

SEPTEMBER 2021

# ECONOMIC RECOVERY STRATEGY

## REIGNITE NORTHERN COLORADO



# ACKNOWLEDGMENTS

TIP Strategies would like to thank the following individuals and organizations for their participation in this planning process.

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**TIP STRATEGIES, INC., (TIP)** is an Austin-based firm providing consulting and advisory services to public and private sector clients. Established in 1995, the firm’s core competency in strategic planning for economic development has broadened to include expertise in talent strategies and organizational development.

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# INTRODUCTION

## REIGNITE NORTHERN COLORADO

Regional leaders banded together in June 2020 as a working collaborative with the goal of developing a recovery plan, called *Reignite Our Economy*, for the two-county region. The purpose of the collaboration has been to strategically lead proactive recovery efforts and align resources that will assist with short-term recovery and lay the groundwork for long-term resiliency. The group has been able to use existing strategic planning efforts, such as a 2017 regional workforce development strategy and a 2019 industry cluster study, as well as new Reignite recovery-focused efforts to lead working groups, administer business-focused response surveys, and facilitate interagency partnerships.

The Northern Colorado region of Larimer and Weld Counties benefits from years of regional collaboration among chamber of commerce and economic development professionals and county, town, and municipal government staffs in the two counties. The major chambers of commerce in the region have had strong and long-standing working relationships for decades. In 2019, the two county governments and some of the towns and municipalities coordinated their economic development relationship by executing a memorandum of understanding, recognizing that significant benefit can result from collaboration on economic development activities that promote positive business attributes and amenities in Northern Colorado. This informal alliance of governments is referred to as the Northern Colorado Regional Economic Development Initiative (NoCo REDI). As a result, at the outset of the COVID-19 pandemic, the region had the relationships and working structures to respond quickly to the emerging challenges.

## RECOVERY FROM COVID-19

The emergence of COVID-19 in the US during January 2020 led to dramatic economic stress across multiple sectors. Workers, customers, and business owners in industries such as hospitality, entertainment, retail, higher education, manufacturing, healthcare, and personal services were directly affected by mandated closures, reduced demand for products and services, and an uncertain regulatory environment. Not everyone was affected equally, however; businesses with workers who were able to operate from home avoided some of the threats to wages and health that essential and in-person workers could not, and a lack of in-person school and childcare meant that families had to adapt to a new way of working and learning at home. The disproportionate impact of COVID-19 on certain sectors of the economy and groups of people presents unique challenges and opportunities for recovery.

Efforts to recover from the pandemic's impacts are underway nationally; unprecedented levels of federal funding are available to communities, and direct aid has been provided to many businesses and individuals in Northern Colorado. Ensuring a robust recovery that benefits everyone, leading to longer-term resiliency, requires funding and strategic planning. This document outlines an economic recovery strategy for the Larimer and Weld County region that assesses challenges and assets while identifying future opportunities for action and investment. This coordinated, collaborative regional recovery plan provides a framework for local recovery, enabling cooperation between the public and private sectors.

## CONTRIBUTING STUDIES AND REPORTS

**Talent 2.0 Regional Workforce Development Strategy.**<sup>1</sup> The Fort Collins–Loveland metro area workforce strategy, which was developed with findings from data analysis and input from more than 50 of the region’s employers, identified three major opportunities for future success. These priority opportunities have been carried forward through the recovery strategy planning process and include the following.

1. Actively support employers in finding, attracting, and retaining the talent they need.
2. Align education and workforce resources more closely with the business community and the local talent pool.
3. Collectively address structural issues that serve as barriers to a secure talent pipeline.

Regional efforts to take advantage of these opportunities were underway pre-COVID-19, and the impacts of the pandemic have highlighted the necessity of this work, as major shifts have occurred within the workforce since the emergence of COVID-19. This plan carries forward these priority opportunities in the strategic action areas.

**Northern Colorado Regional Cluster Strategy.**<sup>2</sup> This document includes an in-depth analysis of regional assets in Larimer and Weld Counties. The cluster strategy and playbook’s goal are to share a set of industry clusters to develop a common language, a unified message, and a focused programmatic response that leverages the region’s strengths and growth prospects. The study focused on three strategies: fostering the conditions to support growth in the identified clusters, actively encouraging growth, and communicating the importance of and successes in the select clusters. The strategy primarily focused on the following sectors for targeted growth: bioscience & medical devices, distribution & e-commerce, fabrication & production technology manufacturing, food processing & manufacturing, information technology, and plastics. The study was updated through March 2020, and its findings are incorporated into the strategic action areas of this report.

