OVERVIEW OF NORTHERN COLORADO

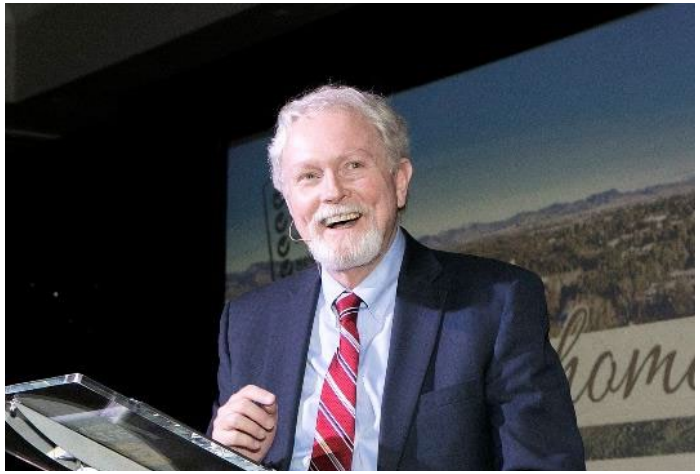
June 11, 2019

FORT COLLINS AREA
CHAMBER
OF COMMERCE

I'LL COVER…

- Introduction to Our Chamber
- Regional Overview
- Population
- Personal Income
- Workforce
- Politics
- 5 Key Business Climate Issues
- Business Outlook
- Northern Colorado Key Priorities

FORT COLLINS AREA CHAMBER OF COMMERCE



PRESENTER

David May, President & CEO, Fort Collins Area Chamber of Commerce

- 4 decades of chamber leadership at local and national levels
- Led chambers of commerce in Independence MO, Sarasota FL, Fort Collins CO
- Former Vice President, US Chamber, Washington DC
- 16 years in Fort Collins

THE CHAMBER

We are a **local association** of businesses and organizations that **care about the region's future**.

We work to **build our region's future through business**.

We believe successful businesses make a strong local economy, which lets our community **afford a great quality of life**.

The Chamber serves as:

- A **convener** and **cultivator** of leaders and influencers who value business' role in vibrant communities and who make things happen,
- A **catalyst** for business growth through pragmatic public policy, strategic economic development, and support of existing businesses,
- And a **champion** for a balanced, resilient, thriving economy.

THE CHAMBER

One of the **largest** chambers in the state with 1,290 members

Only **5-Star Accredited** Chamber in Colorado

Locally founded and led

- ***Moving Fort Collins Forward!*** Annual Campaign – program and event sponsorship, new members
- **Northern Colorado Prospers** - 5-Year key strategic initiative
- Occasional **special events** and limited affinity programs

MOVING FORT COLLINS FORWARD
FORT COLLINS AREA CHAMBER OF COMMERCE

NORTHERN COLORADO PROSPERS

THOUGHT LEADER SPEAKER SERIES with DAN HEATH
May 10, 2019
FORT COLLINS AREA CHAMBER OF COMMERCE

CHAMBER FUNDING MODEL

NORTHERN COLORADO PROSPERS

Northern Colorado Prospers is a 5-year regional strategic initiative of the Fort Collins Area Chamber of Commerce. One hundred leading businesses and organizations in the region have pledged $3.8M for 4 goals:

[1] Fix North I-25

[2] Align, Attract, and Retain Talent

[3] Bold Voice of Business

[4] Expand and Retain Existing Business

[INVESTORS]

ANGEL

Blue Ocean Enterprises

OtterBox

FOUNDER

Comcast

uchealth

Woodward

PARTNER

Advanced Energy

Anheuser-Busch

Bank of Colorado

blue

Colorado State University

Elevations Credit Union

Guaranty Bank and Trust Company now a part of Independent Bank

Hewlett Packard Enterprise

Markley Motors Inc.

Morning Fresh Dairy Farm

noosa

2019 CHAMBER PRIORITIES

Bringing 2019 Goals home

- Support election of business-supportive candidates to City Council
- Lead the lobbying effort to secure funding to widen I-25 to 3 lanes between Highway 14 and Highway 66
- Launch talent recruitment & development tools/programs for employers
- Narrow and deepen strategic work on key economic and business issues
  - renewal of the “Keep Fort Collins Great” tax
  - impacts of proposed zero carbon policies on electricity rates / reliability
  - city council pay issue
- Implement Phase II *Bringing Business Home* campaign
- Interview 50 primary employers
- Conduct a successful *Moving Fort Collins Forward!* campaign
- Conduct a study of how the Chamber delivers value through memberships and sponsorship

CHAMBER ROLE IN ECONOMIC DEVELOPMENT

- TALENT RECRUITMENT / DEVELOPMENT (WORKINNORTHERN COLORADO.COM)
- LOBBY ON SPECIFIC ECONOMIC DEVELOPMENT PROJECTS (EX. WOODWARD, HP, BROADCOM EXPANSIONS)
- LOBBY FOR A BETTER BUSINESS CLIMATE - EX. I-25 WIDENED (FIXNORTHI-25.COM), FLOOD PLAIN REGS, RELIABLE AND AFFORDABLE ELECTRICITY, ETC.)
- RETENTION & EXPANSION OF PRIMARY EMPLOYERS
- SUPPORT ELECTION OF GOOD PEOPLE TO COUNCIL
- ON BOARD OF ONE NOCO

FOR MORE ABOUT THE CHAMBER

www.FortCollinsChamber.com

www.FixNorthI-25.com

www.FixColoradoRoads.com

www.WorkInNorthernColorado.com

www.NorthernColoradoProspers.com

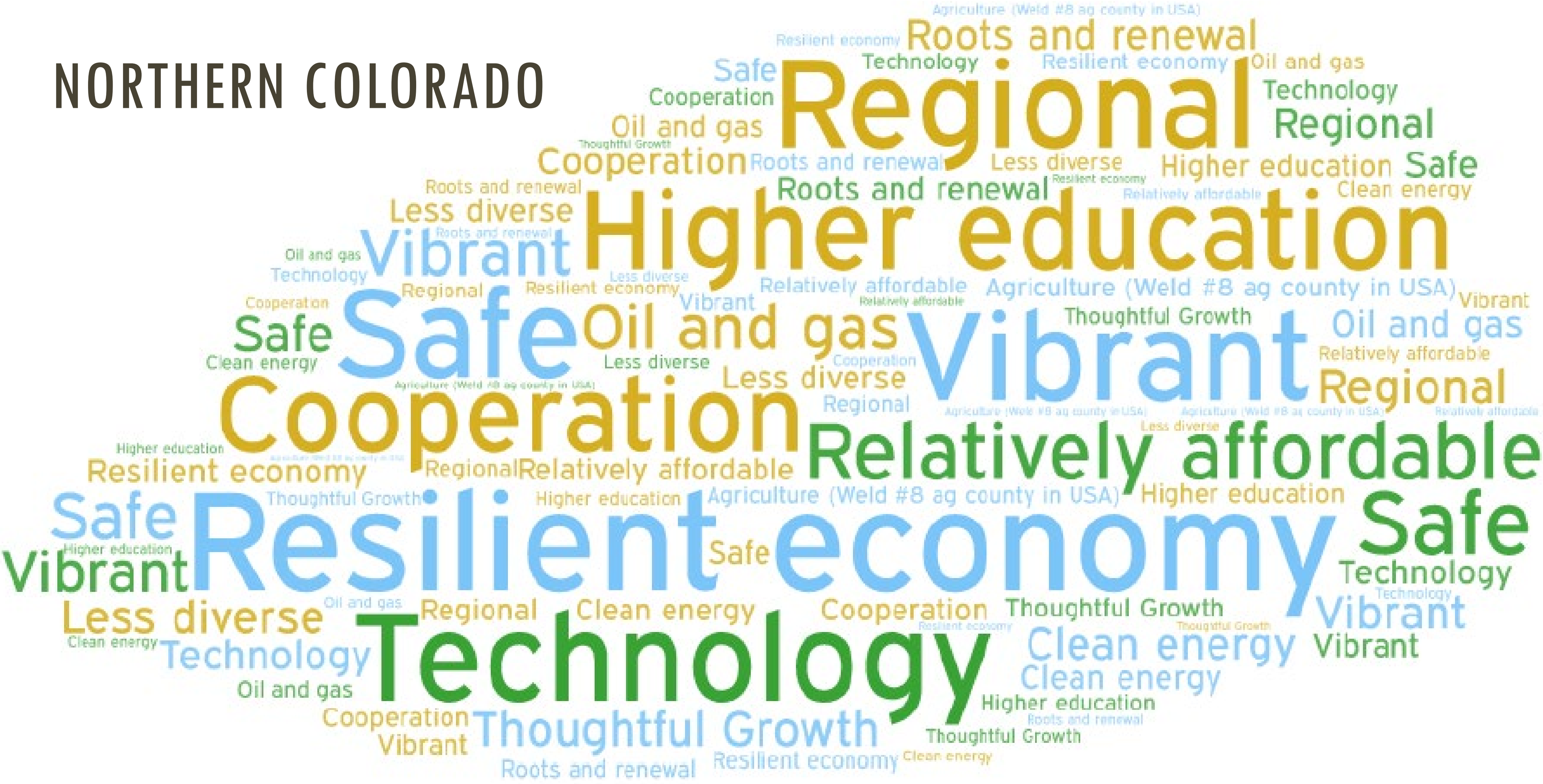
www.BringingBusinessHome.org

www.LeadershipNorthernColorado.com

Social

REGIONAL OVERVIEW

NORTHERN COLORADO



	United States	State	Denver-Aurora-Lakewood, CO	Northern Colorado
Regional Population (2001)				
Regional Overview				
Population (2001) >	284,968,944	4,425,691	2,241,336	452,837
Population (2018)	328,038,851	5,688,190	2,936,625	661,975
Population Change %	+15%	+29%	+31%	+46%
Total Industry Jobs (2001)	145,104,698	2,493,278	1,328,005	222,139
Total Industry Jobs (2018)	162,744,861	3,014,527	1,632,217	310,128
Total Industry Jobs Change %	+12%	+21%	+23%	+40%
Current Average Earnings	$65,662	$65,428	$72,614	$56,822
COL Index	100.0	110.7	113.7	105.5
COL Adjusted Current Average Earnings	$65,662	$58,944	$63,696	$54,116
Bachelor's Degree or Higher %	30.0%	38.3%	40.6%	36.9%
Unemployment Rate (Jan 2019)	4.4%	4.2%	4.1%	3.8%

	Northern Colorado	Larimer County, CO	Weld County, CO
Regional Population (2001)			
Regional Overview			
Population (2001) >	452,837	260,552	192,285
Population (2018)	661,975	350,377	311,599
Population Change %	+46%	+34%	+62%
Total Industry Jobs (2001)	222,139	139,319	82,820
Total Industry Jobs (2018)	310,128	184,744	125,384
Total Industry Jobs Change %	+40%	+33%	+51%
Current Average Earnings	$56,822	$56,661	$57,058
COL Index	105.5	106.8	104.1
COL Adjusted Current Average Earnings	$54,116	$52,954	$54,863
Bachelor's Degree or Higher %	36.9%	45.5%	26.9%
Unemployment Rate (Jan 2019)	3.8%	3.8%	3.8%

GROSS REGIONAL PRODUCT (GRP)

GRP also called 'regional GDP'

