



Colorado Economic Chronicle

Legislative Council
Denver, Colorado

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July 19, 2001

National Economy

National output, as represented by inflation-adjusted **gross domestic product** (GDP), increased a revised 1.2% in the first quarter of 2001, slightly lower than the previous estimate of a 1.3% gain. A 3.4% increase in consumer spending offset a continued drop in net exports and weak business investment. The Federal Reserve Board reduced interest rates by only 25 basis points in late June, leaving the federal funds rate at 3.75%. The most recent reduction followed five cuts of 50 basis points each since January 2001. The federal funds rate is now at its lowest point since 1992.

“The second quarter’s total loss of 271,000 jobs was the first quarterly decline since the last recession in 1991.”

Nonfarm **employment** posted a loss of 114,000 jobs in June, following a meager gain of 8,000 jobs in May. The second quarter’s total loss of 271,000 jobs was the first quarterly decline since the last recession in 1991. The manufacturing sector continued to lose jobs in June. The sector has lost nearly 800,000 jobs over the past 12 months. Meanwhile, the June unemployment rate rose a notch to 4.5%, matching the slowdown’s high level in April.

Personal income increased a scant 0.2% in May, steady since the revised 0.2% growth in April. These

recent figures were much lower than the income gains of the previous four months that registered either a 0.5% or 0.6% increase. Slow income growth was attributed to weak gains in wage and salary income. Still, the weaker income growth has not deterred consumer spending. The saving rate was a record low -1.3%, the eleventh consecutive month of zero to negative savings.

Consumer spending increased 3.4% in the first quarter of 2001, up from the 2.8% growth of the previous quarter. *Retail sales* increased 0.2% in June, following a 0.4% increase in May. Total retail sales have maintained growth in five of the last six months. Another consumption indicator, *consumer confidence* rose in June for the second straight month. While consumers were concerned regarding the present economic situation, the index was tugged up by an optimistic outlook regarding future economic conditions.

The **manufacturing** sector extended its recession into an eleventh month. The *National Association of Purchasing Managers’ Index* posted a value of 44.7% in June, an increase from 42.1% in May (an index value below 50% indicates contraction in the sector). May’s index value was the highest since November. New orders and production indices significantly increased in June. Still, all categorical indices remained below 50%, suggesting that the sector has not yet climbed out of its slump. *Semicon-*

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ductor billings dropped a seasonally adjusted 5.9% in May, the ninth straight month of falling sales. June vehicle sales were also disappointing at a seasonally adjusted annual rate of 17.1 million units, even with last year's pace. May industrial production was down 0.8% from April, representing the eighth consecutive month of production decreases. Meanwhile, business inventories declined 0.3% in May, the fourth monthly reduction in a row. However, factory orders rose 2.5% in May, led by a 3.0% jump in durable goods and a 1.9% jump in nondurable goods. This was welcome news as it followed a lackluster 3.4% drop in orders for April.

Unlike many sectors, the construction industry witnessed stable growth in recent months. May construction spending, as indicated by the inflation-adjusted value of completed construction, rose 4.6% from one year ago. This was the fifth consecutive month of increases in completed construction value. In the residential supply market, housing starts decreased a slight 0.4% to 1.622 million units in May. However, this figure was 3.1% higher than the number of starts a year ago. Demand for homes remained strong as new home sales in May increased a better-than-expected 0.8% over the prior month and

8.8% over the prior year. Meanwhile, existing home sales increased 2.9% over the prior month and 3.5% over the prior year. The average 30-year fixed mortgage rate was just above 7.1% in May, above most monthly figures in 2001, but lower than last year.

Consumer prices rose 0.4% in May. However, at its most recent meeting, members of the Federal Reserve Board indicated that inflation is a smaller concern than maintaining the overall health of the economy. Supporting this viewpoint is the fact that core inflation, excluding the volatile food and energy sectors, rose a less-than-expected 0.1% in May. Meanwhile, producer prices rose a scant 0.1% in May, compared with a 0.3% increase in April. The core producer price index rose 0.2% in May, even with the previous month's price growth.