## NORTHERN COLORADO RECOVERY EFFORTS

In response to the quickly developing impacts of COVID-19, several regional partnerships formed to benefit the two-county region by offering grants, loans, and technical assistance. A few examples are included in this section but are not intended to be an exhaustive list.

The regional chambers of commerce and NoCo REDI created the NoCo Recovers website<sup>3</sup> to serve as a hub for information about the economic response to the challenges presented by COVID-19. This website includes up-to-date information on potential funding sources and programs to support the business community, recent announcements, and an economic recovery tracker. The NoCo recovery tracker maps pandemic-era economic data in four domains critical to the regional economy: employment, small & local business, retail & hospitality, and real estate & construction. Unsurprisingly, the research showed a variety of negative impacts sustained in March and April 2020, but some measure of recovery by the end of the year. For example, after hotel occupancy rates fell to 75 percent below 2019 levels in spring 2020, Estes Park actually exceeded 2019 rates by the end of the year while Fort Collins, Loveland, and Greeley all partially recovered to approximately 25 percent below 2019 levels.<sup>4</sup> In addition, the unemployment rate peaked near 11 percent at the height of the pandemic, but it dropped to about 6 percent by early 2021.<sup>5</sup> However, one measure did indicate an ongoing, troubling trend: average monthly office

<sup>1</sup> “Talent 2.0 Regional Workforce Strategy.” *Fort Collins Area Chamber of Commerce*. <https://fortcollinschamber.com/program/talent-2-0-2017/>.

<sup>2</sup> *Northern Colorado Regional Cluster Strategy*. March 2020. <https://choosenortherncolorado.com/wp-content/uploads/2020/06/2020-03-06-NoCo-REDI-Cluster-Strategy-Playbook-FINAL.pdf>.

<sup>3</sup> *NoCo Recovers*. <https://nocorecovers.com/>.

<sup>4</sup> “Retail & Hospitality.” *NoCo Recovers*. <https://noco-tracker.alexanderrc.com/retail-hospitality>.

<sup>5</sup> “Employment.” *NoCo Recovers*. <https://noco-tracker.alexanderrc.com/employment>.

vacancy rates, which rose from 4 percent to above 8 percent in Larimer and from 3 percent to above 5 percent in Weld from October 2019 to May 2021.

In addition to making information readily available through the NoCo Recovers website, the region's economic development organizations and chambers of commerce started several new programs to facilitate recovery. Larimer County received approval from the Colorado Department of Public Health & Environment in December 2020 to create the Level Up program,<sup>6</sup> a process through which local businesses could receive special certification to operate at one health-related capacity level above the general county mandate. More than 350 businesses in the county were approved under the program.<sup>7</sup> As of July 2021, due to simplified changes in health guidelines and corresponding capacity restrictions, the program evolved to become a business advisory committee for regional decision-makers.

While the Level Up program was designed to assist businesses within the context of public health regulations, a new partnership between regional economic development partners and Colorado State University (CSU) College of Business created Pivot Larimer County. Available to businesses in the region, the goal of this program was to support the long-term stability and resiliency of local businesses during and through the aftermath of the pandemic with a collection of free resources to help business owners adapt to changing customer habits and health requirements. In addition to serving as a resource center, the partnership also created the Pivot Jumpstart program, a series of workshop events led by CSU faculty to guide cohorts of local business owners through the Pivot program and provide one-on-one mentoring and support.

A wide range of financial support flowed into both Larimer and Weld Counties in response to COVID 19. Multiple partners within each county worked to develop this financial support and deliver it to the businesses most in need. Additionally, those same partners worked to aid businesses in accessing Federal and State financial support. Some examples are highlighted below.

Partners in Larimer County worked to raise \$5.0 million to provide COVID-19 relief loans (up to \$50,000) for small businesses through the Colorado Enterprise Fund (CEF). Furthermore, the Community Foundation of Northern Colorado and United Way of Larimer County partnered to create the Northern Colorado COVID-19 Response Fund in 2020, raising over \$1.27 million, which was then disbursed to support 65 nonprofits to mitigate the financial impacts of the pandemic.

Weld County, Upstate Colorado, and the Greeley Chamber of Commerce partnered with several communities to provide funding for local grant programs and businesses through a business recovery program and a service industry relief fund. The goal of these programs was to assist businesses that were trying to reopen or modify their business models to respond to public health guidance. More than \$4.5 million in grant funding was distributed to 398 local businesses, supporting 3,185 jobs.<sup>8</sup> In addition to managing funding programs, NoCo REDI also developed a video to highlight the work of local industries and businesses to preserve jobs, keep staff safe, adapt supply chains, and provide consistent services (including essential healthcare access) to the community.<sup>9</sup>

<sup>6</sup> "Larimer Level Up." *NoCo Recovers*. <https://nocorecovers.com/larimer-level-up/>.