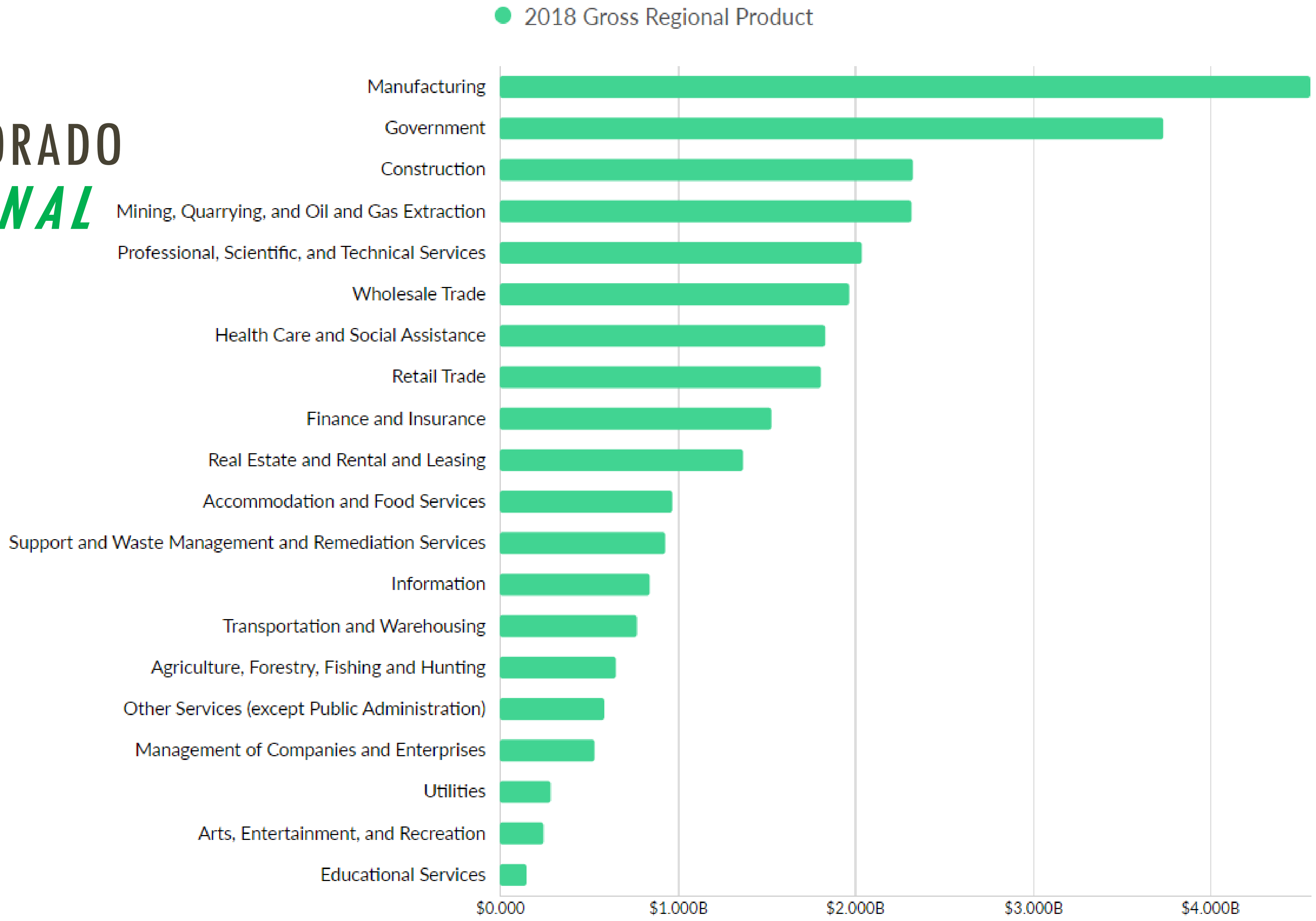
defined as the market value of all goods/services produced within a given area over a specific period of time

GRP is a good measure of the size, income, productivity of regional economy (Emsi)

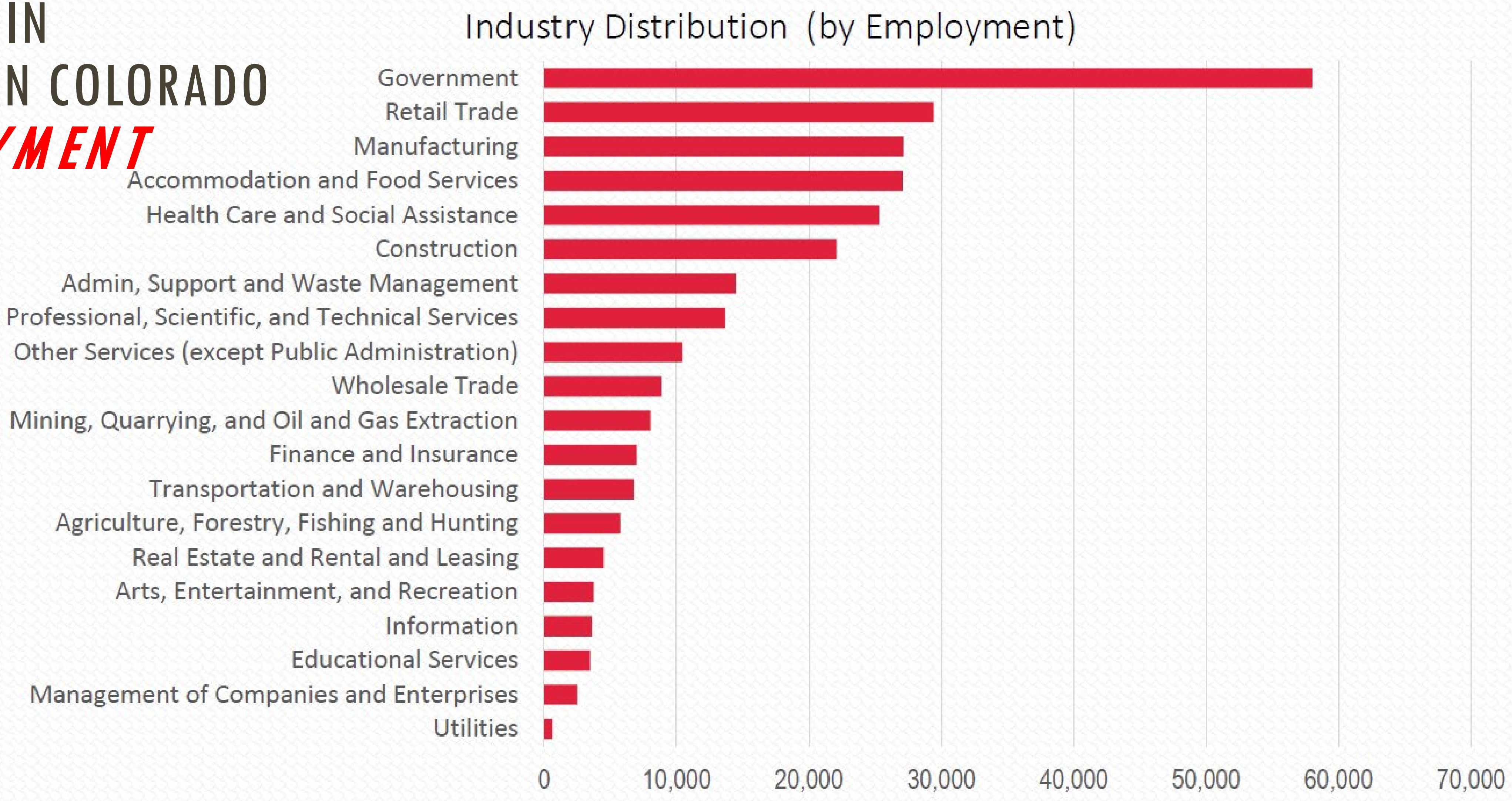
GRP in Northern Colorado has grown by 6.2% annually since 2013

GRP of Northern Colorado is $30.3 billion

TOP ECONOMIC SECTORS IN NORTHERN COLORADO *GROSS REGIONAL PRODUCT*



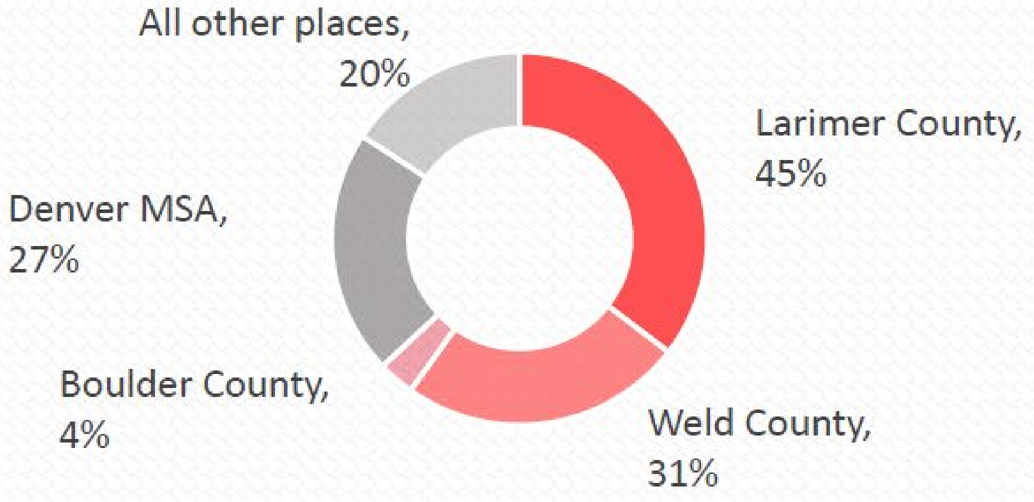
TOP ECONOMIC SECTORS IN NORTHERN COLORADO *EMPLOYMENT*



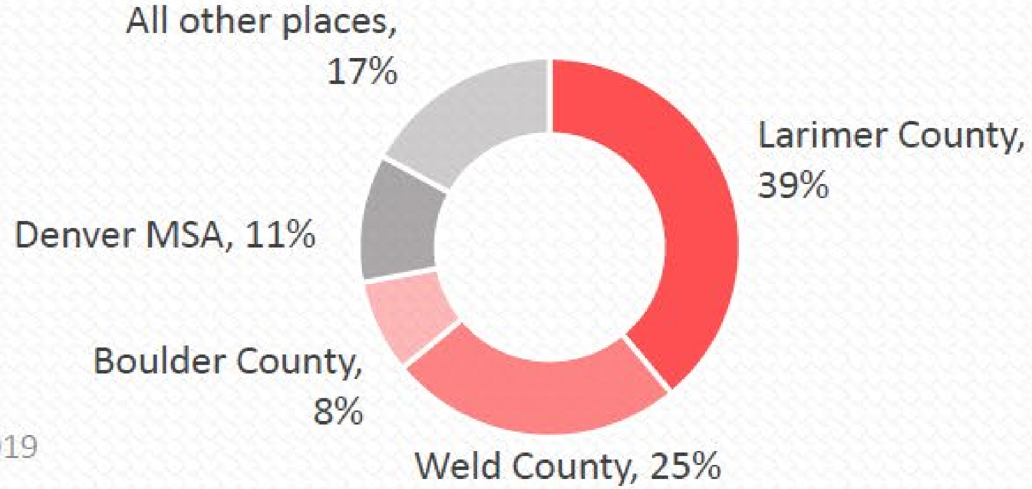
Industry defined by 2-digit NAICS code. Data from Emsi 2018.4. 2018 Employment estimates for Larimer and Weld, QCEW + Non-QCEW employees. "Government" additionally includes local K-12 education as well public community colleges, universities and hospitals.

