



2012

Economic Health

Overview

Live, work and play in one of the most beautiful and friendly places



Fort Collins: Crafting a dynamic culture of innovation and stewardship to cultivate quality of place and economic health.

Introduction

In the City of Fort Collins, Economic Health means more than traditional economic development activities. The City strives to create a healthy and resilient economy by creating economic opportunity, diversifying the tax base, and preserving the community's unique quality of place. This first annual overview on the Economic Health of the City honors the commitments made by City Council in the recently adopted Economic Health Strategic Plan (EHSP, June 2012). The EHSP defines several roles the City should play relative to the economy. This report addresses the roles of Communicator and Reporter by providing:

- Recent and current data on economic conditions;
- An overview of recent Economic Health actions taken by the City;
- Highlights from our strategic partners activities related to economic health; and
- A look ahead at future economic health initiatives.

The report also intends to increase transparency for citizens, businesses and City Council relative to the actions of the Economic Health office. In order to fulfill this objective, the report provides an annual audit of past business assistance packages.

The City of Fort Collins enjoys an economic, social, and environmental vitality that many communities envy. The mission of the Economic Health Office provides a unifying theme geared toward preserving vitality and promoting economic health. If you have interest in understanding the goals and objectives of the Economic Health Office further, please visit fcgov.com/business and review the EHSP.

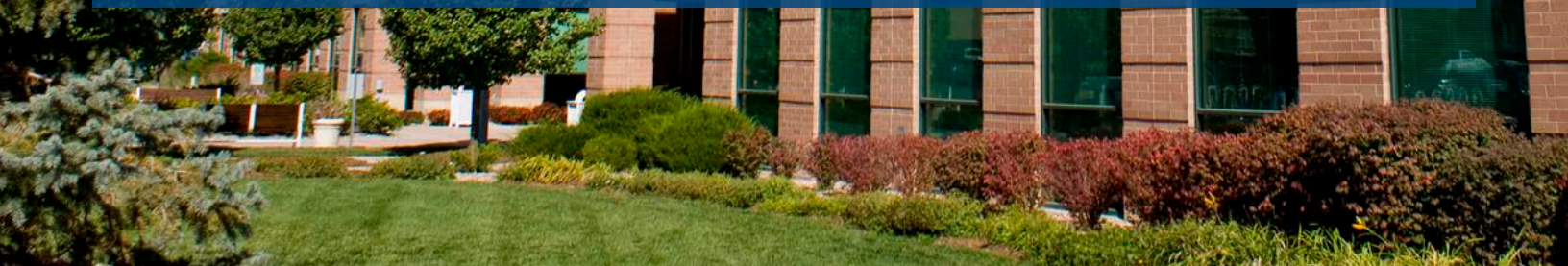


Highlights from 2012

2012 proved to be a busy year for businesses and the City's Economic Health Office (EHO). During 2012, EHO staff worked tirelessly to meet community needs by visiting businesses, sitting on boards and commissions and leveraging resources.

Major Accomplishments

- EHO staff, in collaboration with the Fort Collins Area Chamber of Commerce and Northern Colorado Economic Development Corporation (NCEDC), held nine Kitchen Cabinet Breakfast meetings for business executives in 2012. The purpose of the breakfast meeting is to learn more about businesses' common challenges globally, nationally and regionally. In addition, it is an opportunity to build stronger working relationships. In all, **31 business executives** attended the Kitchen Cabinet Breakfast. The three most common issues discussed by business executives were skills mismatch, the cost of healthcare and financing. Although these issues are large in nature, the group continues to work toward collaborative solutions and resources.
- **Visited 60 businesses** to gain a better understanding of their day-to-day operations, their successes, organizational needs and opportunities.
- Brought forward **2 Business Assistance Packages**, Forney Industries and Avago Technologies, that were approved by City Council for a total **153 new jobs created** and **\$17.25 million private investment**.
- **Sponsored 9 events** including the Small Business Development Center's Leading Edge, InnovatioNews, Fort Collins Bike Alliance – Interbike, NetZero Cities, Smart Grid Live 2012 and many more.
- **Assisted on 15 special projects.** Although all the special projects are relevant to the economic vitality of Fort Collins, perhaps the two most significant were the Economic Health Strategic Plan adoption and the Midtown Urban Design Plan.
- The Economic Health Office's commitment to continued professional development led to **6 economic development training sessions**.
- Considered **7 Urban Renewal Authority (URA) prospects.** Of these seven, 2 URA loan agreements were executed, resulting in an estimated **\$3.0 million investment**.
- EHO staff **actively participate in numerous boards and commissions** within our community, such as Make Change NoCo, Larimer County Workforce Force Investment Board, Larimer County SBDC Board and the Colorado Water Innovation Cluster.



