



Colorado Economic Chronicle

Legislative Council
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National Economy

*Note: The next publication of the Colorado Economic Chronicle will be in July. Please check our website address after June 20 for **Focus Colorado: Economic and Revenue Forecast** for information about the Colorado economy.*
http://www.state.co.us/gov_dir/leg_dir/lcs/index.html

Inflation-adjusted **gross domestic product** (GDP) increased at a 5.4% annual pace during the first quarter, following a 7.3% annual pace in the previous quarter. The continued strong growth, coupled with signs of increasing inflation, led the Federal Reserve Board to continue its string of interest rate hikes with a larger 50 basis points increase in both the federal funds rate and the discount rate. These moves bring interest rates to their highest level in more than nine years. The latest move marks the Fed's sixth increase in rates since June 1999. In addition, the board announced a strong bias toward tightening again in the future. The board stated that "Against the background of its long-term goals of price stability and sustainable economic growth and of the information already available, the Committee believes the risks are weighted mainly toward conditions that may generate heightened inflation pressures in the foreseeable future."

"These moves bring interest rates to their highest level in more than nine years."

Aside from the Fed's actions, an inconsistent stock market created considerable fluctuations in consumer wealth during the past month. Despite these events, **consumer confidence** declined only slightly in April while expectations for the future improved. The buying plans part of the index experienced the strongest decline. The decline in future purchase plans could mean a continued slowdown in **retail sales**, which declined 0.2% during April. While vehicle sales remain

strong, sales have slowed from the record pace set in February. Higher interest rates and gas prices coupled with stock market volatility could inhibit sales in the near term. However, the driving forces of consumer spending, strong wage growth and low unemployment, are still intact and could cause a resurgence in buying in the future. **Personal income** increased 0.7% in March, after rising 0.4% in February. The **saving rate** remained low at 0.4% in March. While this is an increase over February's rate, it is still quite low by historical standards.

The nation's **employment** market remained quite healthy in April, adding 340,000 new jobs after creating a revised 458,000 jobs in March. Strong job growth brought the **unemployment rate** down to 3.9%. This marks the first time since January 1970 that the unemployment rate fell below 4.0%. The retail trade and services sectors led job growth, but manufacturing also showed some strength. Government hiring on behalf of the census effort also helped to boost the employment gains of the past two months. Growth was offset by a loss of 50,000 jobs in the construction sector. Thus far in 2000, private payrolls have increased at a faster rate than they did during 1999.

The **construction** sector showed strong growth in the data released during the last month. **Existing home sales** increased 1.5% in March after jumping 7.0% in February. These increases came despite low inventories making it difficult for some buyers to find homes. Existing home sales are down from one year earlier,

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however, as increasing mortgage rates combined with the tight supply are pushing marginal buyers from the market. **New home sales** increased 4.5% in March and sales were 6.0% above the level from the prior year. Accordingly, **housing starts** increased 2.8% in April. They are below year-earlier levels, however. The recent upward movement in mortgage rates will offset the tight supply to slow the housing market over the next several months. Overall **construction spending**, led by office and apartment building, increased for the sixth consecutive month. Spending on retail construction slowed significantly, as retailers showed their concern over the future direction of consumer spending.

The **manufacturing** industry expanded for the 15th consecutive month in April, according to the National Association of Purchasing Managers. While the index declined slightly, it was still above the 50% level that indicates expansion in the sector. Meanwhile, **factory orders** jumped 2.2% in March, after stagnating in February and declining in January. Electronic components and auto orders to replace inventory following record February sales led the increase. Price cuts for computer equipment caused the value of orders to decline in that category despite strong demand. Nondurable goods and petroleum orders also increased. Led by orders for electronic components, **durable goods** orders increased 2.6% in February, easily making up for a decline in orders during January. As would be expected, with orders increasing in February and March, **industrial production** jumped in April. **Capacity utilization** in manufacturing increased to 81.4%. While this utilization rate does not signal problems for the industry, it does indicate that inflationary pressures could increase.