The slowdown is expected to last through at least the remainder of the year. The negative news is that the manufacturing sector is still in recession, job losses have eclipsed most of the gains for the year, and personal income growth has slowed. On the positive side, consumer spending remains relatively strong in spite of the negative news, there is still ample demand for housing, and price inflation is in check.

Colorado Economy

The Colorado economy is showing some evidence of weakness. Employment growth is slowing, though the year-to-date growth rate remains relatively robust due to a strong early performance. Layoff announcements were numerous again in June. The office vacancy rate in the southeast suburban and northwest corridors has surged and nonresidential construction

is slowing as a result. Retail trade sales are lagging thus far in 2001 after a boom year in 2000. Similarly, state sales tax collections were weak during the second quarter. Bright spots in the state economy include a still-robust housing market and a low unemployment rate. Still, the Colorado economy will be under close scrutiny in upcoming months.

Colorado's Economy at a Glance

Key Indicators	Direction	Assessment
Nonfarm Employment Growth	↑	Good
Unemployment Rate	↑	Good
Mortgage Rates	↔	Good
Retail Trade Sales	↑	Good
Home Prices	↑	Neutral
Nonresidential Construction	↓	Bad
Colorado Inflation Rate	↑	Bad
Overall Rating	↑	Good, but weakening

Employment

Nonfarm employment increased 3.5% through May, compared with the same period a year ago. Employment increased 3.9% in 2000. The pace of employment gains is slowing thus far in 2001. May employment rose only 2.5% over May 2000, while January employment registered a 4.8% gain. In June, Colorado firms announced layoffs totaling 2,600 jobs, while gains totaled 775. The large number of layoffs

appear to be depressing the employment gains. As is typical this time of year, the services sector lost over 13,000 jobs in May as ski resorts closed. Meanwhile, the trade and construction sectors grew by over 3,000 jobs each. Further information on these announcements can be found throughout the Chronicle.

“The state’s unemployment rate of 2.8% was the fourth-lowest in the country...”

While the number of announced layoffs have been large in the first half of 2001, it is not adversely affecting the unemployment rate. The state’s unemployment rate of 2.8% was the fourth-lowest in the country, while Denver’s rate of 2.2% was the smallest among metropolitan areas with more than one million people.

Residential Construction

According to the U.S. Census Bureau, permit data for May shows Colorado exceeding the record-setting pace of a year ago, as the number of residential units permitted is up 5.4% through May 2001, when compared with May 2000 year-to-date figures. Furthermore, single-family home permits were up 8.3% compared with May 2000.

“Denver’s housing market is currently experiencing a unique period of both high volume and rising prices...”

Denver’s housing market is currently experiencing a unique period of both high volume and rising prices, according to a report by Coldwell Banker Residential Brokerage. The number of homes on the market in June totaled 14,208 for the six-county metro area, up over 35% from June 2000. Meanwhile, the average resale price of an existing home continued to escalate through June 2001, increasing 8.5% since June 2000 to \$262,041.

According to the National Association of Realtors, Colorado existing home sales during the first quarter

of 2001 increased 7.3% over the first quarter of 2000, far outdistancing the national average of 2.1%. Buoyed by consistently low mortgage rates, the median price for a single-family home in Denver jumped 13.8%, again signaling the health of the housing market, as the national average remained significantly lower at 4.6%.

Construction has begun on a 313-unit apartment complex in southwest Denver. The \$32 million project will include 260 moderately priced apartment and 53 senior independent living units. Additionally, there are plans to incorporate 11,500 square feet of retail space.

Nonresidential Construction

According to F.W. Dodge, the value of nonresidential construction had fallen off by 7.2% through May 2001, compared with the first five months of 2000. Sharp declines in commercial and public sector construction led the overall drop. The current year decline follows a 14.2% decline for 2000.

“The nonresidential construction slowdown reflects the increasing vacancy rate to some extent.”

