

# A JOBS AGENDA FOR FORT COLLINS, CO

## EXECUTIVE SUMMARY

In relative terms, the Fort Collins economy weathered the tough national economy of the 2008 ‘Great Recession’ and the subsequent slow recovery well. Even so, unemployment rates have been higher than normal levels and thousands of jobs were lost during the recession. Also, a large number of residents are under-employed.

In addition to domestic economic challenges, international competition for jobs is now very intense and will become even more so over the next several decades. It is important to understand that Fort Collins is not immune to those forces. According to Gallup, a major attitudinal shift has occurred around the world with a sharp interest in good-paying jobs. Worldwide there are 3 billion people who want a job, of which 1.2 billion are employed. That means there is a global shortfall of 1.8 billion jobs, with all that implies in terms of political instability and competition for jobs.

Bringing that back to Fort Collins, there are towns, cities, states and countries that are desperate for the existing primary jobs we now have or are growing. Keeping those jobs and growing new ones won’t be easy and must be the focus of all public and civic leaders.

A vibrant private sector is the key to our economic future and the Fort Collins Area Chamber of Commerce is the main community advocate for the private sector. Another key entity is local government. The Fort Collins city government is

now constructively and proactively engaged in the process of supporting private sector job creation. This relatively newfound support is somewhat shallow with some policymakers but represents a dramatic improvement from openly anti-business attitudes of the past. Since 2005 the City Council has been willing to support economic development activities that have benefited the community significantly. It’s a good foundation to build upon.

**To be effective at creating primary jobs and their incumbent secondary benefits, many community economic development partners must be involved in executing six core strategies:**

1. Community economic vision and plan
2. Retention, expansion and attraction of primary companies
3. Innovation and entrepreneurship
4. Regional competitiveness
5. Talent development
6. Community and regional competitiveness (i.e., business climate)

**“Human prosperity does not abide long in one place.”  
– Herodotus, 5<sup>th</sup> century B.C.**

## IN THIS BRIEF, WE WILL:

- > **Make the basic case for why communities need to be actively engaged in economic development activities**
- > **Touch on some trends and questions about the Fort Collins economy**
- > **Offer some job-growing recommendations for community leaders to consider**

The case for why the Fort Collins community should be engaged in economic development may not be obvious to some, so this paper very deliberately covers basic topics such as: what is economic development and why communities need to focus on it, the benefits of doing so, the downsides of economic decline, and an explanation of high-paying base jobs. While explained in more detail later, base jobs are those at firms that export products or services outside the Northern Colorado region and bring major income back to the region. Such companies are the key to community economic health.

## THE BASIC POINTS OF THIS PAPER ARE:

- > **Under normal circumstances, community job losses are inevitable due to ‘creative destruction’ meaning that communities must work hard just to keep up with the demand for jobs**
- > **There are huge downsides to economic decline**
- > **Retaining and attracting high-paying base jobs is the key to economic vitality**
- > **Communities need to understand why base employers choose locations**
- > **Economic development and community development are not the same thing and communities must engage in both**
- > **The benefits of economic development are numerous and the consequences of community economic decline are severe and unacceptable**
- > **The Fort Collins economy is changing and community leaders need to understand how**
- > **The community needs a consensus on its economic strategy**
- > **Local government has an important role in economic development**
- > **Fort Collins needs to take its strategic economic development program to the next level**

## FOLLOWING ARE FORTY ACTIONS THAT WILL STRENGTHEN THE ECONOMY OF FORT COLLINS. THEY ARE LISTED IN FIVE CATEGORIES:

- > **Community Economic Vision and Plan**
- > **Community Readiness and Competitiveness**
- > **Retention, Expansion and Attraction of Primary Companies**
- > **Innovation and Entrepreneurship**
- > **Talent Development**

### COMMUNITY ECONOMIC VISION AND PLAN

- Launch *Fort Collins Works* to communicate the business community's economic vision and plan.
- Implement the City of Fort Collins' new strategic economic plan. In particular, continue to support the work of the Rocky Mountain Inno-sphere, and focus on clusters by updating the industry cluster study.
- Establish a mechanism to track and analyze economic and sector trend data, so that commu-nity leaders understand and have the informa-tion to act upon issues will impact the commu-nity's economic vitality.