<sup>7</sup> "Level Up Certified Businesses." *NoCo Recovers*. <https://nocorecovers.com/level-up-certified-businesses/>.

<sup>8</sup> "Annual Investor Report 2021." *Upstate Colorado Economic Development*. <https://upstatecolorado.org/annual-report/>.

<sup>9</sup> "Northern Colorado Business Resiliency." *Upstate Colorado Economic Development*. <https://upstatecolorado.org/northern-colorado-business-resiliency/>.

# ECONOMIC CONTEXT

## OVERVIEW

National economic trends have an impact on Northern Colorado, influencing the region's challenges and opportunities that should be addressed as part of an economic recovery effort. Some of the most important trends for the region include the following.

**Remote work:** One of the most apparent short-term and long-term impacts of the pandemic is the shift to remote work. With in-person offices shut down to accommodate stringent health requirements, a significant percentage of American workers found themselves at home. The ramifications of this shift are profound, touching commercial real estate, transportation, commuting patterns, urban design, housing choice, migration patterns, and demand for broadband infrastructure. However, not all employed people have an equal opportunity to work from home. Fewer than one in five Black workers and one in six Latinx workers have that chance,<sup>10</sup> and higher-wage workers are six times as likely to be able to work from home as lower-wage workers. Furthermore, many parents (particularly women) are struggling to balance their careers with childcare needs, which can be prohibitively expensive for those earning lower wages. Nearly 3 million women dropped out of the national labor force in the past year<sup>11</sup> and there are 1.8 million fewer women in the labor force than before the pandemic.<sup>12</sup> In the state of Colorado specifically, the rate of women participating in the labor force was 1.2 percentage points lower in February 2021 than it was in January 2020, compared with a 0.8 percentage point increase for men.<sup>13</sup>

**Reshoring and nearshoring:** Due to both the COVID-19 pandemic and ongoing uncertainty in international trade policy, an increasing number of companies are (or already have been) considering moving all or part of their manufacturing and supply chain operations nearer to or back to the US. Although this can translate to higher costs (primarily labor), the significant reduction in vulnerabilities and distribution concerns is proving to be convincing for US executives. An April 2020 survey of more than 1,000 manufacturers found that 64 percent say they are likely to move at least some manufacturing operations back to the US.<sup>14</sup> This trend will benefit the economies of northern Colorado and the US at large by bringing that flow of capital back.

**Industry 4.0:** Technological progress carries with it a simultaneous disruption of the workforce. The US is currently in the middle of a revolution that will upend established norms in the workplace. Business leaders call it Industry 4.0, and it involves four key transformations: (1) connectivity, data, and computational power; (2) analytics and intelligence; (3) human-machine interaction; and (4) advanced engineering. In short, the jobs of the future will require a different kind of skillset, one that harnesses technology adaptively. Retraining and upskilling are not simply recommendations; they are requirements. With its significant dependence on manufacturing and distribution, the Northern Colorado economy needs to prepare for these large-scale changes to industry.

<sup>10</sup> Elsie Gould and Heidi Shierholz. "Not Everybody Can Work from Home." *Economic Policy Institute*. March 19, 2020. <https://www.epi.org/blog/black-and-hispanic-workers-are-much-less-likely-to-be-able-to-work-from-home/>.

<sup>11</sup> Megan Cerullo. "Nearly 3 Million U.S. Women Have Dropped Out of the Labor Force in the Past Year." *CBS News*. February 5, 2021. <https://www.cbsnews.com/news/covid-crisis-3-million-women-labor-force/>.