The nonresidential construction slowdown reflects the increasing vacancy rate to some extent. According to a report released by Cushman & Wakefield, the Denver office market has slid significantly in recent months. In its mid-year report, the overall vacancy rate is at 12.4%, its highest level in several years. Several submarkets have vacancy levels approaching and, in one case, exceeding 20%.

In spite of the slowing of the office market in the Denver metro area, downtown Denver is still seeing some activity. Brookfield Properties has proposed construction of a 14-story office building stacked on an 11-level parking garage on 15th St. in downtown. Brookfield expects to lease up to 70% of the office space before construction begins. Also, construction will begin this fall on a 10-story, 285,000-square-foot office building in lower downtown Denver. Legacy Partners, the building developers, will re-

ceive outside funding for 70% of the \$80 million building from the Multi-Employer Property Trust of Washington, D.C.

CenterPlace of Greeley, a 500,000-square-foot shopping center, is planned for the area near US Highway 34 and 47th Avenue in Greeley. Jacksonville, Florida-based Regency Centers hopes to have the center approved by the end of July with construction starting in the fall.

A new \$50 million pilot-training center will open near Denver International Airport in May 2002. The 45,000-square-foot center will feature four state-of-the-art simulators and will host 4,000 aviators each year. It will employ roughly 25 engineers, technicians, and administrative staff, while serving as an alternative to the center at the former Stapleton airport.

Gross State Product

Data from the Bureau of Economic Analysis indicated that Colorado ranked fourth in gross state product growth in the 1990s, behind only Arizona, Nevada, and Oregon. The state averaged 6.6% annual growth in the 1990s. The largest increase occurred in the construction sector as it increased by an annual average of 13.8% during the 1990s, followed by the services sector, which grew by nearly 10% annually.

Colorado dominated *Demographic Daily's* economic rankings released in April. The state was rated as the interior west region's healthiest economy, Denver led the metropolitan area rankings, while Douglas, Elbert, and Park Counties were cited as the region's fastest growing counties. The study looked at ten trends in employment, population, and income.

Advanced Technology

A study by the American Electronics Association showed Colorado expanded its lead as the state with the highest concentration of high-tech employment in 2000, as nearly one in ten workers were employed in the technology sector. Overall, the state had the tenth highest number of high-tech workers with

180,866 employees. Since 1998, when 84 out of every 1,000 workers were employed by technology firms, Colorado has led the country. In 2000, the figure jumped to 97 out of every 1000 workers, far outpacing second-place New Hampshire, which had 82 out of every 1000 workers employed in the technology sector.

“Colorado expanded its lead as the state with the highest concentration of high-tech employment in 2000...”

Many workers in Colorado's advanced-tech industry have lost jobs this year, however. **Golden**-based CorsTek Inc. announced it has cut 333 jobs in Colorado already this year, largely in the declining semiconductor industry. Also in negative technology news, SCI Systems, Inc. will let 150 employees go from its operations facilities in Colorado Springs and Fountain. Meanwhile, Channelpoint Inc. and Teamshare Inc. have announced a total of an additional 91 layoffs at their Colorado Springs facilities.

“Many workers in Colorado's advanced-tech industry have lost jobs this year, however.”

Citing a measure to cut \$2.3 billion in costs, communications network operator Level 3 Communications plans to cut 500 Colorado jobs over the next two years. The company is planning on cutting nearly one-quarter of its workforce worldwide.

Continuing its layoffs in the wake of its merger with US West Communications, Qwest Communications laid off 135 employees in June from its wireless services division. Also, continuing the cutbacks of many in its industry, Denver-based Internet data center company Inflow Inc. has offered voluntary severance plans to 250 of its 580 worldwide employees. The size of the Denver cutback is unknown.

On the positive side, Tenet International, a provider of telecommunication financial management services, will open a branch in **Pueblo** that will employ roughly 160 workers. Pueblo offered an incentive plan worth nearly \$1 million to lure the company to their community.

Energy

A new natural gas-fired power plant is under construction in **Limon**. The facility, designed to provide power to 140,000 residents, is set to be operational in October. The plant will employ roughly 200 workers and will be the 16th largest power plant in the state.