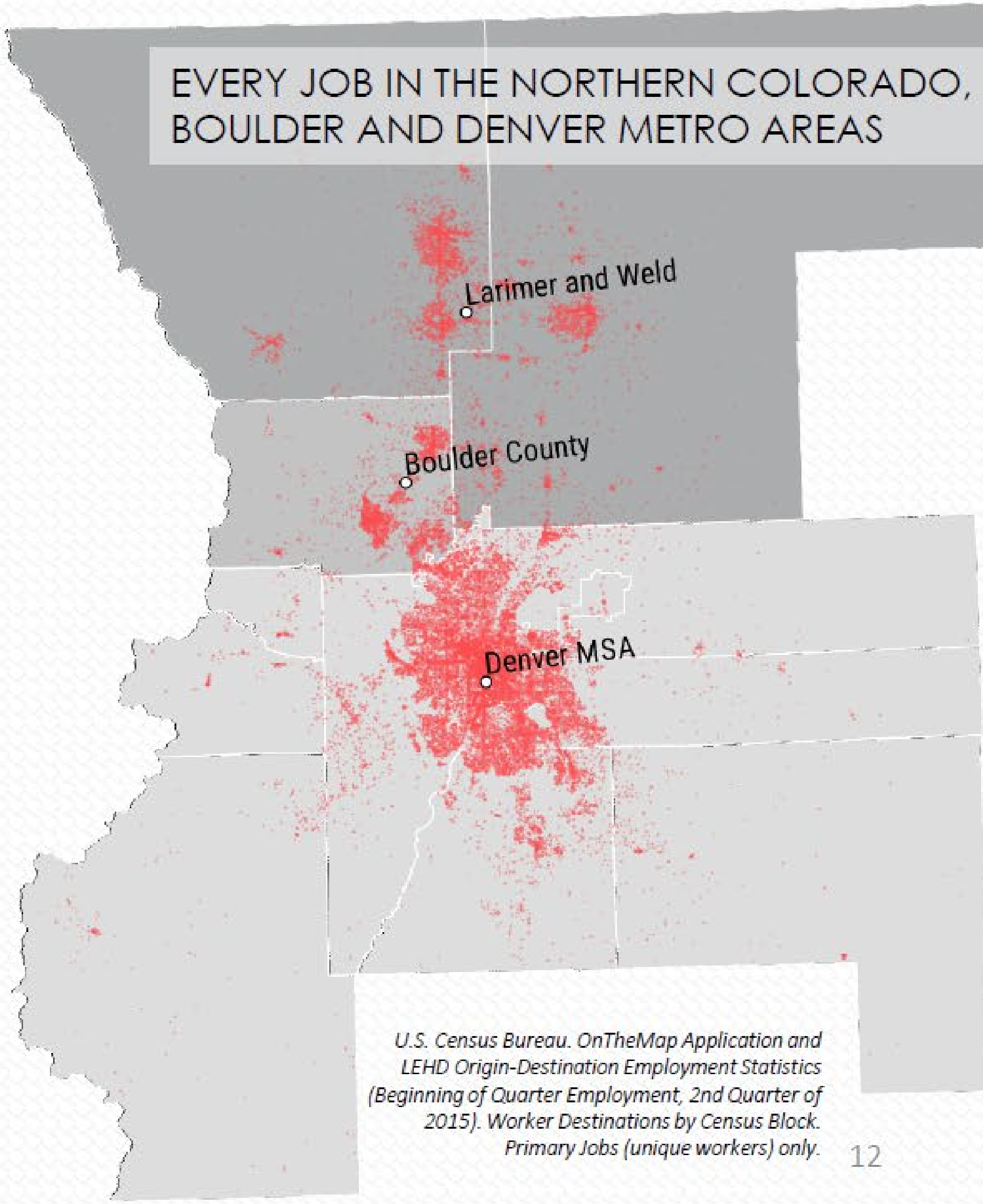
Labor Distribution

WHERE DO WORKERS IN LARIMER AND WELD LIVE?



WHERE DO RESIDENTS OF LARIMER AND WELD WORK?



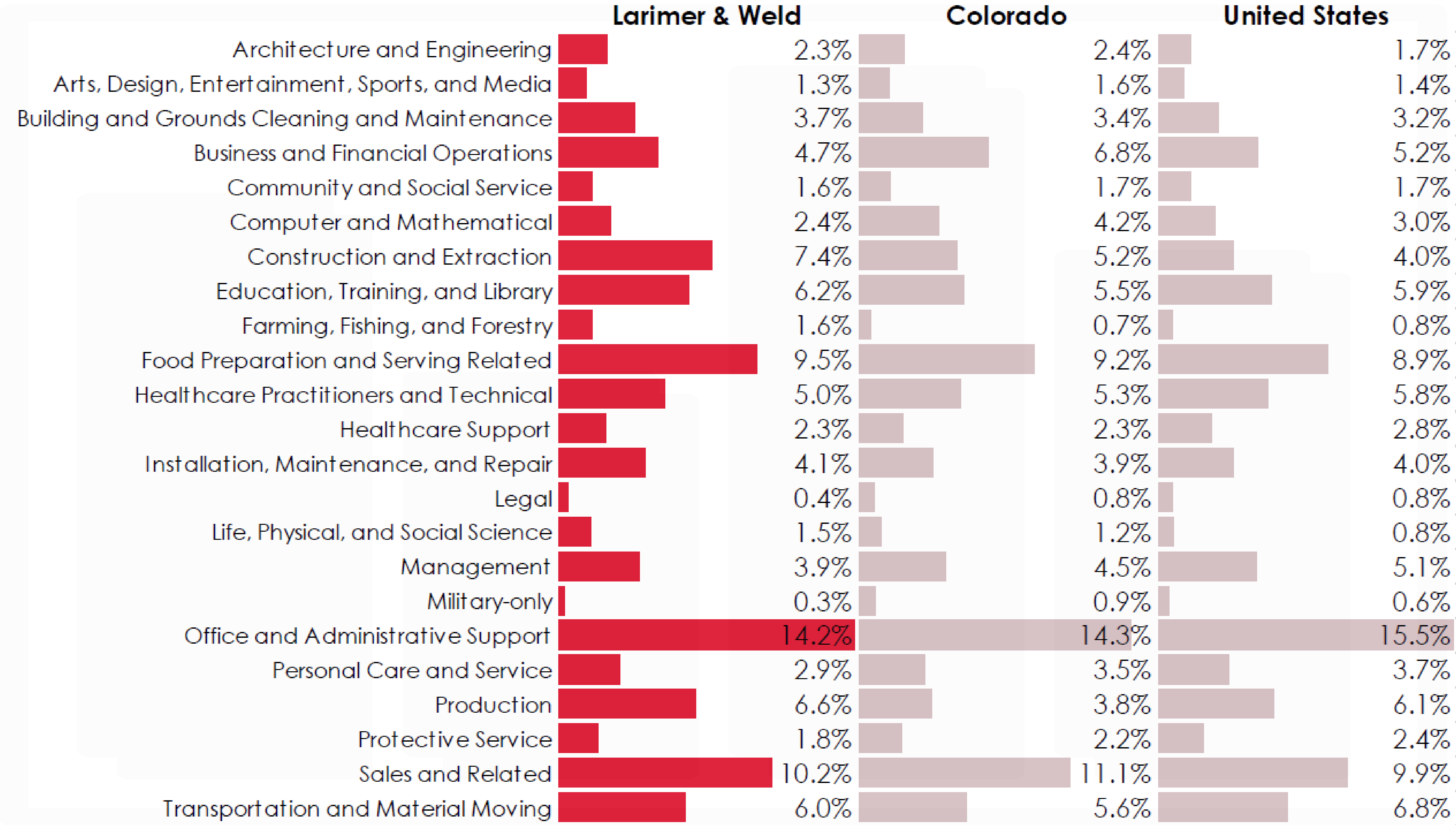


Industry Distribution (% of total employment)

	Larimer & Weld	Colorado	United States
Accommodation and Food Services	9.6%	10.0%	9.0%
Admin, Support and Waste Management	5.1%	5.7%	6.0%
Agriculture, Forestry, Fishing and Hunting	2.0%	0.8%	0.9%
Arts, Entertainment, and Recreation	1.3%	2.0%	1.5%
Construction	7.8%	6.1%	4.8%
Educational Services	1.2%	2.0%	2.6%
Finance and Insurance	2.5%	4.2%	4.1%
Government	20.5%	17.8%	16.2%
Health Care and Social Assistance	9.0%	10.7%	12.9%
Information	1.3%	2.6%	1.9%
Management of Companies and Enterprises	0.9%	1.4%	1.5%
Manufacturing	9.6%	5.2%	8.2%
Mining, Quarrying, and Oil and Gas Extraction	2.8%	1.0%	0.4%
Other Services (except Public Administration)	3.7%	4.0%	4.0%
Professional, Scientific, and Technical Services	4.8%	7.9%	6.1%
Real Estate and Rental and Leasing	1.6%	1.9%	1.5%
Retail Trade	10.4%	9.8%	10.5%
Transportation and Warehousing	2.4%	2.8%	3.5%
Utilities	0.2%	0.3%	0.4%
Wholesale Trade	3.1%	3.9%	3.9%

Industry defined by 2-digit NAICS code. Data from Emsi 2018.4. 2018 Employment estimates for Larimer and Weld, QCEW + Non-QCEW employees. "Government" additionally includes local K-12 education as well public community colleges, universities and hospitals.

Occupation Distribution (% of total employment)



Occupations by 2 digit SOC code. Data from Emsi 2018.4. 2018 Employment estimates for Larimer and Weld, QCEW + Non-QCEW employees.

Industry Cluster Identification

for Larimer County, CO

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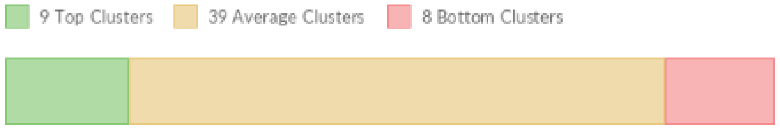
Executive Summary

- Your highest ranked cluster is Education and Knowledge Creation, with a score of 91 (out of 100) points.
- Your average cluster score is 38 (out of 100) points. This is *not* a benchmark against other regions; it only compares the relative performance of your clusters to each other. Clusters ranked higher than 38 are above average for your region, while clusters ranked lower than 38 are below average.
- Top clusters must have a score of at least 47, while bottom clusters must have a score of 29 or less. These thresholds are determined by applying the average deviation (plus or minus 9) to the average cluster score 38.



Cluster Rankings

Education and Knowledge Creation	91
Local Government Services	73
Information Technology and Analytical Instruments	68
Production Technology and Heavy Machinery	65
Food Processing and Manufacturing	58
Local Health Services	52
State Government Services	52
Biopharmaceuticals	51
Aerospace Vehicles and Defense	48
Plastics	47
Federal Government Services	46

Industry Cluster Identification

for Weld County, CO

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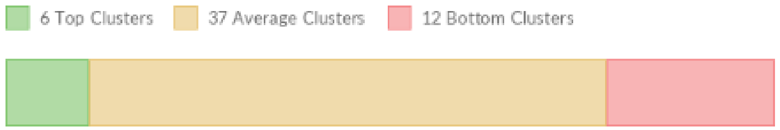
Executive Summary

- Your highest ranked cluster is Oil and Gas Production and Transportation, with a score of 94 (out of 100) points.
- Your average cluster score is 31 (out of 100) points. This is *not* a benchmark against other regions; it only compares the relative performance of your clusters to each other. Clusters ranked higher than 31 are above average for your region, while clusters ranked lower than 31 are below average.
- Top clusters must have a score of at least 38, while bottom clusters must have a score of 25 or less. These thresholds are determined by applying the average deviation (plus or minus 7) to the average cluster score 31.