After showing strong gains over the past few months, **inflation** moderated during April. **Consumer prices** were unchanged during the month and are up 2.6% over the past 12 months. The core rate increased at a manageable 0.2% pace during the month. Falling energy

and transportation prices helped to mute the inflation rate in April. Tobacco and tobacco products were the only component showing strong price increases during the month. Prospects for inflation remain unsure, however, as the employment cost index shows two consecutive quarters of strong growth in labor costs. Some of the growth in labor costs was caused by a first quarter rate of **productivity** growth that was well below the average of the last five years. Slower productivity growth, coupled with rising labor costs, caused a sharp increase in per unit production costs. **Producer prices** declined in April, with the index falling 0.3%. The core rate increased just 0.1%. Falling energy prices offset strong increases in food prices during the month. Rising factory utilization rates and increasing import prices may lead to potential upticks in the future, however. **Farm commodity prices** experienced another positive month in April, as strong domestic demand and increasing exports have strengthened prices in the agricultural community during the last three months. While there are many potential pressures on inflation now, the Fed's actions to constrain inflation would indicate that it has no intention of letting inflation increase at a high level, and the Fed can be expected to continue to act against any pressures that do begin to impact the economy.

"Some of the growth in labor costs was caused by a first quarter rate of productivity growth that was well below the average of the last five years."

News released during the last month was generally positive, but the Federal Reserve Board is acting to slow the nation's strong growth. While construction markets are strong, higher interest rates and a volatile stock market will work against them in the future. There are signs that inflationary pressures could expand and consumers may take a breather to ascertain the direction of the economy and the stock market.

Colorado Economy

Colorado's economy remained healthy through March, with nonfarm employment continuing to grow at a healthy pace despite a continuing labor shortage accompanied by a low unemployment rate, exploding retail sales, and, benign, though increasing, inflation. While both nonresidential and residential construction are below last year's levels, they remain at a fairly high level.

Employment

Colorado's nonfarm employment grew 4.2% through March, compared with the first three months of 1999. The seasonally adjusted unemployment rate fell to 2.7% in March from 2.8% in February. While a rate of 2.7% is not a record low, it is equal to the latest

Colorado's Economy at a Glance

<i>Key Indicators</i>	<i>Direction</i>	<i>Assessment</i>
Nonfarm Employment Growth		Good
Unemployment Rate		Good
Mortgage Rates		Bad
Retail Trade Sales		Good
Home Resales		Good
Nonresidential Construction		Bad
Colorado Inflation Rate		Good
Overall Rating		Good

record set in February and March of 1999. Although employment is growing at a healthy clip, the low unemployment rate is more indicative of an egregious shortage of labor, both skilled and unskilled, than widespread employment growth.

"...the low unemployment rate is more indicative of an egregious shortage of labor, both skilled and unskilled, than widespread employment growth."

Job gains occurred in the communications, advanced technology, insurance, and manufacturing industries. Time Warner Telecom announced plans to hire at least 300 people in the Denver area as part of a nationwide expansion, high-speed internet access provider High Speed Access Corp. will hire between 100 and 150 people over the next few years in southern Jefferson County, and Safeco Insurance Co. of America will hire 170 people over the next few years in Lakewood. Finally, mountain bike shock manufacturer RockShox Inc. will hire 150 people to staff its new headquarters in Colorado Springs.

Job losses occurred in the internet retail, services, and mining sector. Denver-based Internet retailer KBKids.com laid off between 45 and 60 people, a result of a delayed initial public stock offering. Electronic Data Systems (EDS) announced plans to relocate 150 jobs from its Louisville customer service center to a new call center in Nova Scotia, Canada. In addition, only months after laying off 110 miners in January, low prices for molybdenum caused Phelps Dodge to lay off 130 miners at the Henderson Mine near Empire.

Residential Construction

Residential construction is nearly on par with growth a

year ago, according to F.W. Dodge. The number of residential units under construction fell 0.9% through March compared with the first three months of 1999, after growing 14.2% in 1999. Construction of single-family homes fell 1.8% during the same time period, while the construction of apartment buildings rose 4.0%.

"...the median price for a single-family home in the five-county metropolitan Denver area rose 13.3% during the first quarter of 2000 compared with the first quarter of 1999."

According to Perry & Butler Realty, the average price of a single-family home continued to rise in April, to \$230,889, up from \$228,887 in March and \$197,350 a year earlier. According to The Genesis Group, a housing market research firm in the Denver area, the median price for a single-family home in the five-county metropolitan Denver area rose 13.3% during the first quarter of 2000 compared with the first quarter of 1999. The median price in Adams County grew the fastest, at 18.3%, while the median price increased 15.3% in Denver, 14.5% in Jefferson County, 14.4% in Arapahoe County, and 12.9% in Douglas County. Meanwhile, the Home Builders Association of Metro Denver reported that permits for single-family home construction in metro Denver fell 10 percent through February.