A coal power plant has been proposed for an area just outside **Rangely** in Rio Blanco County. The Deseret Generation and Transmission Corporation plans to open the 80-megawatt plant in 2004 and it will be the first coal plant built in Colorado since 1987.

Fidelity Exploration and Production Company will hire 30 new employees as it expands its natural gas and oil operations in the Denver area.

Gaming

Adjusted gross proceeds from Colorado's gaming industry totaled \$55.8 million in May, up 2.2% from April 2001 and 8.1% from May 2000. Black Hawk casinos generated 70.5% of the total, while casinos in Cripple Creek and Central City accounted for 20.6% and 8.8%, respectively.

Trade

First-quarter exports for the state were up 8.3% over the first quarter of 2000 according to the Massachusetts Institute for Social and Economic Research. Though bettering the national average of 5.1%, 2001 growth so far pales in comparison with the double-digit growth seen throughout the late 1990s. The expansion was led by the continued proliferation of technology goods.

Manufacturing

Continuing the steady improvement of the last several months, the Front Range Purchasing Managers' Index, which measures Colorado's manufacturing economy, increased to 51.4 in June, up slightly from 50.8 in May. June's index indicated the manufacturing economy was expanding for the second consecu-

tive month following six months of contraction. The index measures various types of manufacturing activity at Front Range businesses from Colorado Springs to Fort Collins.

Two regional indices showed Colorado had a significant improvement in economic conditions in May. The Colorado Business Conditions Index jumped a record 12.4 points to 59.3, while the similar Mountain States Business Conditions Index rose 8.4 points to 60.5. A score above 50 represents an expanding economy.

Mining

Denver-based Newmont Mining Corporation announced in May that it will cut 5% of its staff, or about 200 employees. The cutback, a result of continually decreasing gold prices, will come largely through early retirement and attrition.

Tourism

There were 11.5 million skier visits reported by Colorado's 25 ski areas during the 2000-01 ski season, representing a 5.7% increase over the 1999-2000 season. It is the highest level seen since 1997-98 when visits totaled 11.9 million.

Longwoods International, a Canadian research firm that analyzes tourism trends, released figures showing that Colorado's tourism industry has been on a significant decline throughout much of the 1990s. In the eight-year period between 1992 and 2000, Colorado's share of the nation's tourism has dropped over 40%. Roughly 24.7 million tourists visited Colorado in 2000, representing declines from 1999 and 1998 of 5% and 9%, respectively. In spite of the overall lackluster visitor numbers for the state, Denver posted a 7% increase in overnight visitors in 2000, far better than the national average increase of 1% among metropolitan areas.

Transportation

According to a study released by the Surface Transportation Policy Project, Denver ranks 12th of 68

metropolitan areas in burdensome commutes. The study, which looked at commuting times and overall traffic patterns, also found that 88.1% of the Denver area's 852,413 workers drive to work, while 11.9% use alternative commuting means, including public transportation, walking, and bicycling. Meanwhile, Colorado Springs ranked 46th overall.

Frontier Airlines continued to increase its passenger traffic, citing a 23.4% increase in April 2001 over April 2000 figures. In other airline news, Atlas Air has announced it will layoff or transfer all 44 Denver-area employees due to a dip in regional demand for their freight-transporting services.

Metro Denver

Janus continued its extensive cost cutting measures by laying off 146 shareholder servicing and operations jobs in **Denver**. The cuts came on the heels of a similar round of layoffs in February. In total, the company has cut over 40% of its work force this year. Also, Denver-based On Command Corporation laid off 120 sales, marketing and public relations staff members last month as part of a companywide consolidation and restructuring.

As part of a plan to consolidate its offices, NICE Systems, a maker of high-tech digital recording equipment, will open a new 30,000-square-foot office in downtown Denver. The office will house more than 100 employees.

Construction is underway for the City and County of Denver's new office building. The building, to be completed in late 2002, will house 2,500 employees in 40 city agencies. Also, the new Denver Family Crisis Center opened in June 2001. The \$10 million facility will be able to service up to 60 neglected or abused children, nearly three times the number of the old offices.