Cluster Rankings

Cluster	Score
Oil and Gas Production and Transportation	94
Production Technology and Heavy Machinery	89
Local Government Services	51
Electric Power Generation and Transmission	43
Local Education and Training	40
Construction Products and Services	40
Livestock Processing	37
Local Logistical Services	36
Local Hospitality Establishments	33
Lighting and Electrical Equipment	33
Agricultural Inputs and Services	33

Business Characteristics

62,739 Companies Employ Your Workers

Online profiles for your workers mention 62,739 companies as employers, with the top 10 appearing below. In the last 12 months, 6,664 companies in your area posted job postings, with the top 10 appearing below.

Top Companies	Profiles
Colorado State University	5,817
Hewlett-Packard Company	1,361
City of Fort Collins	1,016
University of Colorado	897
Banner Health	843
University of Northern Colorado	784
Woodward, Inc.	631
Thompson School District R2j	599
Poudre Valley Health System	594
Otter Products, LLC	495

Top Companies Posting	Unique Postings
Lyft, Inc.	2,052
Navajo Express, Inc.	1,864
Groendyke Transport Inc.	1,685
Colorado State University	1,653
C.R. England, Inc.	1,424
Banner Health	1,383
CRST International, Inc.	1,116
Uc Health	963
Hvh Transportation, Inc.	845
Trans-System, Inc.	806

OIL AND GAS: HUGE PART OF AREA ECONOMY

- Two counties account for 91% of Colorado's oil production 2018
  - Weld (147.3 million barrels)
  - Larimer (3.7 million barrels)
  - SB19-181
- Attack on oil & gas industry in Colorado is an attack on Northern Colorado economy

POPULATION


VOLUNTEER
The Chamber is community.
We are devoted to making our community a great place to live, work and raise families. Everything we are and everything we do is in the service of a stronger community.
Unite for the greater good at www.fortcollinschamber.com
FORT COLLINS AREA CHAMBER OF COMMERCE
Catalyst. Convener. Champion.
© 2019 W.A.C.E.
Western Association of Chamber Executives

LARIMER-WELD POPULATION

661,975
today

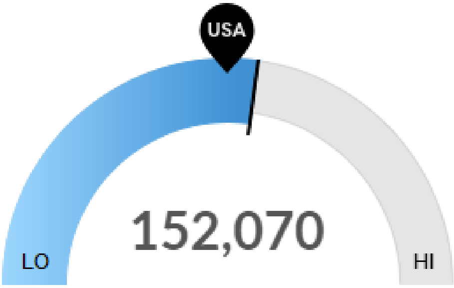
1,000,000
by 2036

CURRENT POPULATION AND POPULATION CHANGES JULY 1, 2017 TO JULY 1, 2018

Berthoud, 7,946, up 15.04 percent
Boulder, 107,353, down 0.5 percent
Broomfield, 69,267, up 1.52 percent
Dacono, 5,826, up 4.13 percent
Erie, 25,447, up 5.33 percent
Evans, 21,236, up 2.6 percent
Firestone, 14,860, 6.34 percent
Fort Collins, 167,830, up 1.65 percent
Frederick, 13,480, up 5.09 percent
Greeley, 107,348, up 0.66 percent
Johnstown, 14,795, up 2 percent
Lafayette, 28,924, up 1.71 percent
Longmont, 96,577, up 1.97 percent
Louisville, 21,163, down 0.2 percent
Loveland, 77,446, up 1.13 percent
Milliken, 7,674, up 8.24 percent
Severance, 5,064, up 16.82 percent
Timnath, 3,993, up 21.52 percent
Wellington, 9,994, up 5.22 percent
Westminster, 113,479, up 0.2 percent
Windsor, 28,967, up 9.12 percent

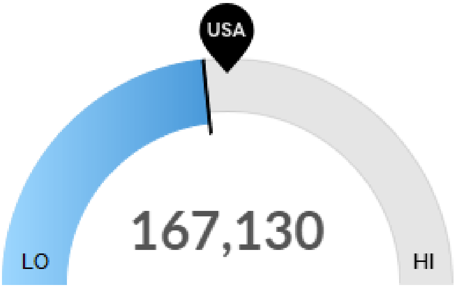
Source: U.S. Census Bureau, July 2019

Population Characteristics



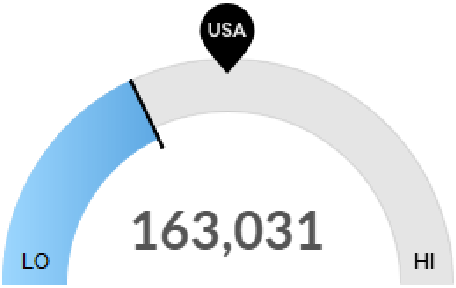
Millennials

Your area has 152,070 millennials (ages 20-34). The national average for an area this size is 134,330.



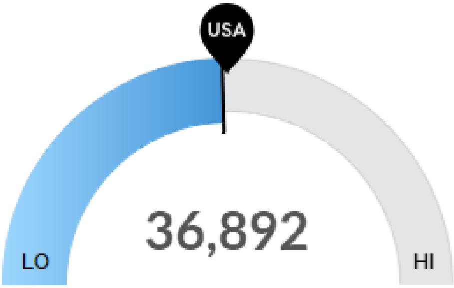
Retiring Soon

Retirement risk is about average in your area. The national average for an area this size is 184,894 people 55 or older, while there are 167,130 here.



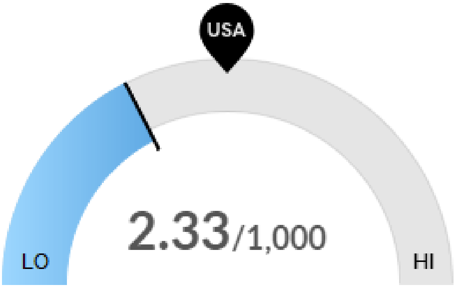
Racial Diversity

Racial diversity is low in your area. The national average for an area this size is 254,709 racially diverse people, while there are 163,031 here.



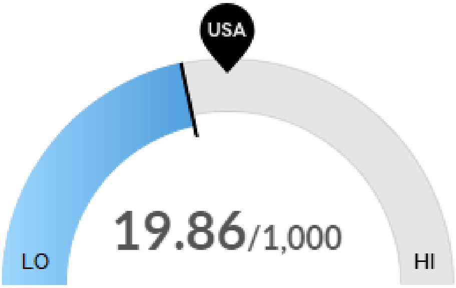
Veterans

Your area has 36,892 veterans. The national average for an area this size is 37,712.



Violent Crime

Your area has 2.33 violent crimes per 1,000 people. The national rate is 3.75 per 1,000 people.



Property Crime

Your area has 19.86 property crimes per 1,000 people. The national rate is 24.21 per 1,000 people.

MORE COMING

	2010	2017	Total Ch.	Annual Ave. Growth Rate	Net Migration	Natural Increase
Larimer	300,532	343,853	43,321	1.94%	33,177	9,299
Weld	254,230	304,435	50,205	2.61%	34,482	16,587

MIGRATION AND NATURAL INCREASE BETWEEN 2010-17 (SOURCE: STATE DEMOGRAPHER)

MIGRATION FLOWS

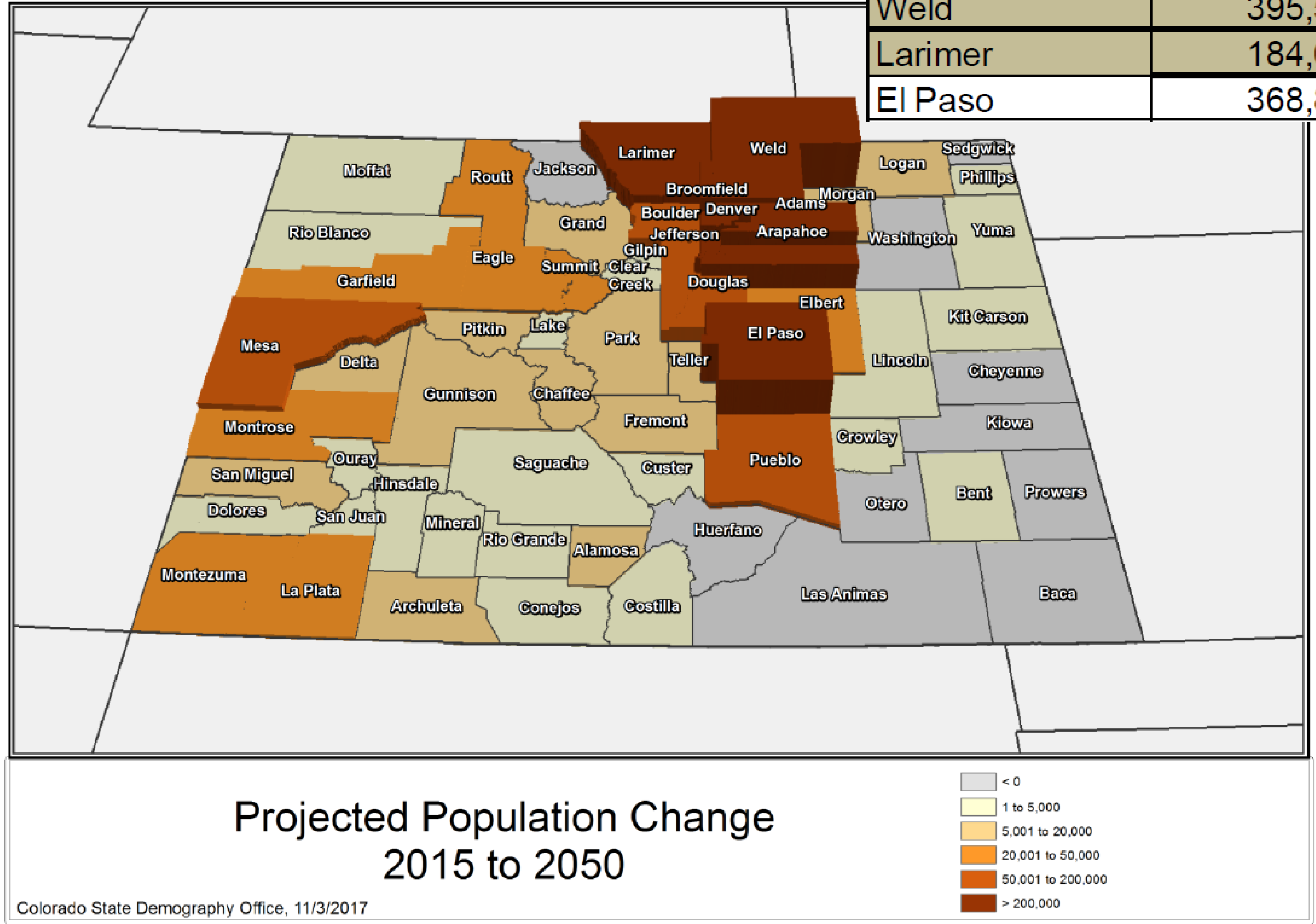
Top 10 Migration Flows Larimer			
Moving From	IN	Moving To	OUT
Weld	3,498	Weld	3,943
Boulder	1,698	Boulder	1,560
Jefferson	1,547	Denver	1,492
Denver	1,523	Jefferson	706
El Paso	1,250	Maricopa, AZ	688
Adams	956	Arapahoe	630
Arapahoe	893	Adams	610
Douglas	881	Albany, WY	491
Mesa	408	Douglas	424
Laramie, WY	404	Laramie, WY	379
2012 - 16 American Community Survey			