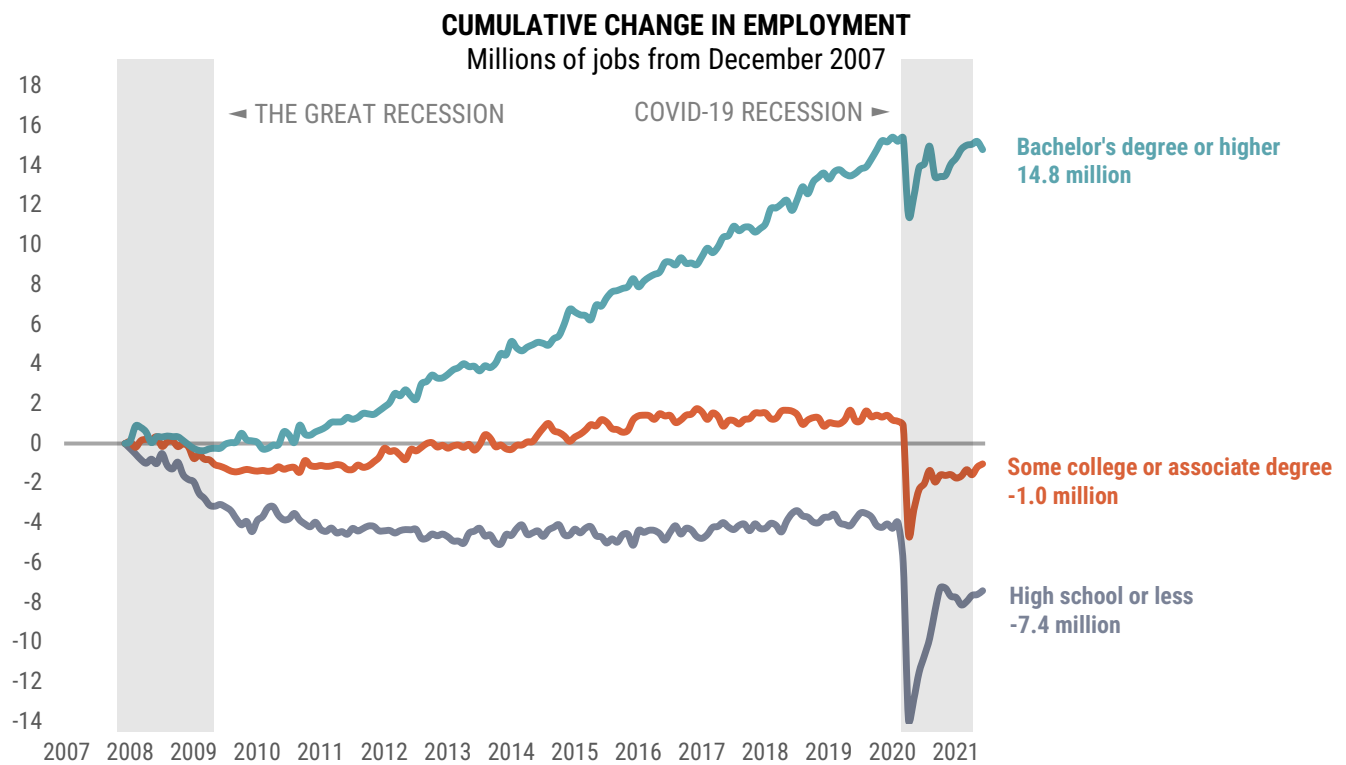
<sup>12</sup> Andrea Hsu. "Millions of Women Haven't Rejoined the Workforce—And May Not Anytime Soon." *National Public Radio*. June 4, 2021. <https://www.npr.org/2021/06/03/1002402802/there-are-complex-forces-keeping-women-from-coming-back-to-work>.

<sup>13</sup> Saja Hindi. "Colorado Mothers Aren't Returning to the Workforce as Quickly as Everyone Else." *The Denver Post*. April 4, 2021. <https://www.denverpost.com/2021/04/04/covid-women-mothers-unemployment-colorado-inequality/>.

<sup>14</sup> "One in Four U.S. Manufacturers Considering Automating Due to COVID-19: Thomas Survey." *Coatings World*. May 11, 2020. [https://www.coatingsworld.com/contents/view\\_market-research/2020-05-11/one-in-four-us-manufacturers-considering-automating-due-to-covid-19-thomas-survey/](https://www.coatingsworld.com/contents/view_market-research/2020-05-11/one-in-four-us-manufacturers-considering-automating-due-to-covid-19-thomas-survey/).

**K-shaped recovery:** Numerous studies and reports have shown how COVID-19 has had disparate impacts on different socioeconomic and demographic groups, which is a continuation of a trend that's more than a decade old. An examination of the impacts of the 2007–2009 Great Recession on employment show that those with a bachelor's degree or higher have gained 14.8 million jobs since December 2007, while those with some college experience have lost 1 million jobs, and those with only a high school degree or less have lost 7.4 million jobs.<sup>15</sup> All of these workers were hit hard by the pandemic, causing significant job losses in the spring of 2020, but those with a bachelor's degree or higher have already gained back virtually all of those jobs, while the other populations have not. As detailed in the following Occupational Risk Tool section, lower-wage workers in the region (such as those in food preparation and service) bore the burden of the highest risk to earnings by a wide margin. If Northern Colorado wants to foster an equitable recovery, residents with lower educational attainment need to be a primary focus. See Figure 1.

**FIGURE 1. K-SHAPED RECOVERY**



Sources: US Bureau of Labor Statistics, Current Population Survey; National Bureau of Economic Research (NBER).