An area just northeast of Denver has been pegged for redevelopment, with plans to invest \$30 million in redeveloping the former Yellow Cab dispatch center near the Interstate-25 and Interstate-70 interchange. The project calls for over 200,000 square feet of housing and office space.

Plans were unveiled in June for the centerpiece of the redevelopment activities at the former Stapleton airport. An 80-acre park will anchor the over 1,100 planned acres of parks and open space. The \$44 million parks project will include a nature center, regional recreation and aquatic center, walking and biking trails, and plant nursery.

“Plans were unveiled in June for the centerpiece of the redevelopment activities at the former Stapleton airport.”

Defense contractor Raytheon Co. has begun the process of moving its headquarters to a new 175,000-square-foot campus at CentreTech Business Park near Buckley Air Force Base in **Aurora**. The \$25 million corporate headquarters will employ up to 1,800 people in moderate to high-paying positions.

The process is underway to find a contractor for the \$268 million expansion of the Colorado Convention Center. The expansion, which will include a 5,000-seat auditorium, has a target completion date of late 2004.

Minor alterations to Invesco Field at Mile High totaling \$15.4 million were ordered by the Denver Broncos and the Metropolitan Football Stadium District, so that environmental clean up of hazardous soil from a former landfill could be completed. The cost to taxpayers is \$5.7 million, with the Broncos paying the remainder of the costs.

As part of the on-going redevelopment, the Lowry Redevelopment Authority has agreed to allow higher density housing in order to accommodate an additional 37 units, nine of which will be affordable housing. Other affordable housing will be built just north of **Commerce City** through \$570,000 in funding approved by the Colorado Division of Housing. The 156-unit project, named Belle Creek, will be completed in May 2002.

In Aurora, plans have been announced for a 248-unit apartment complex. The \$23.5 million project will be comprised of ten buildings on 16 acres with rents ranging from \$885 to \$1,455.

Boulder County

According to the Software and Information Industry Association, the Boulder-Longmont area had more software-related jobs per capita than any other metropolitan area in the nation in 1999 for the second year in a row. With 13,740 people, approximately 5% of the Boulder-Longmont workforce were employed in software-related jobs, more than five times the national average. Software-related jobs include computer programmers, software engineers, systems analysts, database administrators, network administrators and analysts and support specialists.

“...approximately 5% of the Boulder-Longmont workforce were employed in software-related jobs, more than five times the national average.”

Biotechnology firm Amgen began construction on a 200,000-square-foot expansion of its **Boulder** facility in June. The company currently has a 150,000-square-foot manufacturing plant and research laboratory in Boulder, where it employs 300 people. The expansion, which will house administrative employees, is expected to be complete in May 2002. Amgen also employs 300 people at its Longmont facility.

Construction is expected to begin by late summer on the St. Julien hotel, a \$40 million, 200-room hotel at Canyon Boulevard and Ninth Street in Boulder. The hotel, which will have 8,500 square feet of meeting space, is expected to be complete in spring 2003.

Broomfield is home to two firms attempting to corner the fiber-optic network market. Both Level 3 Communications, with its North American fiber-optic network already constructed, and 360networks, still in the process of constructing its network, are experiencing difficulties as a result of the economic slowdown and an oversupply of fiber-optic cable. After relocating its headquarters to a new 95,000-square-foot building in Broomfield during January, 360networks laid off 325 people in Broomfield and 800 people worldwide in June. 360networks employs 225 people in Broomfield and 1,000 people worldwide after the layoffs. Not long after laying off 325 people worldwide in April, Level 3 laid off

1,400 people, or 24% of its worldwide staff, in June. The layoffs included 500 in Colorado, primarily in Broomfield. In addition, Level 3 announced tentative plans to consolidate its Colorado offices at its Broomfield location.

“The office vacancy rate along the U.S. 36 corridor has reached 28%, up from 1% in December 2000...”