Innovation Thrives Here

The entrepreneurial spirit is alive and well in Fort Collins!

- Fort Collins has 4 times the national rate of patents issued—11.45 per 10,000 residents.
- Bioscience, Renewable Energy, Chip Design, Software and Water Innovation companies reach beyond Fort Collins' city limits to inspire and energize companies across the world.
- The creative class prospers, with design, film, performing arts, marketing firms and more infusing the community with talent and fresh ideas.
- Three physical business incubators support research and promising companies in the bioscience, engines and transportation, and innovation-based businesses.
- An innovative and cutting-edge research institution, Colorado State University takes on global challenges such as infectious diseases, renewable energy and cancer research.
- Microbreweries in town are all about fine beer; they're also about the environment and quality work climates for their employees.



Sample Industries & Companies



Bioscience

CHD Bioscience
Inviragen
Poudre Valley Health System
PR Pharmaceuticals
Tolmar



Chip Design & Software

AMD
Avago
Hewlett-Packard
I-cubed
Intel
New Century Software



Clean Energy

Advanced Energy
CPP Wind
EnviroFit
Spirae
Woodward



Water Innovation

In Situ, Inc.
Riverside Technologies
Rubicon
Stewart Environmental
Symbios



Uniquely Fort Collins

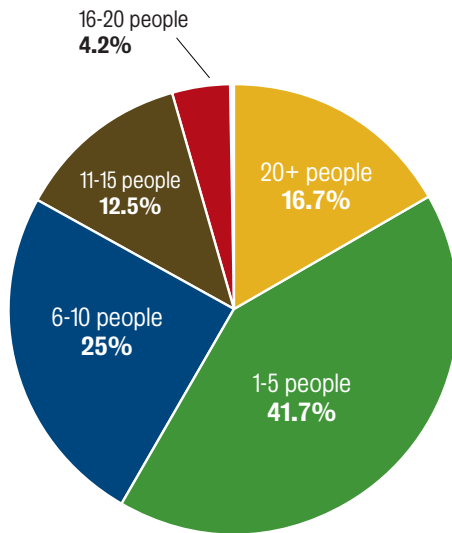
The Cupboard
New Belgium Brewing Company
Odell Brewing Company
Otterbox
Ranchway Feed

A Look Forward to 2013

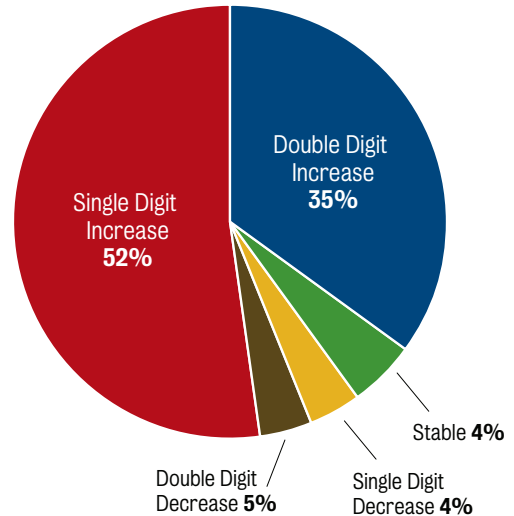
2013 looks to be another exciting year of economic vitality for the City of Fort Collins. The City is seeing major investments in the community by businesses and residents alike. Based on the business retention and expansion survey conducted in 2012, 88% of

businesses expect single and double-digit growth within the next five years. In addition, 75% of respondents planned to grow their workforce in 2012. Of these businesses, 33% expected double-digit workforce growth.

If you plan to grow your workforce in the next year, how many people do you plan to add?



Expected Economic Growth for the Next 5 Years



Audit of Past Business Assistance Package

Time Period	Name	# of New Employees Anticipated	Private Investment	Approved City Rebates	Private \$: City \$	Cluster	Amount Paid to Date
2010	Hewlett Packard	100	\$64.4M	\$1.6M	\$40.25	Hardware	\$241,193.00
2011	Avago Technologies	92	\$82M	\$2M	\$41.00	Hardware	\$174,909.85
2012	Avago Technologies	135	\$165M	\$4.5M	\$36.67	Hardware	\$0
2012	Forney Industries	6	\$750K	\$76K	\$9.87	Uniquely Fort Collins	\$0

North College Road Improvements

- Total Project cost: \$11,200,000
- URA Contribution: \$2,700,000
- Project Description: Construction of public improvements on North College Avenue from Vine Dr. to Conifer Street consisting of various urban design elements, an eight foot on-street bike lane, a landscaped parkway, shared use paths, improved access for local businesses, an updated storm systems and safety improvements at key intersections.