Top 10 Migration Flows Weld			
Moving From	IN	Moving To	OUT
Larimer	3,943	Larimer	3,498
Adams	2,713	Boulder	2,701
Boulder	2,494	Adams	1,415
Jefferson	1,511	Denver	1,175
Arapahoe	1,153	Jefferson	799
Denver	1,105	Arapahoe	656
El Paso	804	Logan	530
Maricopa, AZ	490	El Paso	482
Douglas	458	Morgan	239
Berkeley, SC	313	Broomfield	182
2012 - 16 American Community Survey			

https://flowsmapper.geo.census.gov/

Popuilation Change 2018-2050

Adams	345,308
Arapahoe	200,602
Denver	168,454
Weld	395,591
Larimer	184,618
El Paso	368,848

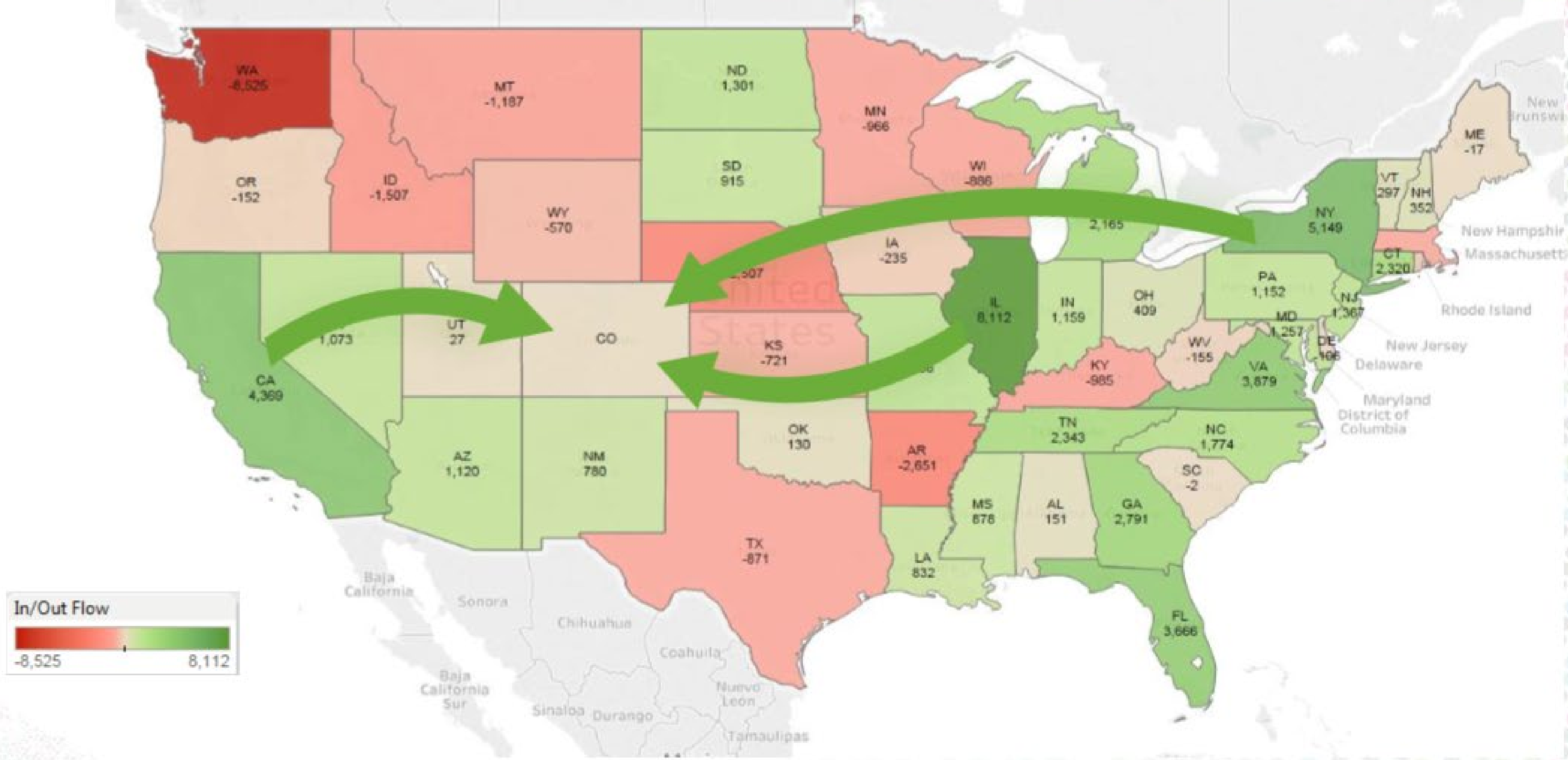


Projected Population Change
2015 to 2050

Colorado State Demography Office, 11/3/2017

NET MIGRATION TO & FROM COLORADO

NUMBERS REPRESENT NET INFLOW/OUTFLOW IN 2016 (EX: 8,112 MIGRATED TO CO FROM IL ON NET)



Source: U.S. Census Bureau, 2018.

PERSONAL INCOME & HOUSING

Distribution of Adults by Income Tier (%) 2016			
	Lower-Income	Middle-Income	Upper-Income
U.S.	29.0	51.6	19.4
Colorado	24.7	54.3	21.0
Colorado Springs	24.2	55.4	20.4
Denver	21.6	55.2	23.2
Fort Collins*	**27.1**	**52.8**	**20.1**
Grand Junction	34.0	52.1	13.9
Pueblo	34.0	52.6	14.4

Source: Pew Research Center, 'The American Middle Class is Stable in Size, but Losing Ground Financially,' Sept 2018
***NOTE: warrants further research – assumption is this data includes university students which skews data**

PERSONAL INCOME AND HOME VALUES

	Colorado	Larimer	Weld
Ave. Earnings Per Job	$65,428	$56,661	$57,058
Median Home Price	$359,300	$376,800 (FC)	$267,100 (Greeley)
Percent Residents Native Colorado	42.81%	40.45%	53.61%
Percent Foreign Born	9.79%	5.07%	8.65%
Percent of Population over 25 with Bachelors Degree+	38.70%	45.03%	26.80%

WORKFORCE

The Chamber is commitment.

We have dedicated our lives and our work to achieving great things. And we understand this requires a very practical and pragmatic approach to this work.

Get the support you need to grow at **www.fortcollinschamber.com**

FORT COLLINS AREA CHAMBER OF COMMERCE

Catalyst. Convener. Champion.

EMPLOYMENT STATS

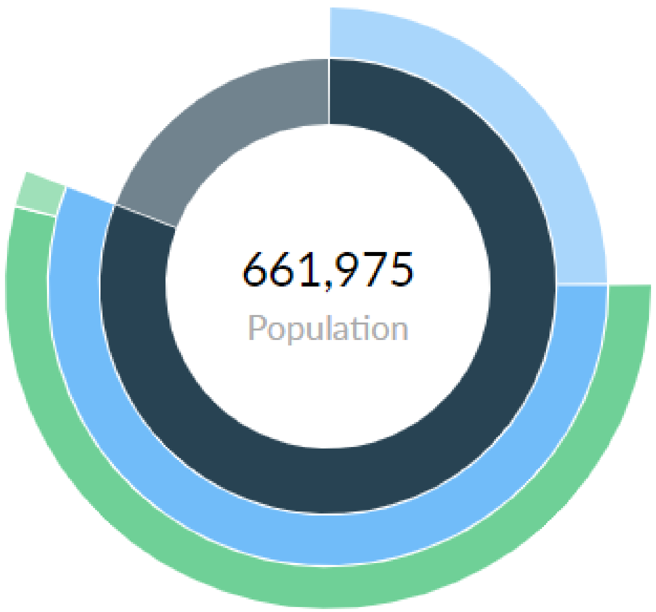
TWO-COUNTY WORKFORCE IS 370,653 PEOPLE

AVERAGE UNEMPLOYMENT 2.54% FOR REGION VS. 4.4% NATIONALLY (2017)

ANNUAL JOB GROWTH RATE 2013-2018 3.44% (2X NATIONAL AVERAGE)

LABOR FORCE PARTICIPATION

2018 Labor Force Breakdown



	Population
Total Working Age Population	534,830
Not in Labor Force (15+)	164,177
Labor Force	370,653
Employed	358,268
Unemployed	12,385
Under 15	127,145

EDUCATION PIPELINE: COLORADO HIGHER ED

School	Total Graduates (2017)
University of Colorado Boulder	7,973
Colorado State University-Fort Collins	7,392
Colorado Technical University-Colorado Springs	5,669
Front Range Community College	5,545
University of Colorado Denver/Anschutz Medical Campus	5,272
University of Denver	4,136
Pikes Peak Community College	3,711
Metropolitan State University of Denver	3,674
Red Rocks Community College	2,829
University of Northern Colorado	2,693

Graduate Trend (2013 - 2017)

Jump to Detailed Program Table

Certificate Associate's Bachelor's Master's or Higher

EDUCATION PIPELINE: NORTHERN COLORADO HIGHER ED

In 2017, there were 12,405 graduates in Northern Colorado. This pipeline has grown by 4% over the last 5 years. The highest share of these graduates come from "Business Administration and Management, General", Kinesiology and Exercise Science, and "Psychology, General".

School	Total Graduates (2017)	Graduate Trend (2013 - 2017)
Colorado State University-Fort Collins	7,392	
University of Northern Colorado	2,693	
Aims Community College	1,844	
IBMC College	265	
Hair Dynamics Education Center	90	
Healing Arts Institute	47	
Academy of Natural Therapy Inc	29	
Cheeks International Academy of Beauty Culture-Fort Collins	23	
CollegeAmerica-Fort Collins	22	
Regency Beauty Institute-Fort Collins	0	