According to a report by Dun & Bradstreet Corp., the cost of building nationwide is going up. Almost one-third of construction executives expect to raise their prices before June 2000. Executives indicated anxiety that rising interest rates and rising home prices will dampen the housing market.

Nonresidential Construction

According to F.W. Dodge, the value of nonresidential construction in Colorado fell 40.1% through the first three months of 2000. All major sectors experienced declines except the religious and hospital/health treatment sectors.

Plans were announced for two large office buildings in the ParkRidge Corporate Center in Douglas County. A 161,000-square-foot building, expected to be completed by July 2001, will be American Century Investments new Denver headquarters. The building will house 400 of the firm's current employees. The

second project is a 190,000-square-foot speculative office building nearby.

Denver-based Starz Encore Media Group announced plans to build new headquarters in Meridian International Business Center near Centennial Airport at E-470 and Peoria Street. The 200,000-square-foot building will house the cable-movie company's 500 current employees.

Venture Capital

According to a survey by PricewaterhouseCoopers, 33 Colorado companies were awarded \$423.1 million in venture capital during the first quarter of 2000. This is nearly five times the amount recorded during the first quarter in 1999. The majority of funds were invested in software and telecommunications companies, followed by industrial, publishing, retail/distribution, new media, and business services companies.

Manufacturing

The Colorado Front Range Purchasing Managers' Index rose to 61.8 in April, up from 55.6 in March. An index above 50 represents an expanding manufacturing economy. The individual indexes for prices, new orders, and raw material inventory increased from March, suggesting continued healthy growth prospects for the industry. However, the individual index for the availability of both skilled and unskilled labor continued to decline and remains substantially below 50, suggesting that the hiring difficulties of manufacturing firms are limiting growth.

Small Businesses

The Vectra Bank Colorado Small Business Index, published by Thredgold Economic Associates, fell slightly to 102.7 in April from a revised 102.8 for March. The index, which measures business conditions for smaller business in Colorado, uses calendar year 1997 as its base and incorporates 14 economic indicators including the unemployment rate, regional economic growth, retail sales, personal income, and inflation. Business conditions for small businesses, though generally positive, were hindered by the labor shortage and mounting inflationary pressure.

Agriculture

The number of cattle and calves on feed for the slaughter market in Colorado as of April 1, 2000, was up 4% from a year earlier. Meanwhile, all livestock prices

increased in April. Mid-April cow prices were 13.4% higher than in mid-April 1999, while mid-April steer and heifer prices were 12.3% higher for the same time period.

While corn prices were unchanged in mid-April from a year ago, wheat prices fell. Wheat prices were 12.4% lower in mid-April 2000 than a year earlier, and 4.1% lower than in mid-March 2000. Mid-April corn prices, unchanged from a year ago, were 1.0% higher than in mid-March. Barley prices were 8.7% lower than a year ago, while potatoes were 12.8% lower than a year ago.

Gaming

The gaming boom in Colorado is accelerating. Central City, Black Hawk, and Cripple Creek brought in \$52.5 million in adjusted gross proceeds (total revenues less awards) during March and \$51.3 million during April, for a fiscal year-to-date growth rate through April of 16.5% . Gaming has not experienced this level of growth in Colorado since FY 1994-95, when the towns were still experiencing rapid growth after the inception of gaming in October 1991.

"Passenger traffic at both Denver International Airport (DIA) and the Colorado Springs Airport registered healthy growth in March. "

Transportation

Passenger traffic at both Denver International Airport (DIA) and the Colorado Springs Airport registered healthy growth in March. Approximately 3.5 million people passed through DIA in March, with passenger traffic increasing at a 2.2% year-to-date rate. Passenger traffic at the Colorado Springs Airport grew 2.8% in March, the first monthly increase in a year. Meanwhile, DIA officials announced tentative plans to build a sixth runway to help save time during takeoffs and landings northwest of the airport's terminal. The runway would cost \$155 million.

DIA's first- and fourth-largest jet-carriers announced plans to expand their services from Denver. United Airlines, the largest jet-carrier at DIA, announced tentative plans to expand its service by between 20 to 25 departures daily and tentative plans to build a pedestrian tunnel to connect concourses A and B. Meanwhile, American Airlines, DIA's fourth-largest jet-carrier, will expand service between DIA and California, increasing the airline's daily departures from

Denver by 35%. Beginning on July 2, 2000, the airline will provide three daily round-trip direct flights to San Jose and four daily round-trip direct flights to Los Angeles.