Capstone Student Housing

- Total Project Cost: \$44 M
- URA Contribution: \$5 M
- Project Description: URA assistance was provided to address the lack of proper and adequate drainage in the area, an extensive floodplain and stormwater management system, improvements to existing streets, turn lanes, utility upgrades and sustainable design features.

A Word from Our Partners

Fort Collins Conventions & Visitors Bureau

Visit Fort Collins, the official Destination Marketing Organization of City of Fort Collins, is responsible for soliciting and retaining conventions, tournaments, and meetings as well as servicing and attracting leisure travelers; both international and domestic. The High Park Fire proved to have impacted travel to and through Fort Collins in 2012. The CVB worked hard to battle the perception that the entire city was ablaze through robust social media and PR efforts. The success of the Bureau's PR efforts is measured in equivalency. Last year, \$2.9 million worth of advertising was earned. Overall, visitation and tourism in Fort Collins continues to be strong.

Fort Collins welcomes just over 1 million visitors each year (2011 Estimating the Economic Impact of Tourism on the Fort Collins Economy, Harvey Cutler, Martin Shields,

Christopher Blake). Over half of them stay overnight but it is also important to acknowledge the CVB plays a large role in servicing and hosting over 509,000 day visitors as well. While the fires throughout the state impacted travel to Colorado in 2012, the Colorado Welcome Center and the Downtown Information Center provided travel information to nearly 100,000 people.

Despite the downturn in walk-in visitation the sales department secured over 18,000 room nights for future years, which included attracting a large softball tournament. The CVB prides itself in delivering personalized, world class customer service to groups meeting in the city. Last year alone, 99 groups were given Visitor Guides, coupon books and other information to encourage attendees to dine, shop and play in Fort Collins. Direct spending equaling over \$23 million was put back into the community as a result of the CVB's efforts.

Visit Fort Collins Metric

	2010	2011	2012	
Number of Groups Serviced	94	111	99	
Future Room nights booked	22,660	20,336	18,321	*Jehovah Witness Convention cancelled five meetings for future years
Visitation Total visits to Fort Collins: 1,061,045 annually 551,962 overnight 509,503 day visitors				
Downtown Visitor Information Center	14,093	12,356	11,409	*June 2012 -24%, July-19%, August -17%, numbers down due to fire(s))
Colorado Welcome Center	104,795	98,403	77,514	*June -27%, July -31%, August -30%, down due to fire
Occupancy	55.80%	61.10%	63.40%	*2012 numbers through November
Average Daily Rate (ADR)	\$83.00	\$87.81	\$93.30	
CVB Economic Impact from Groups	\$19,731,903	\$30,480,883	\$23,878,013	*2011 (and every odd year) we host CRU, previously known as Campus Crusade for Christ
PR – Ad Equivalency	\$1,250,000	\$2,071,816	\$2,921,430	

A Word from Our Partners, cont.

Larimer Small Business Development Center

The primary focus of the SBDC Network is to help businesses start, grow and prosper. With the dedication and hard work of staff, consultants, instructors and professional advisors - 2012 was a year of many improvements and updates at the Larimer SBDC. The Larimer SBDC now has 32 professionals specializing in general business, finance, accounting, legal, marketing, social media and web design that completed a total of 1,362 consulting hours in 2012!

The entire workshop curriculum was updated by Professional Instructors and many new workshops were added for existing small businesses. Two Leading Edge-NxLevel business planning workshops were offered, one being sponsored by The City of Fort Collins. Below are some comments from participants:

"It is not often I have an opportunity to write about such a positive experience—this course undoubtedly improved my chances for success."

"The SBDC is now on my radar and I know I have an ongoing collaborator and mentor for completing my business plan and helping me get my business started in Fort Collins."

"Thank you for this incredible community business development resource. I am looking forward to my continued relationship with the SBDC, its part in launching my company and to the great service you will continue to provide to our community."

The Larimer SBDC also launched an Estes Park SBDC Satellite Office. We have 7 professional consultants and many workshops offered including a Leading Edge-NxLevel business planning workshop.

2013 is going to be a banner year for the Larimer SBDC!! We have over 130 workshops on the calendar, training for our trainers, outreach programs to reach and assist existing businesses, collaborative efforts to assist small businesses with the Fort Collins Chamber of Commerce, NCBR, Fort Collins DBA, Visitors Bureau, the City of Fort Collins and many other key players in the Economic and Business Development space.