Jump to Detailed Program Table

Certificate Associate's Bachelor's Master's or Higher

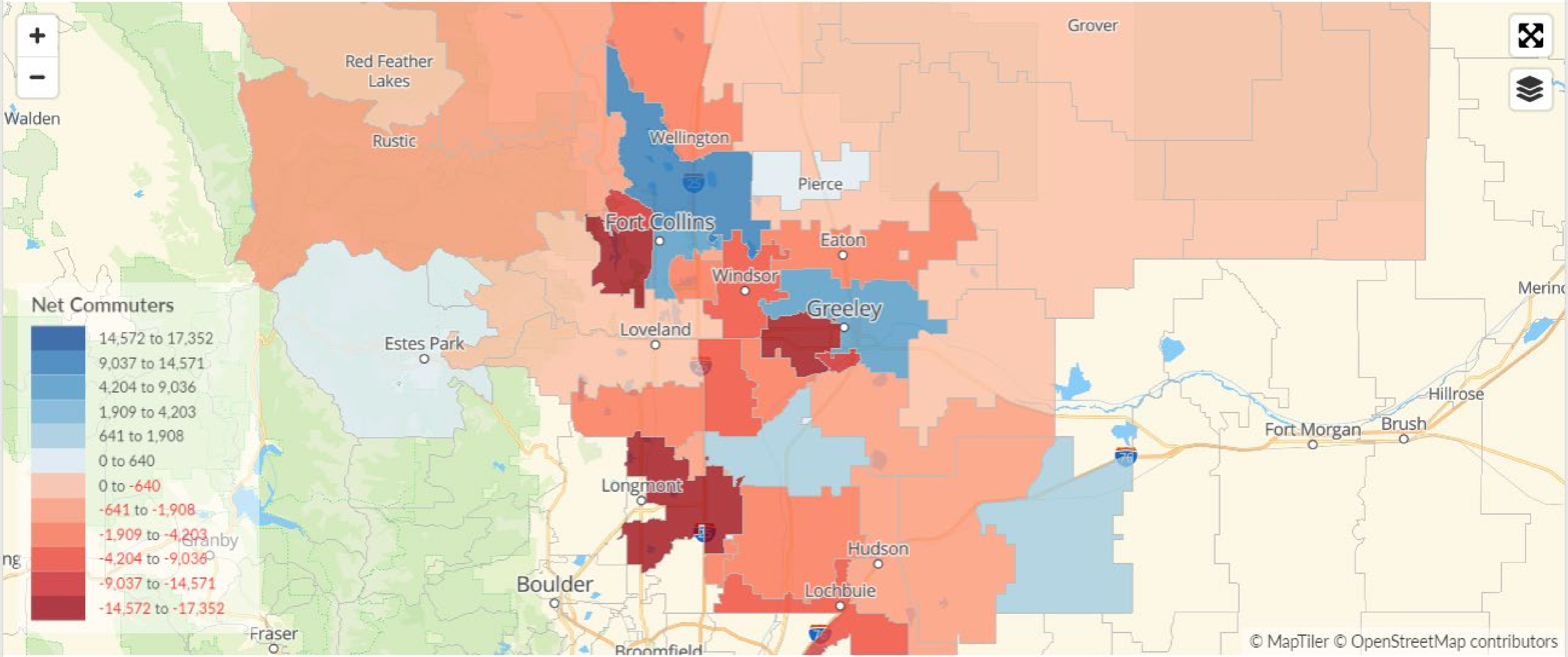
Educational Attainment

Concerning educational attainment, **23.7% of the selected regions' residents possess a Bachelor's Degree** (5.1% above the national average), and **8.8% hold an Associate's Degree** (0.7% above the national average).

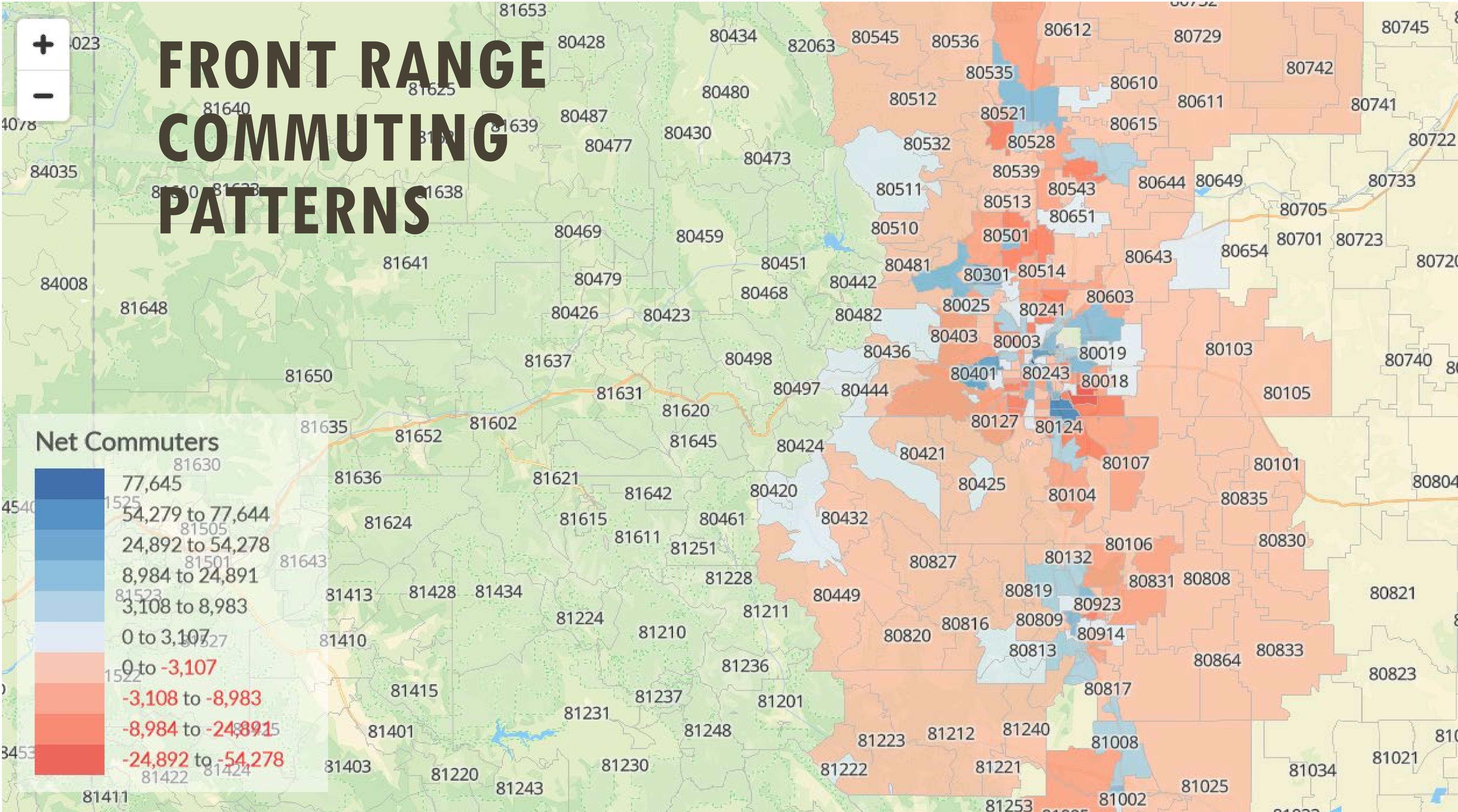
	% of Population	Population
Less Than 9th Grade	4.5%	19,451
9th Grade to 12th Grade	4.4%	19,095
High School Diploma	23.1%	100,083
Some College	22.3%	96,578
Associate's Degree	8.8%	37,836
Bachelor's Degree	23.7%	102,538
Graduate Degree and Higher	13.1%	56,803

Place of Work vs Place of Residence

Understanding where talent in the region currently works compared to where talent lives can help you optimize site decisions. For example, the #1 ranked ZIP for employment ranks #2 for resident workers. The top ZIP for resident workers is 80634.



FRONT RANGE COMMUTING PATTERNS



POLITICS

POLITICS

Voter Profiles as of November, 2018				
	Larimer		Weld	
Total Active Voters	228,593		169,380	
Republican	68,652	25.85%	63,696	32.41%
Democrat	63,680	23.98%	37,859	19.26%
Unaffiliated	91,992	34.64%	64,896	33.02%

5 KEY BUSINESS CLIMATE ISSUES

The Chamber is courage.

We stand up for what we believe in. And we are willing to fight for what's right, so our businesses can grow and our community can thrive.

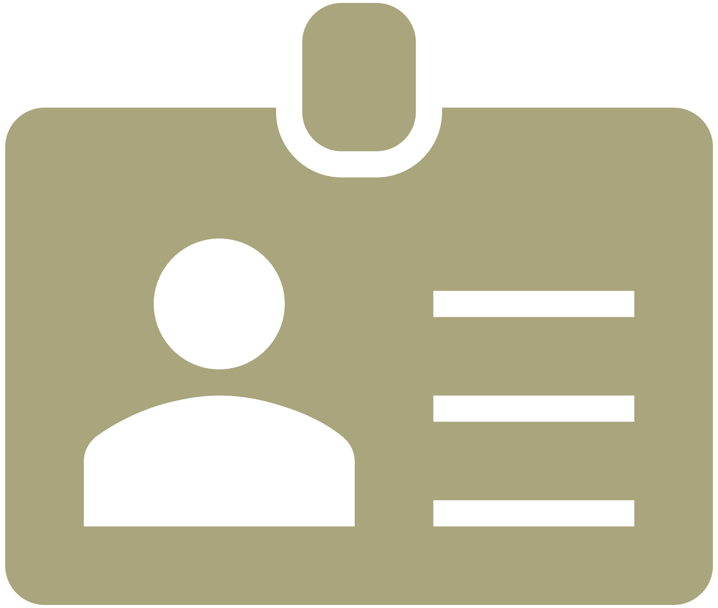
We fight for you at **www.fortcollinschamber.com**

FORT COLLINS AREA CHAMBER OF COMMERCE

Catalyst. Convener. Champion.

5 KEY BUSINESS CLIMATE ISSUES IN NOCO

- Workforce
- Housing unaffordability
- Transportation
- Utilities – reliability and costs
- Attitude and policies of government toward business



ISSUE 1: WORKFORCE

FEBRUARY 2017

TALENT 2.0
REGIONAL WORKFORCE STRATEGY
FORT COLLINS-LOVELAND METRO AREA

TIP strategies
AUSTIN • SEATTLE

CHALLENGES

From 2010 to 2015, the regional economy added almost 20,000 jobs but only 11,000 workers

Over next 5 years, employers will have at least 28,000 openings to fill. The labor force adds only about 2,000 to 3,000 workers each year

In many key occupations, more than 25% of the workers are 55 or older

TOP FACTORS IN WHEN CONSIDERING A NEW JOB OPPORTUNITY

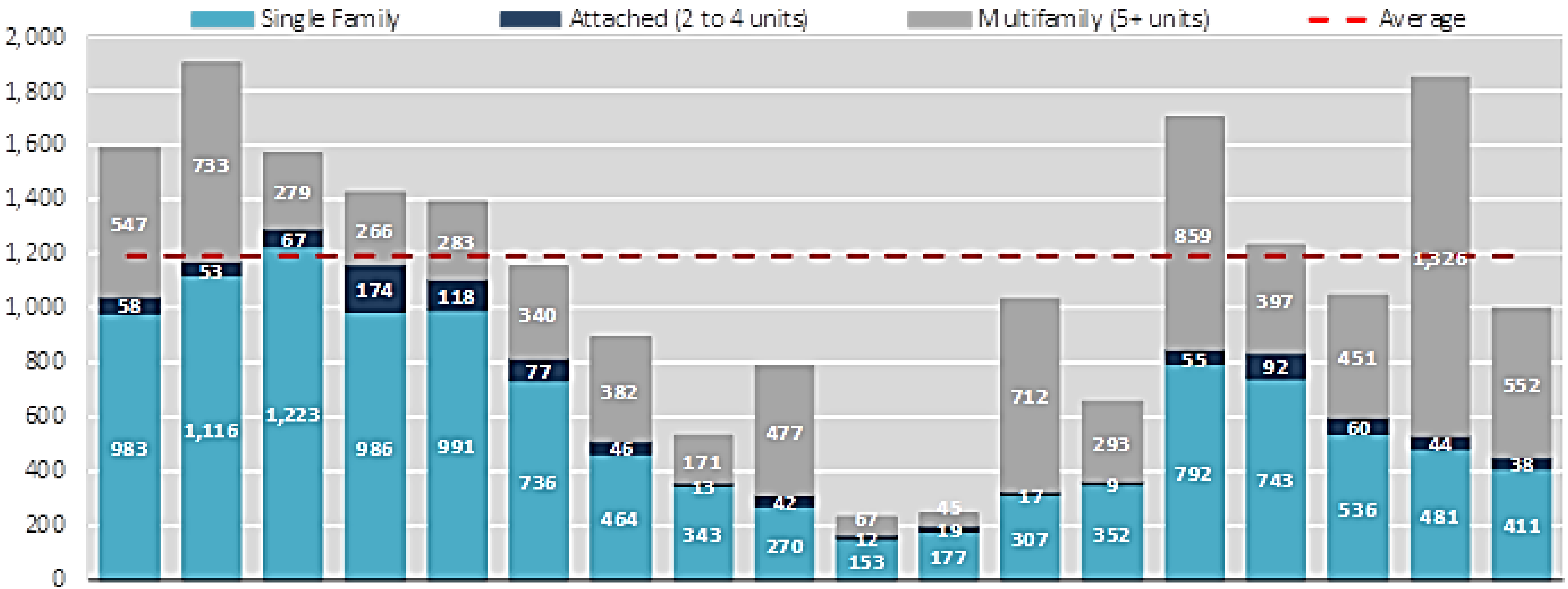

NORTHERN COLORADO
WorkInNorthernColorado.com
Roaming Rocky Mountain National Park
Boundless Opportunity
One hour north of Denver, in the shadow of the Rocky Mountains, is what we think is the best lifestyle in the state—Northern Colorado. We're looking for smart, engaged, passionate people to join our innovative companies or to build their own.
Sound like you? You've come to the place of boundless opportunities.
+ LOOKING FOR A JOB?
+ LOOKING TO HIRE?