The Colorado Department of Transportation announced that, aided by the successful Referendum A election in November 1999, a record \$471 million in highway projects will be under contract in the Denver area this summer, \$100 million more than last summer. The department indicated that \$540 million in revenue anticipation notes are expected to be sold in 2000, and that at least four major highway projects in the Denver area will be accelerated as a result. They include an eastbound extension of Interstate-270 between U.S. 36 and Interstate-76, an additional lane in each direction on Interstate-25 between Castle Pines Parkway and Founders/Meadows Parkway, a new interchange at Interstate-76 and 120th Avenue in Adams County, and the widening of 3.5 miles of U.S. 285 between Eagle Cliff Road and Foxton Road. Other highway projects this summer include additional work on U.S. 36, construction on Interstate-70 between Interstate-25 and Brighton Boulevard, and construction that includes provisions for light-rail development at Interstate-225 and Parker Road.

Mining

A glut in the market for molybdenum disulfide caused the Henderson Mine near **Empire** in Clear Creek County to lay off 110 people in January and 130 people in May. The price of molybdenum was \$2.65 a pound in early May, substantially lower than its high of more than \$16 a pound in 1995.

"Douglas County-based Time Warner Telecom announced plans to hire at least 300 people in the Denver area ..."

Metropolitan Denver

Douglas County-based Time Warner Telecom announced plans to hire at least 300 people in the **Denver** area and 600 people outside of Colorado during the next year as part of a nationwide expansion. The available positions include software engineers, systems analysts, marketing, and general administrative jobs. The fiber-optic network manufacturer currently employs 1,378 people, 700 of which are in Denver.

Denver-based Internet retailer KBKids.com laid off between 45 and 60 people, approximately one-third of its staff. The layoffs were a result of a delayed initial public stock offering, in anticipation of which the company had hired additional people.

New jobs are coming to **Jefferson County**. High-speed internet access provider High Speed Access Corp. will move to a new building at C-470 and Kipling Street, bringing 250 of its current employees and hiring between 100 and 150 additional employees over the next few years at an average salary of \$60,000. In addition, Safeco Insurance Co. of America is moving to the Denver West Office Park, bringing 130 current employees with them and hiring 170 additional employees over the next few years at an average salary of \$33,524.

Despite a barrage of announcements for new construction, the value of nonresidential construction in the five-county metro area, which includes Adams, Arapahoe, Denver, Douglas, and Jefferson counties, declined 47.1% through March compared with the same time period in 1999. Meanwhile, the number of permits issued for the construction of residential units grew 3.4% in the five-county area through March compared with the first three months in 1999. The construction of single-family homes declined while the construction of apartment units increased.

Meanwhile, according to the Denver Apartment Vacancy and Rent Survey, rental rates in metro Denver are on the rise while vacancy rates continue to fall. The average rental rate for all apartments in the metro Denver area rose 7.4%, from \$695 in the first quarter of 1999 to \$747 in the first quarter of 2000. Meanwhile, the apartment vacancy rate in metro Denver during the first quarter of 2000 was 5.1%, down slightly from the 5.2% vacancy rate for the fourth quarter of 1999, but up from the 4.6% vacancy rate a year earlier.

"The tightest rental market in metro Denver is in Downtown Denver..."

The tightest rental market in metro Denver is in **Downtown Denver**, where the vacancy rate was 2.2% and the average rent for a two-bedroom, one-bath apartment was \$942 in the first quarter of 2000. In addition to high demand, the low vacancy rate has been partially blamed on a trend to the conversion of

apartments to condominiums, a result of a healthy economy in which more building owners can afford the transition while fewer prospective home-owners are willing to forego building equity. Not only are many apartments being converted to condominiums, but new condominiums are under construction. Plans were announced to build a 13-story condominium building in the Central Platte Valley. The Riverfront Tower will include 58 units ranging in size from 3,000 square feet to 5,500 square feet.

On the north side of the metro area, a 348-unit apartment complex is under development on Washington Street between 120th and 128th avenues in **Thornton**. The 15-building, \$34 million Red Hawk Ranch apartment project is expected to be complete in the summer of 2002, and will feature units ranging in size from 675 to 1,156 square feet. In addition, plans were announced to build a 45,000-square-foot commercial skate park near the **Westminster** Promenade near U.S. 36 and 104th Avenue, and will include concrete pools, ramps, and both indoor and outdoor courses for skaters and skate boarders. The park will cost between \$4 million and \$5 million to build, and is expected to be open in November.