Both Level 3 and 360networks are contributing significantly to the glut of vacant office space on the U. S. 36 corridor. Level 3 recently completed construction on two buildings totaling 350,000 square feet that will likely remain vacant, and 360networks currently has 137,000 square feet of vacant space. The office vacancy rate along the U.S. 36 corridor has reached 28%, up from 1% in December 2000, with approximately 1.4 million square feet of vacant office space and another 1.6 million square feet under construction.

The FlatIron Crossing mall expects to have generated \$360 million in sales by the first anniversary of its grand opening on August 11. A mall official estimated that 18.2 million people will have visited the mall by that date. The mall is expected to nearly double Broomfield's city sales tax collections this year, generating \$13.5 million alone. Broomfield's city tax collections totaled \$14.7 million in 2000.

Adaptec laid off approximately 35 people, or nearly half of its 78-person **Longmont** workforce, in late June. The manufacturer of advanced technology connectors laid off 325 people, or 15% of its workforce, worldwide as a result of the slowdown in the technology sector.

San Jose, California-based programmable chip manufacturer Xilinx recently completed construction on a 125,000-square-foot facility in southwest Longmont, to which it plans to move its employees currently housed in Boulder. Xilinx announced in May that it would require its workers to take two weeks of vacation as a cost cutting measure rather than resort to layoffs. In addition, the company reduced salaries among all but its lowest-paid employees. Xilinx currently employs between 250 and 300 people in Boulder County.

Five new hotels, with a total of 441 rooms, are planned for Longmont. They include two Marriott hotels, one with 84 rooms and another with 78 rooms, a 93-room Hilton Garden Inn, a 86-room Holiday Inn Express and a 100-room Holiday Inn Staybridge. The new hotels will nearly double Longmont's hotel room inventory; Longmont currently has 569 rooms in eight hotels and motels.

El Paso County

According to a study released by National Home Builders Reports, the average price of a single-family home fell 4.4% from January to April 2001. The price of \$187,459 in April was still 6.3% higher than the April 2000 figure.

In spite of the price decreases, housing starts continue to soar in El Paso County. According to the Pikes Peak Regional Building Department, housing starts totaled 2,358 through May 2001, a 24.4% increase over the same five-month period in 2000. The total is also on pace to eclipse the record of 4,731 set in 1972.

Colorado Springs Internet equipment manufacturer IXsystems will leave its local office by the end of July, displacing 50 employees. Meanwhile, Oracle Corporation will layoff 21 local employees as part of its plan to layoff 850 employees nationwide, and St. Gobain Ceramics and Plastics USA trimmed 14 of its 100 employees from its Colorado Springs operations by shutting down its can tooling section.

Nearly 500 engineers and other contract workers will lose their jobs at the Air Force Academy beginning in 2002. The cutback is a result of the federal government plan to outsource contract work to the private sector in an effort to cut costs.

USAA Insurance Group announced it will move 250 jobs to Colorado Springs. Many will be transferred from the company's Seattle offices.

Northern Region

In **Estes Park**, the Richard H. Willie Trust plans to develop a 66-unit, 31-building multi-family condo-

minium unit on an 11.4 acre tract of land. The units will average 2,240 square feet and include attached two-car garages.

Fort Collins-based First Colorado Mortgage closed its doors abruptly in June, displacing the company's 150 employees. Analysts cited poor management and loss of revenues as the reasons for the company's demise.

Southern Region

Colorado Water Company's \$500,000, 3,750 square-foot bottling plant, located on a 100-acre farm west of **Alamosa**, is the first step in a multi-year, \$8 million to \$10 million plan to produce Colorado's first legal Scotch-style whiskey. Valley attractions, such as the Great Sand Dunes National Monument and Preserve, will be promoted on the bottle labels. The company has plans to begin construction on the 7,500 square-foot distillery next fall or early winter and to be producing up to 10,000 barrels, or 2 million liters, of whiskey by 2004 or 2005. The company intends to purchase about 2,600 tons of barley from area farmers. When the distillery is fully operational, it will employ more than 50 workers. Future plans also include a visitor's center and restaurant to tap into the estimated 2 million tourists who annually travel through the valley.