ISSUE 2: HOUSING UNAFFORDABILITY

COST OF LIVING

COST OF LIVING	Fort Collins	Greeley	Colorado	USA
Overall	124	112	117	100
Grocery	100.4	105.1	100.3	100
Health	105	96.2	102	100
Housing	177	142.8	156	100
Median Home	**$376,800**	**$267,100**	**$359,300**	**$216,200**
Utilities	95	99.4	93	100
Transportation	97	95.5	96	100
Miscellaneous	100	100.5	99	100

https://www.bestplaces.net/cost_of_living/city/colorado/fort_collins



FC RESIDENTIAL PERMITS, 2000-2017

Description	2000 Amount	2000 % Total	2016 Amount	2016 % Total	2000-2016 Total	2000-2016 Ann. #	2000-2016 Ann. %
Single Family	30,319	63%	42,327	63%	12,008	751	2.1%
Attached (2 to 4 units)	4,776	10%	5,491	8%	715	45	0.9%
Multifamily (5+ units)	11,387	24%	17,603	26%	6,216	389	2.8%
Mobile Home, Boat, RV, Van, etc.	1,284	3%	1,268	2%	-16	-1	-0.1%
Total	**47,766**	**100%**	**66,689**	**100%**	**18,923**	**1,183**	**2.1%**

Source: US Census; Economic & Planning Systems

H:\163125-Fort Collins City Plan\Data\[163125-Household Composition.xlsx]T-Housing Units in Structur (2)

FC HOUSING TYPES, 2000-2016

ISSUE 3: TRANSPORTATION

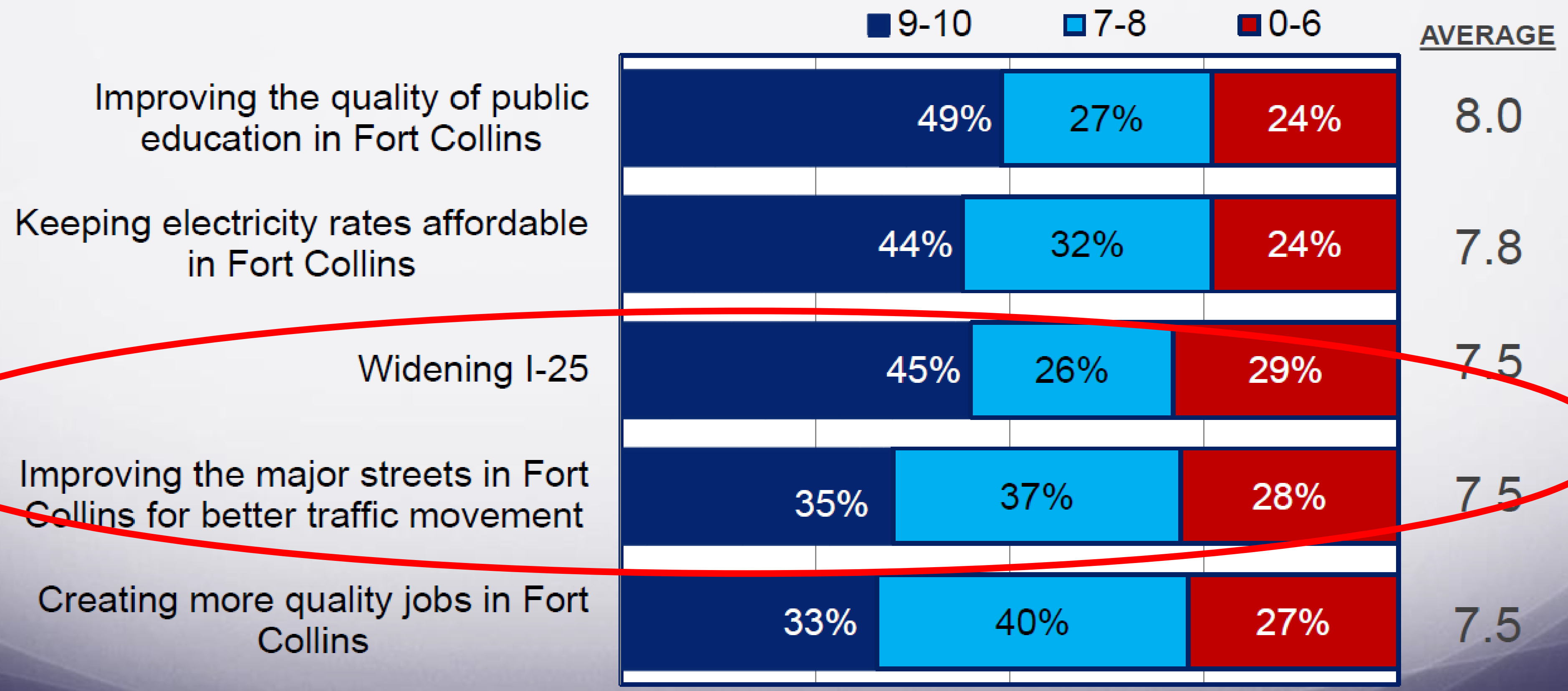
I-25 IS A BIG FORT COLLINS ISSUE

- $9 billion backlog of transportation projects statewide
- $1.7 billion to widen North I-25 — $925 million so far
- Roads are not on agenda of current state leaders
- $25.7 million Larimer County transportation needs through 2040


FIX·I25
COLORADO
DRIVE THE FUTURE
FIX NORTH I-25

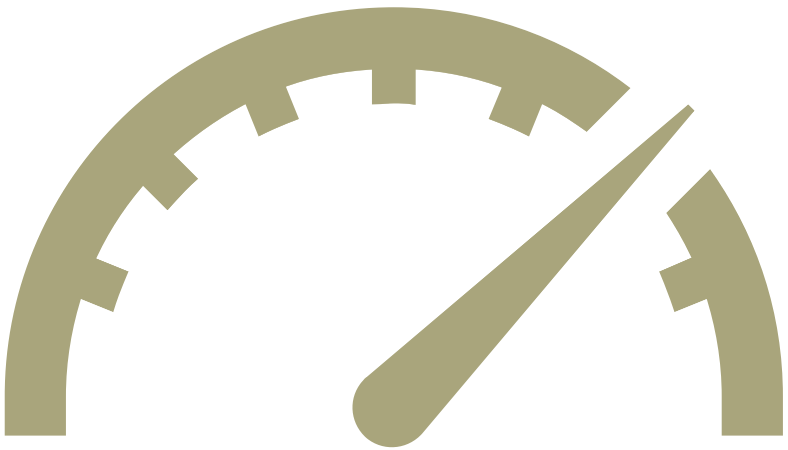
Top 5 most important issues for Fort Collins voters:
Improving public education, *keeping electricity rates affordable* and *widening I-25* are at the top of the list of the most important issues in Fort Collins

Now I'm going to read a list of issues some people say are important to them, and after I read each one, please tell me how important it is to you, using a scale of zero to 10. If you find the issue is extremely important, choose a number closer to 9 or 10. If you find the issue is not at all important, choose a number closer to zero or 1. You may choose any number from zero to 10.
Randomize the order of the issues.



FIX NORTH I-25

- Same cement put down in 1968, no new capacity
- LOS D
- $1.7B to widen to 3 lanes each way to Longmont
- $925 M
  - Segments 7 & 8
  - Segment 6
- Climbing lane at Berthoud Hill
- Crossroads intersection rebuilt
- Contract signed to build 3rd lane Fort Collins to Johnstown



ISSUE 4: UTILITIES

ELECTRICITY RATES HEADED UP

PRPA partner city councils votes for 100% renewable electricity by ***2030*** would mean replacing paid-for generation with expensive new power infrastructure

Eliminating existing generation = paying for new power generation infrastructure to replace capacity = significantly higher electricity rates

RELIABILITY IMPERILED

General Themes Extracted from Interviews with Twenty-four Major Electrical Power Users from Longmont, Loveland and Fort Collins Conducted In July and August 2018

Reliability

Reliability is comprised of at least two aspects: The existence of the power (when we flip the switch the power flows) and the quality of the power (steady supply voltage with proper frequency and waveform to be compatible with the load it is plugged into). One respondent stated, "The first question that the manufacturers of our equipment have is 'How clean is your power.'" In this context 'clean' refers to

24. Do you agree or disagree with the following statement:

Affordable electricity is very important to the economy of Northern Colorado.

If respondent says agree or disagree say: Do you feel strongly about that or not?

AGREE	**90%**
DISAGREE	**7%**
Agree - Strongly	69%
Agree – Not strongly	21%
Disagree – Not strongly	5%
Disagree – Strongly	2%
Don't know / not sure Don't read	4%

25. Do you agree or disagree with the following statement:

Affordable electricity is very important to my daily life and personal finances.

If respondent says agree or disagree say: Do you feel strongly about that or not?