On the west side of the metro area, North Bear Crossing, a 120,000-square-foot mixed-use development in **Lakewood**, is under development at Kipling Parkway and Morrison Road. The \$25 million development will include four or five buildings of retail and office space, averaging 8,000 square feet per building. Meanwhile, plans were announced to develop between 400,000 and 500,000 square feet of office space and up to 1 million square feet of retail space at Bandimere Speedway. According to a report by the Jefferson Economic Council, the \$200 million Bandimere Speedway redevelopment could generate between \$250 million and \$300 million in retail sales annually and create up to 4,750 jobs. Redevelopment of the speedway is expected to take at least nine years.

"In addition, plans were announced for additional development at the former Lowry Air Force Base that will include a mix of 670 multi- and single-family homes and a grocery-anchored retail center with office space."

On the east side of the metro area, software company Raytheon Co. announced plans to begin construction on two 175,000-square-foot buildings at **Aurora's**

Centretech Business Park in May. The campus will house the company's 1,800 current employees. In addition, plans were announced for additional development at the former **Lowry** Air Force Base that will include a mix of 670 multi- and single-family homes and a grocery-anchored retail center with office space. The homes will be more affordable than those built there in recent years, ranging in price from \$125,000 to \$400,000. Finally, the city of Denver announced plans to develop an 18-hole public golf course at Denver International Airport.

On the south side of the metro area, construction plans continue to thrive on the C-470 **corridor**. Companies at the **Highlands Ranch Business Center** include Lucent Technologies, Qwest Communications, Visa Corp., ADC Telecommunications Sales, and Cushman & Wakefield. Nearly 1 million square feet of office space is being built and 400,000 square feet is planned in the office park. Meanwhile, plans for a 185,000-square-foot, four-building speculative office project were announced at the Ridge at Southpark, near the Highlands Ranch Business Center.

Boulder County

Plans were announced to build the 82,000-square-foot Summitview Building at the **Lafayette** Tech Center. The \$6.4 million speculative office building will be the largest building in Lafayette, and is expected to be complete by the end of 2000.

Construction began on the 24,000-square-foot Rock Creek Center, an office building with 10,200 square feet of retail space. The building is expected to be complete by the end of 2000, and will be located at Rock Creek Parkway and Coalton Road near **Superior**.

Electronic Data Systems (EDS) announced plans to relocate approximately 150 jobs from its **Louisville** customer service center to a new call center in Nova Scotia, Canada. The company cited the local labor shortage as a partial reason for the move. EDS, headquartered in Texas, employs 1,800 people in Boulder County and 3,000 people along the Front Range.

Southern Region

Mountain bike suspension system manufacturer Rock-Shox Inc. announced that it will move its headquarters from the Silicon Valley to **Colorado Springs**. The

move will be complete within 18 months, and the company expects to bring 150 employees with it from California, and hire another 150 in Colorado Springs. The move is a result of the high cost of doing business in Silicon Valley.

Construction began on a 4,800-square-foot retail and office building at Skyway Plaza Shopping Center in Colorado Springs. Construction is expected to begin on a second 27,000-square-foot building in the center this summer.

Construction began on the 150,000-square-foot, three-building Compassion International headquarters in Northgate Corporate Village in Colorado Springs. The \$24 million complex will house 500 employees of the company, a nonprofit organization that helps impoverished children around the world.

“Web site development company Interactive Papyrus announced plans to expand its Colorado Springs operations and expand into Broomfield.”

Web site development company Interactive Papyrus announced plans to expand its Colorado Springs operations and expand into Broomfield. The company will more than double its current workforce in Colorado Springs from 19 to 40 people. Interactive Papyrus will also open its new headquarters at Interlocken Business Park in Broomfield. No information was given regarding the number of people the company expects to hire in Broomfield.

Northern Region

Construction began on a \$6 million, 63,500-square-foot manufacturing facility in the Prospect East Business Park in **Fort Collins**. The building will be occupied by Advanced Energy Industry Inc., a manufacturer of electronic equipment.

Plans were announced for a \$900,000 restoration of the Fort Collins historic Armory Building. The armory opened in 1907 and housed a cavalry brigade of the Colorado Army National Guard.