Notes: Employment is seasonally adjusted and includes all workers, age 25 and older. NBER officially dates the Great Recession as December 2007 through June 2009 (19 months total). The current recession began in February 2020; its end month has not yet been declared by NBER.

<sup>15</sup> US Bureau of Labor Statistics, Current Population Survey; National Bureau of Economic Research (NBER).



## OCCUPATIONAL RISK TOOL

The occupational risk tool provides a better understanding of the way that COVID-19 has impacted the local workforce, which influences the actions and strategies required for recovery. This tool combines occupational and demographic data to understand which workers in the region are at risk during the COVID-19 era, where they are located, and their demographic context. Detailed images from the tool can be found in Appendix Figure 5 and Figure 6. Each occupation was assigned two risk scores: risk to personal health (contributing factors include exposure to COVID-19, working in proximity to others, and “essential” status) and risk to earnings (contributing factors include the likelihood of losing a job or being furloughed). The tool produced three key findings.

1. Nearly 40 percent of all workers in Northern Colorado are in jobs with high risk to both earnings and health. This group includes approximately 400,000 people, and the percentage of workers who are at a high risk to both earnings and health is higher than the corresponding proportion of workers in Denver. Jobs with the highest risk included food preparation, personal care aides, and waiters and waitresses.
2. Workers in lower-wage jobs face disproportionately high risk to both earnings and health. While 44 percent of jobs in the region are considered low wage (< \$20/hour), they account for 74 percent of jobs in the highest risk quadrant (Figure 5). This socioeconomic disparity carries an additional demographic burden: Black and Latinx individuals are more likely to earn low wages, and they are therefore facing the greatest risks.
3. Communities within Northern Colorado have varying levels of risk exposure. Figure 6 contains a map, divided by ZIP Codes, that displays the risk levels of workers in the region.

## STAKEHOLDER ENGAGEMENT

A critical part of the process was stakeholder engagement. Using Reignite’s previous working groups as a foundation, TIP team members met with leaders in the business, government, education, economic development, and nonprofit sectors to gather qualitative information about the specific challenges and opportunities facing the Northern Colorado region. This process included virtual individual interviews, group roundtables, and meetings with the Reignite steering committee. When asked to prioritize the greatest challenges facing the region, participants said that finding skilled workers, decreasing housing affordability, emerging antibusiness or antigrowth attitudes, and small business recovery were among the most worrisome challenges. Participants also identified several opportunities for the region’s future economic prosperity, coalescing around regional cooperation, transportation improvements for I-25 and the Northern Colorado Regional Airport, new investments in downtowns, and the ability to make a difference through regional efforts.

A consistent narrative thread connected the stakeholder input: Northern Colorado possesses strong economic assets, but the region must address current challenges and prepare for the changing economic landscape in both the near term and the long term.

## STRENGTHS, WEAKNESSES, OPPORTUNITIES, AND THREATS

Drawing from the quantitative and qualitative data gathered during the discovery process, an analysis of the region's strengths, weaknesses, opportunities, and threats (SWOT) depicts the varying degrees to which the two counties experience or have control over trends at the local, regional, state, national, and global levels. A summary SWOT is shown in Figure 3; a more comprehensive assessment of each element, using the structure illustrated in Figure 2, is in Appendix Figure 9–Figure 12.

### STRENGTHS

Unanimously, the interviewed stakeholders identified quality of life and place as one of Northern Colorado's best assets. With abundant outdoor recreation amenities, a thriving hospitality industry, vibrant local businesses (such as the breweries in Old Town, Fort Collins), and a lower cost of living compared to major coastal metros, the region has plenty to offer both existing and future residents. Higher education arose prominently as well, with Colorado State University (CSU), the University of Northern Colorado (UNC), Front Range Community College, and Aims Community College serving as effective training grounds for the workforce. The technology and innovation sector is growing quickly due to university commercialization efforts and assets like Innosphere Ventures and The Warehouse Business Accelerator, providing crucial entrepreneurial support services, like ongoing mentorship and funding acquisition. The region's economy has a strong industry mix, bolstered by plentiful natural resources; increasing access to broadband also presents opportunities for remote work. See Appendix Figure 9 for a more detailed description of strengths that were discussed as part of the SWOT process.