Mountain and Western Regions

Resort Group, a property management company, is building an 18,000-square-foot corporate headquarters and remote check-in site in **Steamboat Springs** with a completion date of May 2002. The new building will house the corporate offices of Resort Group and the various companies it owns. The corporate strategy is to keep the brand identity of those companies intact, even though they are under single ownership. The business entities include Hotel Bristol, Mountain Resorts, Big Country Resorts & Residential Housing, and Mount Werner Property.

Due to the recent contract given to CAPCO Inc. by the United States Air Force, the company plans to hire 35 new employees. Under the \$22.7 million

contract, the **Grand Junction** company will spend 30 months producing weapons upgrades for the M16 rifles used by the Air Force.

Construction will begin this summer on the **Durango** Air Tanker Base at the Durango-La Plata County Airport. The Durango Air Tanker Base will be one of four full-time air tanker bases located in the Rocky Mountain Region. It will be developed on 7½ acres of land leased from the Durango-La Plata County Airport, and will be a hub for fire management in the Rocky Mountain geographic area. The base will have office buildings, pilot-ready rooms, four retardant tanks, two water tanks, and two pads. The water and retardant tanks will each hold 40,000 gallons.

A development plan for 95 additional single-family residential lots to be added by next spring to the SkyRidge Village and Estates subdivision has been approved by the Durango Planning Commission. TAMU Joint Ventures, the developer, will also construct a landscaped, partially buried 100,000-gallon tank to provide water for fire emergencies.

Colorado Indicators Year-to-Date Growth Rates

Indicator	May 2001	April 2001	2000 Annual Average
Nonfarm Employment Growth [¤]	3.5%	3.8%	3.9%
Unemployment Rate ^{¤ ‡} (seasonally adjusted)	2.8	2.7	2.6
Housing Permit Growth ~	5.4	-2.9	9.0
Single family	8.3	6.8	-1.9
Apartments	-2.4	-26.4	47.2
Growth in Value of			
Nonresidential Construction §	-7.2	1.1	-14.2
Retail	-18.9	0.2	-12.8
Offices	-24.8	-32.7	22.9
Factories	451.9	442.7	-71.7

- [¤] Colorado Department of Labor and Employment data.
- [‡] Actual level, not growth rate.
- ~ U.S. Census Bureau data.
- § F.W. Dodge 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 4.0% in 2000, following a 2.9% rate in 1999.

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 May 2001)	0.3	5.9	2.6	3.9	3.6	5.2	2.6	3.6	-2.7	5.5	0.5	3.1	2.2	2.5
Unemployment Rate ^{◆ ◆} (not seasonally adjusted) (in May 2001)	4.4	2.4	3.0	2.2	2.8	2.5	2.7	2.8	2.5	4.0	3.5	3.4	4.0	2.3
Retail Trade Sales Growth [▼] (through April 2001)	-4.6	9.4	2.1	2.4	7.3	4.5	5.8	5.8	-3.1	9.7	0.6	6.6	3.6	-8.8
Growth in Value of Non-residential Construction* (through May 2001)	①	62.9	-27.5	-12.1	-91.7	②	③	34.8	④	-60.0	-26.4	-86.7	-41.0	⑤
Housing Permit Growth* (through May 2001)	18.5	-47.2	-3.8	-7.4	-4.2	-5.2	7.5	30.1	12.0	-3.0	83.8	110.9	4.1	9.3

- ◆ Actual level not growth rate.
- ◆ Colorado Department of Labor and Employment data.
- * F.W. Dodge data.
- ▼ Colorado Department of Revenue data.
- ① \$1.4 million was contracted in 2001, while \$172,000 was contracted in 2000.
- ② \$54.1 million was contracted in 2001, while \$26.6 million was contracted in 2000.
- ③ \$14.0 million was contracted in 2001, while \$4.7 million was contracted in 2000.
- ④ \$994,000 was contracted in 2001, while nothing was contracted 2001.
- ⑤ \$2.1 million was contracted in 2001, while nothing was contracted in 2000.