appreciated that opportunity to share some feedback with the Town's capital projects consultants and hope to continue that process. We would very much like to begin incorporating the planning process into our 2019 budget and work plan, as well as the technical assistant grant to the CTO.

It is important to note that Visitor Center numbers are down significantly this year with the transition of the railroad cars and structures. The current state of the building and grounds do not reflect well on the community and we look forward to partnering with the Town and others to make the necessary improvements, not only in support of visitors and the Visitor Center, but the overall image and satisfaction of residents as well.

Itineraries

Itinerary development is a project that we continue to work on and the itineraries are now included on the RidgwayColorado.com website as well as the Colorado Tourism Office's Colorado.com website in their Field Guide/Creative Corridor section of the website. These itineraries are important assets for the Visitors Center as well. The Chamber is committed to giving exposure to all five categories of business mentioned above and ultimately develop itineraries to include a wide range of activities, themes and times of the year. We will continue to send fresh itinerary content to Colorado.com, which will incite interest in Ridgway as a whole and provide inclusion of a cross-section of local businesses.

Itinerary development is an important way to collaborate with local partners and create strong, action-oriented content for both visitors and locals, which ultimately leads to more customers for local businesses and nonprofits.

Other Items of Note

Other projects in the works for RACC include:

- We continue to receive weekly leads from the Go-Colorado website and the Visitors Guide requests are up 20% over last year. We process these leads by sending each one a digital copy of our Visitors Guide and add them to our weekly "Specials & Events" e-blast, which now goes out to more than 2,000 targeted recipients.
- The Chamber is continuing to develop its online presence on Facebook and now on Instagram and Twitter too. We post local business specials and events on Facebook and are just starting to develop content for our Instagram and Twitter pages. We will continue to grow a strong online presence, promoting local business and Ridgway as a whole.
- We are excited to welcome Emma Wallin as our 2019 RACC Youth Ambassador who will be helping us with our online presence, providing coverage at local events and acting as an advocate for local businesses within the school system. She will also author the Ridgway welcome message to the 2019 Visitors Guide. A scholarship will be provided to the Youth Ambassador at the end of their term. We started the Youth Ambassador program with the vision and support of the Chamber's communications partner Tanya Ishikawa. This is an effort to amplify the youth voice and better connect local commerce with local education. This is a small first step for the Chamber to better connect local business with education. We again extend our appreciation to Elizabeth Mueller for serving as our first Youth Ambassador in 2018.

The Chamber is very pleased with the progress that continues to be made in 2018 and we sincerely thank the Council and all of the Town staff for their support and partnership.

