

2010 Colorado Planning & Management Region Report

Region 3 – Adams, Arapahoe, Boulder, Broomfield,
Clear Creek, Denver, Douglas, Gilpin and Jefferson Counties

Introduction

Region 3 consists of the counties Adams, Arapahoe, Boulder, Broomfield, Clear Creek, Denver, Douglas, Gilpin, and Jefferson and has an estimate 2009 population of over 2.8 million. This Denver metropolitan region is still experiencing the effects of the economic downturn which has affected multiple aspects of the economy including employment, access to credit, migration into our region, and patterns of home ownership. Even with a lower unemployment rate than the nation, the Denver region will continue to grapple with how to recover from the losses that have been realized. In addition most of the local governments are dealing with decreased revenues, which will ultimately impact services to the population. However; there are some potential bright spots in the decline in foreclosure filings, and the number of clean energy economic development announcements.

Jobs & the Economy

The Denver region lost about 58,000 wage and salary positions between the second quarter 2008 through the second quarter 2009. Construction, manufacturing, retail and administrative services were hardest hit (accounting for about 50,000 jobs lost), while public administration grew by about 11,500.

- 97,500 establishments in 2009 vs. almost 99,000 establishments in 2008 (all second quarter)
- The unemployment rate stands at 8.3% through June 2010 for the combined metropolitan statistical area of Denver-Aurora-Boulder (preliminary LAUS survey from US Department of Labor, Bureau of Labor Statistics)

Housing

The Denver region has experienced a rollercoaster ride in the housing market, but recently the numbers have been pointing in a more positive direction. Below are some of the highlights.

- Foreclosure filings are down 6.2% YTD May 2009 and YTD May 2010.
- Finished homes are down 31.5% between 2008 and 2009.
- Housing permits decreased over 55% between 2008 and 2009. Single family permits decreased by almost 34%, while multifamily permits decreased by over 71%.
- According to the Case-Shiller Index Denver home prices realized a year over year increase of 1.8% in June 2010, while month over month prices saw an increase of 0.7%.
- The National Association of Realtors Metropolitan Median Sales Prices of single family homes for second quarter 2010 reports:
 - Denver-Aurora \$234,700, 4.9% increase from second quarter 2009

- Boulder \$352,400, 3.6% increase from second quarter 2009
- July re-sales were 26.6% below July 2009, which was influenced by the home buyer tax credit.

Clean Energy

The Denver region has been fortunate to have a number of clean energy companies locate their headquarters, or US headquarters here, as well as seeing the existing companies expand their current operations.

The following economic development announcements are for 2010 thus far, and are taken from the Metro Denver Economic Corporation News and Deals page at: <http://www.metrodenver.org/site-selection/news-deals>.

Firm	Type	Impact
SMA Solar Denver	US solar production facility- first outside of Germany	300-700 jobs \$10-15 million capital investment
Juwi Boulder	Wind energy HQ relocation	20 jobs
Vestas Louisville	New lease for engineering and product development division	75-125 jobs
Abound Solar Longmont	Received stimulus loan funds of \$400 million for increased production	300 jobs
American Zephyr Louisville	Wind turbine company establishing US HQ	30 jobs
Bye Energy Inc Centennial	Aviation alternative energy technologies relocating its corporate HQ	NA
Boulder Wind Power Boulder	Wind turbine design, development and production locating its HQ	30 jobs
Aluwind Castle Rock	Wind turbine components locating first US manufacturing plant	30-75 jobs 50,000-80,000 sq ft space

Other

Recently there have been some other significant events in industries that have a predominant presence in the Denver region.

- Monroe, La. based, CenturyLink, announced they plan to buy Denver's Quest Communications. If approved, the acquisition will likely lead to job cuts for the sixth largest employer in Colorado.
- The Metro Denver region received several positive announcements from the health care industry:
 - The expansion of the University of Colorado hospital is expected to result in 1,000 new jobs.
 - Kaiser Permanente Colorado is expecting to open four new medical facilities in the next five years.

2010 Colorado Planning & Management Region Report

Region 3 – Adams, Arapahoe, Boulder, Broomfield,
Clear Creek, Denver, Douglas, Gilpin and Jefferson Counties

- o Catholic Health Initiatives is hiring over 200 staff to help expand and administer its health care system's clinical information technology project.

New Projects

The main headline project for the Denver region is FasTracks. The west corridor line is under construction and the east corridor line (to DIA) just broke ground on August 26, 2010. The east corridor line is the "largest single rail project in the voter-approved FasTracks program". For more information see http://www.rtd-fastracks.com/main_1.

The Union Station project is also underway. It broke ground in March 2010, and is already working on pouring the floor of the underground bus terminal. The anticipated completion is in 2013. For a weekly blog on the progress of this amazing project and other great information about development around Denver visit Denver Infill at <http://denverinfill.com/blog/>.

Goals for the Upcoming Year

The Denver Regional Council of Governments (DRCOG) will begin implementing a new regional land use model. The model will support local governments by providing comprehensive information of the current built environment which will assist in local planning and economic development. For more information on this project please contact either Louis Pino at lpino@drcog.org, or Jennifer Newcomer at jnewcomer@drcog.org.