### COMMUNITY READINESS AND COMPETITIVENESS (BUSINESS CLIMATE)

- Undertake an objective assessment of our competitive positioning, so that local policy makers can make data-driven decisions about economic policy. Produce a study that assesses Fort Collins economic competitiveness. Make this a clear-eyed honest assessment of our competitiveness and refrain from self-promotion.
- Using criteria important to business decision-makers, write a business case for Fort Collins, so that we broaden our message beyond just tout-ing quality of life.
- Establish a mechanism to track and analyze economic and sector trend data, so that commu-nity leaders understand and have the informa-tion to act upon issues that will impact the community's economic vitality.
- Review City policies and procedures to identify barriers to job creation in the City's target industry clusters, so that obstacles that unnecessarily delay beneficial economic projects can be mitigated.
- Re-establish an ombudsman function for base employers in the City's target clusters, so that such employers have a single point of contact at the City.
- Maintain Fort Collins' relative competitive advantage of reliable, affordable power, so that electric rates do not become an obstacle to base employers.
- Provide incubation spaces and tech parks to foster and accommodate start-up and expansion of companies in clean / renewable energy, biosci-ences and other innovative sectors.

- Pre-entitle some sites, so that prospective base employers in the City’s target clusters are not discouraged from considering Fort Collins due to unnecessary time in the City’s processes.
- Improve the street system, so that non-resident retail customers are not discouraged from stopping in Fort Collins and businesses can efficiently move goods in and out of the community.
- Redevelop Foothills Mall. Retail is a community amenity that can aid in attracting employees and their families.
- Maintain NCLA as an effective business advocacy organization.
- Attract a commercial carrier and improve the Fort Collins-Loveland Airport.
- Open up access to the Northeast portion of Fort Collins around Anheuser-Busch.

## RETENTION, EXPANSION AND ATTRACTION OF PRIMARY COMPANIES

- Retain Woodward in Fort Collins.
- Eliminate the use tax on Fort Collins manufacturers. Few Colorado communities impose a use tax on companies and even fewer impose it on manufacturers.
- Adopt reasonable business assistance (i.e., ‘incentive’) policies and procedures. Attractive places like Fort Collins do not need to ‘bribe’ businesses to locate in them by lavishing companies with lucrative incentives packages. However, incentives are an indication of a community’s goodwill attitude towards business and its willingness to be a good partner.
- Strengthen the community’s business retention and expansion program, so that the community uses limited resources effectively to retain high-paying base jobs in Fort Collins.
- Review and update the City’s target industry cluster study, so that limited community resources can be used to yield the best economic benefit for the community.
- Recapitalize the Northern Colorado Economic Development Corporation to a level appropriate for a market of our size. NCEDC needs to have the financial resources to effectively carry out its mission of retaining and attracting base employers.
- Strengthen the community’s financing toolbox, so that financial barriers to expanding and attracting companies in the city’s target industries can be minimized.
- Establish a business development team to work with targeted businesses on relocation and strategic aspects of relocation, so that the community can effectively compete for companies in its target clusters.
- Establish an international trade council or club, so that area companies can strengthen or develop new markets.
- Establish a manufacturers council, so that primary employers have a place to identify and address common issues.
- Continue and improve marketing of key ‘jobs’ corridors (Mountain Vista area, Harmony Road, Mid-town and South College Avenue, Mason Corridor, North College corridor, I-25) and begin to promote other areas such as the Center for Advanced Technology and River District, so that the community can leverage its existing infrastructure.



- Create a strategic alignment of the region's two economic development organizations (Upstate Colorado and NCEDC), so that limited resources are deployed in the most effective manner to attract and retain base employers in Northern Colorado.
- Conduct government and corporate procurement training and events for Fort Collins companies.

## INNOVATION AND ENTREPRENEURSHIP

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- Support the Rocky Mountain Innosphere.
- Conduct government and corporate procurement training and events for Fort Collins businesses, so that the community can minimize the leakage of dollars out of the local economy and maximize the opportunity of Fort Collins businesses to succeed.
- Study the best practices of innovative communities to identify the key factors in specific programs that could be deployed to further enhance Fort Collins' innovative and entrepreneurial environment.
- Develop a community 'capture strategy' for CSU commercialization to retain as many of the spinoff companies as possible, so that the community can take further advantage of its greatest economic asset, i.e. a research university.
- Promote Fort Collins as a center of innovation and entrepreneurship through stronger external messaging
- Celebrate entrepreneurs / small businesses.
- Provide direct and strategic support of the bioscience cluster, water cluster, high tech cluster.

## TALENT DEVELOPMENT

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- Support statewide education reform efforts.
- Identify the gaps in workforce skills.
- Support state leaders in finding a more reliable funding source for higher education.
- Change the state workforce development system and continue to press for more business-oriented accountability of our local workforce center.
- Encourage the business community to develop a more strategic approach to improving local K-12 education.

**Find the full Jobs Agenda beginning on page 21**