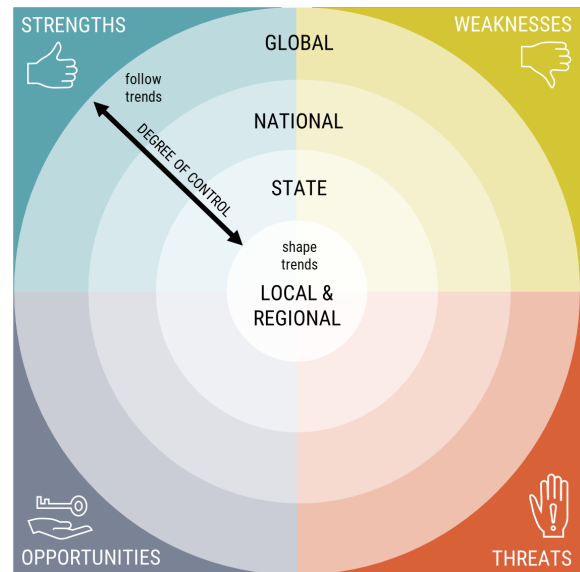
### WEAKNESSES

Nearly every interviewee, when asked about Northern Colorado's economic weaknesses, responded that Larimer and Weld Counties need to do a better job of speaking with a unified regional voice within the region to elected leaders and community members as well as with prospective companies, workers, and their families considering relocation to the region. Although some coordination between the two counties does exist within private industry, elected officials and the chambers of commerce need to increase their engagement across county lines. Real estate is another challenge, with pressing needs for more housing, Class A office space, and wet lab space. Due to its proximity to Boulder and Denver, the region faces difficulties retaining young graduates from the region's higher education institutions. While Northern Colorado does benefit in some ways from the greater Denver ecosystem, a degree of economic competition for talent exists, and this tension further underscores the necessity of regional leaders supporting existing residents and businesses, rather than solely attempting to acquire talent and industry from elsewhere. See Appendix Figure 10 for a more detailed description of weaknesses that were discussed as part of the SWOT process.

### OPPORTUNITIES

The region has a unique opportunity to leverage its assets to create a more prosperous economy in the short term and the long term. The combination of CSU intellectual property and industry partners points to a bright future for technological innovation, as does UNC's growing role in the region's entrepreneurship ecosystem. Several sectors, such as renewable energy and agriculture, are poised for increased development, which could be accelerated by new industry partnerships like the existing collaboration for manufacturing and healthcare. If

FIGURE 2. SWOT OVERVIEW



Northern Colorado can tell its “story” more effectively, it can attract additional business from companies considering onshoring, as well as new residents looking for a higher quality of life to accompany the ability to work remotely from anywhere. Ongoing efforts to upskill, reskill, and develop new skills in the workforce will help the region be more resilient to a changing economy post-COVID-19; these efforts should be coupled with a focus on increased diversity and inclusion, ensuring that everyone benefits economically during the recovery phase. Unprecedented levels of state and federal funding will support the implementation of programs and initiatives that assist with recovery and resiliency. See Appendix Figure 11 for a more detailed description of opportunities that were discussed as part of the SWOT process.

## THREATS

There are significant hurdles for the region to overcome. The most apparent and urgent obstacle to economic growth is the lasting impact of COVID-19, particularly on small, local businesses that have had to shut down for periods of time, on workers who were unemployed or underemployed during the pandemic, and on parents with unmet childcare needs. Leadership and political tensions exist between government entities across the Larimer and Weld divide that could inhibit united development efforts, dampening the business climate and therefore discouraging expansion and relocation efforts. Some communities are perceived as promoting an antigrowth or antibusiness mindset, which could negatively impact continued growth. Furthermore, the region has historically been a hub for the oil and gas industry, and state regulations threaten this sector. The same can be said for state regulation of the agricultural sector. Finally, the impacts of climate, environmental, and natural disasters as well as water availability and affordability might hinder future growth. See Appendix Figure 12 for a more detailed description of threats that were discussed as part of the SWOT process.

FIGURE 3. SWOT SUMMARY

 <b>STRENGTHS</b> <ul style="list-style-type: none"> <li>▶ Quality of life</li> <li>▶ Economic growth</li> <li>▶ Diverse industry mix</li> <li>▶ Lower cost of living relative to coastal metros</li> <li>▶ Business development ecosystem</li> <li>▶ Educational system: K–12, universities, and colleges</li> <li>▶ Willingness to collaborate regionally</li> <li>▶ Broadband, ability for remote work</li> </ul>	 <b>WEAKNESSES</b> <ul style="list-style-type: none"> <li>▶ Unified regional voice</li> <li>▶ Lack of regional resource inventory or navigation</li> <li>▶ Competition with metro Denver for talent</li> <li>▶ Transportation infrastructure</li> <li>▶ Workforce diversity and retention</li> <li>▶ Equity and inclusion</li> </ul>
 <b>OPPORTUNITIES</b> <ul style="list-style-type: none"> <li>▶ Leveraging higher education assets</li> <li>▶ Venture capital investments</li> <li>▶ New industry and cross-sector partnerships</li> <li>▶ Growing tech, agtech, and green energy sectors</li> <li>▶ Broadband: regional cooperation and expanded access</li> <li>▶ Reskilling, upskilling, and new skilling</li> <li>▶ Increased equity and inclusion</li> <li>▶ Federal and state recovery funding</li> </ul>	 <b>THREATS</b> <ul style="list-style-type: none"> <li>▶ Political climate and policy changes</li> <li>▶ Perception of negative attitudes toward business</li> <li>▶ COVID-19 impacts: workforce, small businesses, tax revenue</li> <li>▶ Housing affordability</li> <li>▶ Climate, environmental, and natural disaster impacts</li> <li>▶ Water availability and affordability</li> </ul>

Source: TIP Strategies.