AGREE	**83%**
DISAGREE	**15%**
Agree - Strongly	59%
Agree – Not strongly	24%
Disagree – Not strongly	11%
Disagree – Strongly	4%
Don't know / not sure Don't read	2%

WATER

Huge challenge: ensuring Northern Colorado communities have water to meet long-term demand

Need adequate storage; cannot conserve our way out of the problem

Water projects take decades and are expensive

Big impact on housing costs

- 2009 a unit of C-BT) $7,000
- Today $45,000

Converting ag water to municipal will change character of Northern Colorado

ISSUE 5: POLITICAL RISKS

Attitude and policies of government toward business

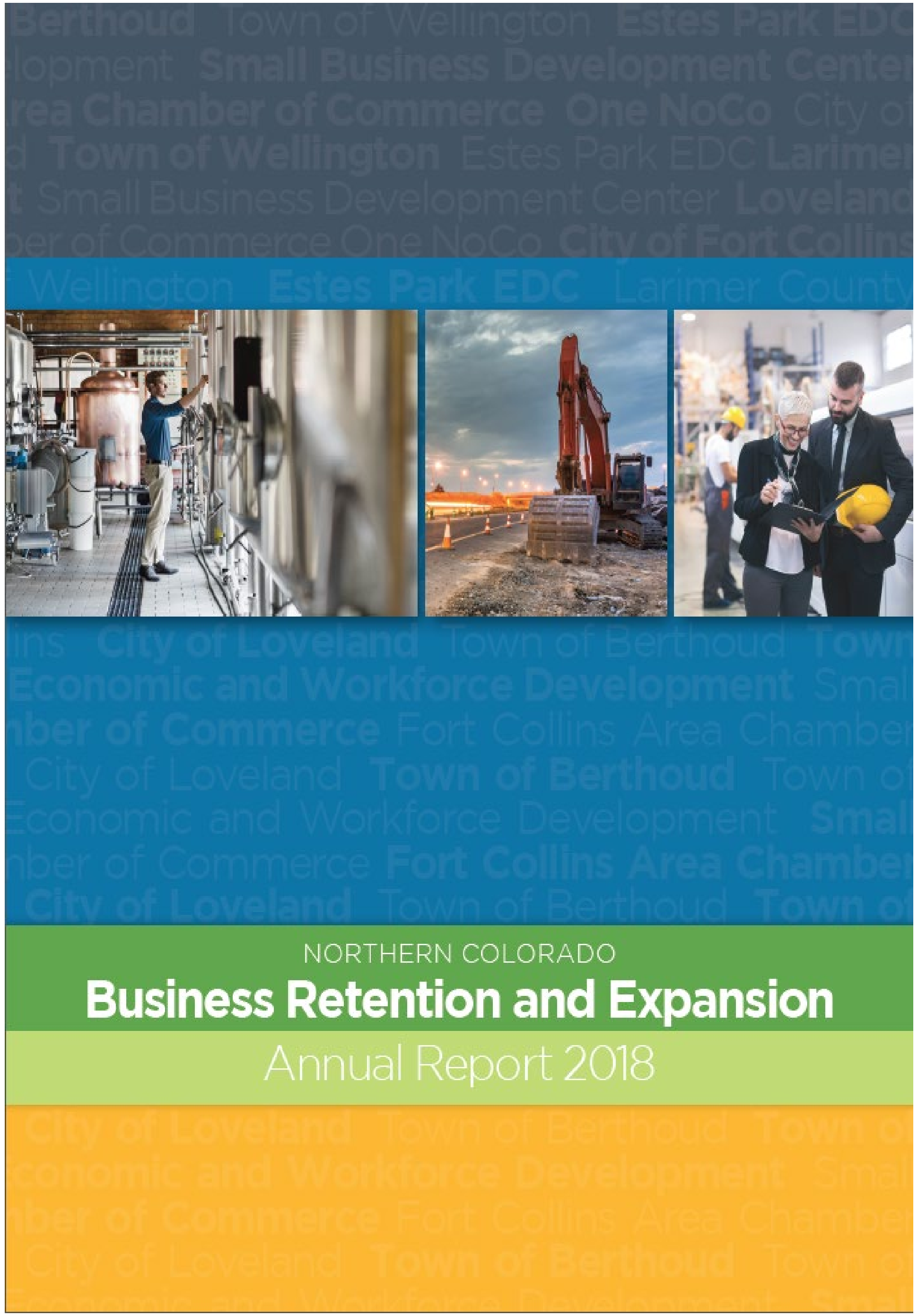
POLITICAL ECONOMY

- State legislature killing industries - oil and gas
- Anti-business rhetoric
- Not maintaining / developing capacity for basic utilities – water, electricity
- Limiting housing supply, more unaffordable
- Highway access across region but especially I-25
- Government mandates on business - over-regulation, local minimum wages
- Environmental elitism (climate action and 100% renewable policies) adverse social and economic impacts

OTHER ISSUES TO KEEP EYE ON

- Political risk – local
- Political risk – state
- Shakeup of retail
- Disruption of higher education model

BUSINESS OUTLOOK


NORTHERN COLORADO
Business Retention and Expansion
Annual Report 2018

BUSINESS RETENTION & EXPANSION

PRIMARY EMPLOYERS ARE THOSE THAT SELL 50 PERCENT OR MORE OF THEIR PRODUCTS OR SERVICES OUTSIDE THE TWO-COUNTY REGION

PRIMARY EMPLOYERS = COMMUNITY WEALTH + PERSONAL AFFLUENCE = BETTER QUALITY OF LIFE / STANDARD OF LIFE

WHAT 100 PRIMARY JOBS MEAN LOCALLY (CSE STUDY)

$76,258

AVERAGE ANNUAL PAY FOR A BASIC PRIMARY JOB

150

ADDITIONAL SUPPORT JOBS CREATED WITH AVERAGE ANNUAL PAY OF **$58,421**

$331,431

CITY SALES, USE AND PROPERTY TAX REVENUE GENERATED

$269,295

PROPERTY TAXES FOR POUDRE SCHOOLS GENERATED

BUSINESS CLIMATE - OPPORTUNITIES

OPPORTUNITIES

Respondents were asked to identify the greatest opportunity facing their business, and many identified multiple. The three most commonly reported were related to growth/expansion, talent/hiring, and marketing.

GROWTH/EXPANSION

30% stated "growth" or "expansion" as their greatest opportunity.

When stating "growth," respondents said they were **encouraged by the growth of the population**, saw positive growth in their market, expected continued growth in the local economy and/or **planned to grow the size of their business.**

Expansion also had many contextual meanings. Some respondents stated plans for an **expansion of their facility**, and others expected an **expansion in their services or products.**

TALENT/HIRING

9% stated "talent" or "hiring" as their greatest opportunity.

MARKETING

6% stated "marketing" as their greatest opportunity.

BUSINESS CLIMATE - THREATS

THREATS

Respondents were also asked to identify the greatest threat facing their business, and many identified multiple. The most commonly identified threats were related to labor, regulations, and competition.

LABOR

24% of respondents stated difficulties finding qualified candidates/ lack of skilled talent, retention, and the cost of labor.

REGULATIONS

11% of respondents specified regulations such as tariffs, development reviews (subject to specific jurisdictions), and FDA regulations/inspections as the greatest threat to their business.

COMPETITION

9% of respondents reported competition internal to the region, external from the region and online.

BUSINESS CLIMATE

WOULD EMPLOYERS IN LARIMER & WELD COUNTIES CONSIDER RELOCATION?

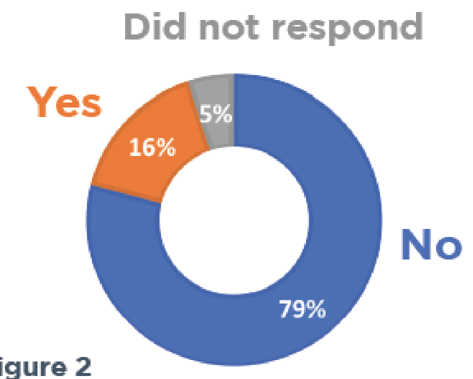


Figure 2

WHAT CHANGES ARE EMPLOYERS CONSIDERING MAKING TO THEIR BUSINESS?

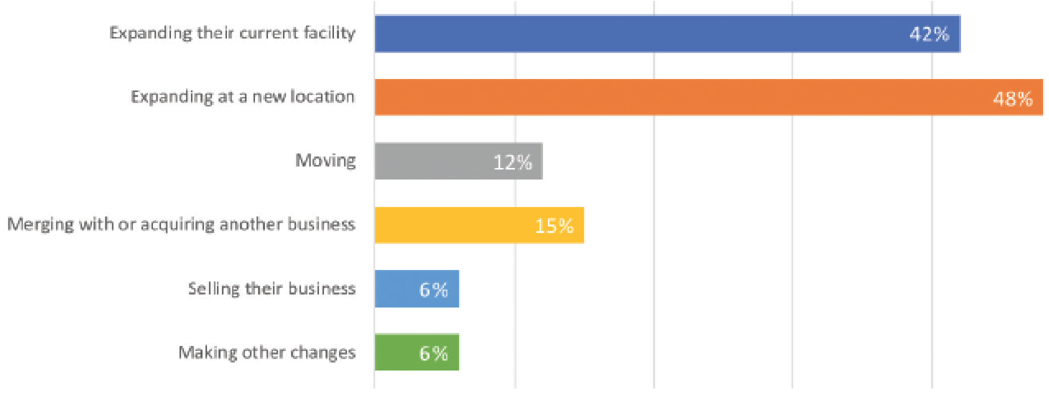


Figure 3

	2001			2018		
	Larimer	Colorado	U.S.	Larimer	Colorado	U.S.
Primary jobs	44,512 35%	757,831 33%	34%	54,879 32%	862,926 31%	31%
Non-primary jobs	83,654 65%	1,562,701 67%	66%	117,837 68%	1,959,940 69%	69%

TRENDS IN PRIMARY EMPLOYMENT

KEY NORTHERN COLORADO PRIORITIES THROUGH 2030

KEY NOCO ECONOMIC PRIORITIES THRU 2030

- **Weather threat of economic downturn due to attack on oil & gas industry**
- **Successfully navigate high tech transition from desktop to mobile – we have a mature tech sector**
- **Labor force – Baby Boomers are bailing**
- **Develop a regional economic vision and plan**
- **Fix North I-25 – being cut off from Denver and DIA**
- **Retain key primary employers and help them grow here**
- **Water – Halligan and NISP**
- **Retain competitive advantage reliable, affordable electricity**

WHAT ARE PEOPLE IN FC DOING IN 15 YEARS TO EARN LIVING?

A few thoughts:

- We are a workbench for Silicon Valley and will remain so
- Boom of health care sector
- Timnath, Windsor, Severance, Wellington as “cheaper” bedroom communities to Fort Collins
- Increase in passive income - retirements
- Higher education’s future model will be interesting to follow – disruptive technologies

IN SUMMARY

Great to be Northern Colorado

Strong economy

Great quality of life

Some cautions

Personal income trends – growing lower-income, shrinking middle- and upper-income

High housing costs driving up cost of living

A lot more people are coming – are we ready?

Availability of workers – an Achilles heel

Travel time to DIA and Denver is growing

BONUS SLIDES

CHAMBER LIVABILITY AGENDA

CHAMBER'S LIVABILITY AGENDA

A LIST OF THINGS TO IMPROVE THE LIVABILITY AND VITALITY OF NORTHERN COLORADO

Shorter commutes, safer roadways

- traffic is a tax on the time we should be spending with our families and friends
- continue to partner with allies to identify and secure the funds to get I-25 widened
- explore local funding mechanisms like regional transportation authorities
- continue to support Larimer County's exploration of options to fund work on the other non-interstate roads in the county

Fight for reliable, affordable electricity

- push for 100% renewable electricity sources in unrealistic timeframes causes uncertainty with companies; reliability matters a lot
- paying for massive new power generation infrastructure will push up electricity rates
- polling shows voters will only go so far on rate increases

CHAMBER'S LIVABILITY AGENDA

Support workers to develop skills and help employers find talent

- 5,000 to 9,000 workers short in Larimer County
- WorkInNorthernColorado.com and supporting campaign
- Update Talent 2.0 and improve workforce development infrastructure

Advocate for affordable housing and childcare from a business perspective

Focus on creating quality high-paying jobs

- on average primary jobs pay about $30,000 more per year than non-primary jobs
- BR&E coalition ramp up its work
- One NoCo to attract new primary employers