Long-term plans were announced for a large residential, commercial, and industrial development on 3,000 acres in and adjacent to **Loveland** on Interstate-25 and U.S. 34. The project would require \$76 million in

infrastructure investment, and would take until 2026 to complete.

Western and Mountain Regions

Plans were announced for a large development at the Silver Creek Golf and Ski Ranch in **Grand County**. The \$600 million plan will cover 5,500 acres, and includes a village center, up to 5,500 residential units, an 18-hole golf course, 600 acres of open space, and new ski lifts with more terrain. The plan, expected to take between 15 and 20 years to complete, is an attempt to move the resort away from a single-season resort toward more of a four-season resort. Other developments in Silver Creek include as many as 850 townhomes on two separate sites.

The Bell Tower Mall was demolished in **Breckenridge** to make way for a \$110 million mixed-use mall with 34,000 square feet of retail space and 200 condominiums.

The \$11.5 million expansion of **Keystone's** conference center is expected to open on June 1. The 49,000-square-foot expansion includes a 20,000-square-foot ballroom, an expanded kitchen and bakery, and an 18-hole golf course. The new center was expanded to attract larger conferences.

Construction is set to begin on Avon Village, a \$1.5 billion development in **Avon** that would include 2,400 homes, a 600-unit hotel, and 650,000-square-feet of commercial space. Meanwhile, the \$44 million Chapel Square development in Avon was recently completed. The development includes 78 condominiums and more than 100,000 square feet of commercial space.

Regional Growth Cumulative Year-to-Date Growth Rates

	Alamosa	Boulder	Colorado Springs	Metro Denver	Durango	Fort Collins	Grand Junction	Greeley	Lamar	Montrose	Pueblo	Ski Counties (Eagle, Pitkin, and Summit)	Steamboat Springs	Sterling
Employment Growth (through March 2000)	5.5	3.5	3.5	3.9	2.9	4.8	5.5	3.0	8.5	6.4	0.2	2.9	4.3	10.9
Unemployment Rate (not seasonally adjusted) (in March 2000)	5.1	2.4	3.2	2.3	3.9	3.0	3.7	3.3	2.4	4.8	4.2	1.6	1.7	2.8
Retail Trade Sales Growth (through February 2000)	8.3	17.5	7.9	14.1	7.5	15.1	12.0	22.4	16.3	13.7	11.6	5.4	13.7	18.0
Housing Permit Growth * (through March 2000)	-41.7	27.6	-2.8	3.4	-19.8	-5.5	-15.0	-7.7	-48.0	12.5	-30.3	-45.0	46.2	-23.7
Growth in Value of Non-residential Construction* (through March 2000)		-42.0	8.1	-47.4		-50.2	-82.5	-3.8		-33.3		92.8		

Actual level not growth rate.

Colorado Department of Labor and Employment data.

* F.W. Dodge data.

Colorado Department of Revenue data.

\$12.3 million was contracted through March 2000, while \$4.3 million was contracted through March 1999.

Nothing was contracted through March in both 2000 and 1999

Nothing was contracted through March 2000, while \$2.3 million was contracted through March 1999.

Nothing was contracted through March 2000, while \$387,000 was contracted through March 1999.

\$6.5 million was contracted through March 2000, while \$1.3 million was contracted through March 1999.

\$9.6 million was contracted through March 2000, while \$3.5 million was contracted through March 1999.

Colorado Indicators

Indicator	March 2000	1999 Annual Average	1998 Revised Annual Average
Nonfarm Employment Growth	4.2%	3.7%	3.9%
Unemployment Rate (seasonally adjusted)	2.7	2.9	3.8
Housing Permit Growth §	-0.9	14.2	8.6
Single family	-1.8	3.7	13.6
Apartments	4.0	53.0	-7.2
Growth in Value of			
Nonresidential Construction §	-40.1	25.1	-12.0
Retail	-36.5	22.4	-5.1
Offices	-4.2	-3.4	36.5
Factories	0.3	131.6	-77.0

§ Actual level, not growth rate.

§ F.W. Dodge data.

Colorado Department of Labor and Employment data.

Note: An inflation rate is not calculated for the state. The Denver-Boulder-Greeley inflation rate is often used as a proxy for Colorado's inflation rate. The Denver-Boulder-Greeley inflation rate was 2.9% in 1999, following a 2.4% rate in 1998.