2012 Larimer SBDC Impact:

160

Jobs Created

1,362

Counseling Hours

129

Jobs Retained

324

Distinct Customers

24

Business Starts

201

Events/Workshops

\$7,845,699

Capital Infusion

504.75

Event Hours

89

Long Term Clients

2,541

Attendees

61%

Existing Businesses

8,425.50

Training Hours

\$3,309,034

Increased Sales

96%

Customer Satisfaction – Consulting

\$109,500

Increased Contracts

94.17%

Customer Satisfaction – Training





6 out of 10
visitors are from Fort Collins



1 out of 10
visitors are from out of state

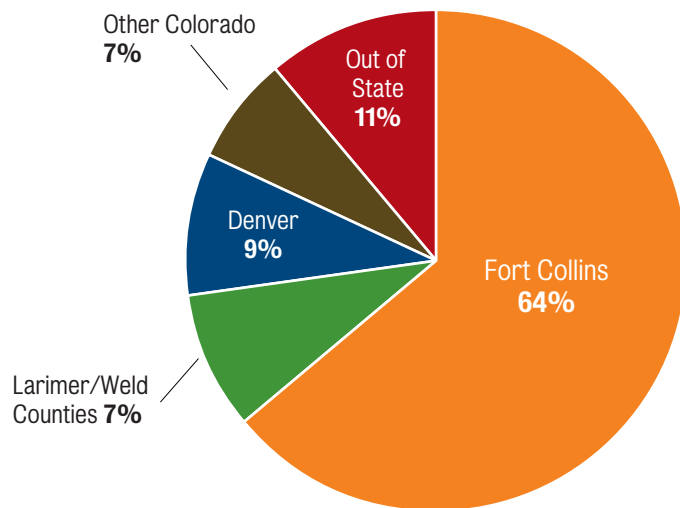


A Word from Our Partners, cont.

Downtown Business Association

In 2012, the City partnered with the Downtown Business Association to find out where our visitors to Downtown were from, and how they spent their time in Fort Collins. Researchers surveyed 702 people over the course of four occasions—Colorado Brewers’ Festival, Bohemian Nights at NewWestFest, a typical winter shopping weekend, and a typical holiday shopping weekend. Of those people, about 1 in every 3 people Downtown were from out-of-town, and 1 in 10 were from one of 29 different states. About 20 percent of the people who came Downtown were there “just to check it out.”

Where are Downtown Fort Collins visitors from?



Researchers found that the average Downtown shopper spends about 20 days Downtown per year, and attends two additional Downtown events per year. On average, festival attendees spent \$113 per person Downtown, and shoppers spent \$134 per person.

General Attitudes About Experiences in Fort Collins

	My experience in Fort Collins has been good/very good.
Bohemian Nights at NewWestFest	92%
November/Typical Shopping Weekend	98%
December/Holiday Shopping Weekend	96%

Finally, visitors to Downtown are happy, with up to 98 percent of visitors rating their Downtown experience as good or very good!

Awards & Recognition

- Ranked 8th Best Small Metro College Town on American Institute's Economic Research 75 Best College Towns and Cities for 2012-2013 – March 2013
- 4th Healthiest Mid-Size City in U.S.: 2012 Gallup-Healthways Survey - Feb 2013
- 2012 Project Award Winner, Re-construction of the SH 392 & I-25 Interchange: American Public Works Association, Colorado Chapter - Jan 2013
- 2012 Top Downtown in the Country: Livability.com - Nov 2012
- Ranked 3rd on Allstate America's Best Drivers Report: AllState - Sep 2012
- One of the Ten Best Vacation Cities for Beer Lovers: Yahoo! Travel.com - Jul 2012
- Ranked 3rd in the nation on Best Places to Do Business list: Forbes.com - Jun 2012
- Ranked 11th on America's Top 50 Bike-Friendly Cities: Bicycle Magazine - May 2012
- Fort Collins-Loveland, Third Skinniest Metro Area on the Well-Being Index: Gallup and Healthways - Mar 2012
- Fort Collins-Loveland Municipal Airport, winner of two "Best in Colorado" awards: Colorado Asphalt Pavement Association - Mar 2012
- One of the Top 10 Best Places to Retire: CBS Money Watch - Feb 2012

City Manager & City Council



Darin Atteberry
City Manager



Karen Weitkunat
Mayor



Gerry Horak
Mayor Pro Tem, District 6



Bob Overbeck
District 1



Lisa Poppaw
District 2



Gino Campana
District 3



Wade Troxell
District 4



Ross Cunniff
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