# ACTION PLAN

## VISION, MISSION, GUIDING PRINCIPLES

Creating a recovery and resiliency plan with high-impact, easy-to-implement actions is critical to the success of Reignite's efforts. To be inclusive of the region's two counties with multiple cities and towns, the recommendations in this section are grounded in vision and mission statements as well as guiding principles that create a cohesive path for future action while providing the flexibility for specific actions to be customized to meet the needs of participating communities and entities.

### VISION

Create a more resilient, equitable, and sustainable economy in Northern Colorado that brings long-term prosperity for all.

### MISSION

Strategically lead and align regional resources around implementing economic recovery actions to mitigate the economic impacts of COVID-19.

### GUIDING PRINCIPLES

This economic recovery plan is grounded in three guiding principles, which were the foundation for identifying the plan's goals and actions.

- ▶ **Diversity, equity, and inclusion are foundational to sustained economic prosperity.** The impacts of COVID-19 have increased existing economic and racial inequalities, resulting in a K-shaped recovery that allows some people to recover and become stronger than they were pre-COVID-19, while others experience economic decline. Within the context of this plan, diversity, equity, and inclusion are defined as follows.
  - ▶ **Diversity:** the different characteristics that can be used to describe a person or group of people, such as race, ethnicity, gender, sexual orientation, socioeconomic status, language, nationality, age, educational attainment, disability, perspective, and values.
  - ▶ **Inclusion:** an economy and community in which all people feel welcome and supported and can fully participate.
  - ▶ **Equity:** seeking to understand the root causes of outcome disparity and unlocking the full potential of the regional economy by addressing and dismantling historic and existing barriers to participation.

The Northern Colorado region must ensure that the recovery is inclusive of a diverse community, providing equitable access to the resources and opportunities necessary for economic prosperity.

- ▶ **Recovery is regional; implementation can be customized by individual communities.** Larimer and Weld Counties have approached recovery from a regional perspective. Many of the major components of an economy—the laborshed, job opportunities, commuting patterns, housing developments, and retail catchment areas—cross municipal and county lines. A regional approach acknowledges that Larimer and Weld Counties need each other and are part of an economic ecosystem that is larger than a single county. While part of a region, the two counties also acknowledge their counties, cities, and towns have unique challenges and opportunities. This recovery plan provides solutions that will help the region mitigate the impacts of the COVID-19 economic disruptions and create a more resilient economy, while providing opportunities for individual cities and towns to implement strategies in ways that best address local conditions.

- **COVID-19 has changed elements of the economy, creating unique windows of opportunity for the Northern Colorado region.** The pandemic has introduced major changes to the economy, to include a shift to more remote work, severe impacts on local and small businesses, migration patterns away from large urban areas to smaller cities and towns, changing supply chains, new business models with a greater reliance on e-commerce, new stresses on healthcare and childcare providers, and new stresses to the educational system. The Northern Colorado region is poised to take advantage of the opportunities that accompany these economic shifts.

## STRATEGIC ACTION AREAS

### TALENT

Talent—finding, keeping, and developing skilled workers—was a top area of both concern and opportunity during stakeholder conversations and has regional implications for the ability of companies to access the workers they need. The Prosperity Now Scorecard ranks Colorado 12th when compared with the residents of all other states and the District of Columbia on overall prosperity of the state’s residents, but 37th when examining racial disparities between White residents and residents of color.<sup>16</sup> According to a 2020 report by the Colorado Workforce Development Council, this gap has significant implications for the state’s future economic prosperity and illustrates a need to strengthen how the current workforce is educated, trained, hired, and promoted.<sup>17</sup> The actions in this section are aligned with the report’s recommendations to increase access to training and higher-paying career pathways, particularly for workers of color.

The challenges of returning to in-person work in the aftermath of COVID-19 are unfolding in real time, exacerbating existing disparities within the workforce, such as the ability to work remotely. According to an October 2020 survey, between 14 and 23 million Americans are considering relocating within the country due to the ability to work remotely.<sup>18</sup> The pandemic has brought about new opportunities for fully or partially remote work, which gives some employees more flexibility in where they live and has resulted in new migration patterns away from larger urban areas to smaller cities and regions with a perceived higher quality of life, such as Northern Colorado. This migration presents an opportunity for the region to diversify the local workforce and retain workers who are completely or partially remote.

The impacts of COVID-19 have also created efficiencies in how work is performed through increased use of automation. Nationally, the manufacturing industry has only added back approximately 60 percent of jobs lost during the pandemic, suggesting that many factories have used the COVID-19 slowdown to increase

#### CASE STUDY HIGHLIGHT

##### Greater New Orleans, Inc.: Reskilling Workers for Technology Careers

Greater New Orleans, Inc., Verizon, Generation USA, and the New Orleans Business Alliance, and Delgado Community College formed a partnership to provide an online reskilling program to the greater New Orleans region. The program, called Generation USA, is offered for free at Delgado Community College and provides students with access to training for high-demand careers as a digital marketing analyst, IT support specialist, or junior web developer. The courses are 10 to 12 weeks long and are part of a larger initiative in nine colleges across the US to prepare 500,000 learners for jobs of the future by 2030.

Sources: <https://gnoinc.org/news/initiative-to-re-skill-workers-for-technology-ca>;  
<https://campustechnology.com/articles/2021/05/04/colleges-pilot-free-online-reskilling-program.aspx>.

<sup>16</sup> “2020 Scorecard Ranks.” *Prosperity Now Scorecard*. <https://scorecard.prosperitynow.org/ranks>.

<sup>17</sup> “Colorado Talent Equity Agenda.” *Colorado Workforce Development Council*. <https://cwdc.colorado.gov/talent-equity-agenda>.

<sup>18</sup> Lori Ioannou. “Vast Migration of over 14 Million Americans Coming Due to Rise in Remote Work, Study Shows.” *CNBC*. October 29, 2020. <https://www.cnn.com/2020/10/28/vast-migration-of-over-14-million-americans-coming-due-to-remote-work.html>.

automation.<sup>19</sup> This trend increases the importance and urgency of workforce development and training. The region's universities and colleges can play an important role in creating access to training and career pathways.

New challenges have been introduced as well, to include rehiring people who exited the workforce due to the loss of external childcare. Recent job reports from April 2021 indicated that all the job gains went to men, and the number of women employed or looking for work fell by 64,000; a trend that might be related to women taking primary responsibility for childcare duties.<sup>20</sup> Mandated closures also created economic stress for business owners who needed to quickly adapt to unexpected revenue loss and the increased importance of ecommerce. This might result in a lower demand for employees once businesses fully reopen as well as changing consumer expectations for a combination of remote and in-person buying experiences.

## GOAL 1. ENSURE A RESILIENT, ROBUST, AND DIVERSE REGIONAL WORKFORCE

- 1.1. Create a workforce development strategy that expands Talent 2.0<sup>21</sup> implementation to address opportunities and challenges in the two-county region. This update would be responsive to new demographic, industry, and post-COVID-19 trends.
- 1.2. Capitalize on a strong higher education system by working with partners in colleges and universities as well as workforce development, such as the joint Larimer and Weld County Work-Based Learning Alliance, Larimer County Economic and Workforce Development department, and Employment Services of Weld County, to expand existing programs that connect students and workers to internships and training programs in high-demand fields. Students and workers who have been most impacted by COVID-19 should be prioritized, as highlighted in the 2020 Colorado Talent Equity Agenda that calls for intentionally increasing the participation of people of color in pre-apprenticeships and apprenticeships as an upskilling, earn while you learn, model.<sup>22</sup> This can be accomplished through targeted marketing to reach underserved populations, identifying barriers to entry for training programs, and addressing those challenges.

### RESOURCE

#### Rework America Alliance: Experience-Based Job Progression

The Rework America Alliance—in cooperation with the Federal Reserve Bank of Atlanta; Markel, McKinsey & Company; and the National Urban League—examined the job histories of 29 million people across more than 800 occupations to better understand how people can be connected with better job opportunities. Specifically, this group examined how workers without a college degree in lower-wage occupations might reach what are called “gateway occupations” that provide good wages and access to economic advancement. Their research outlines the progression of specific “origin” job skillsets with gateway jobs that can later lead to “target” jobs that have a low risk of elimination through offshoring.

Metro-level data is available online through the Rework Community Insights Monitor, which provides information about industries and occupations most prevalent within a regional economy (which can be filtered by origins, gateways, and targets), how many jobs are accessible to workers without a bachelor's degree, and available education or training programs.

Sources: <https://www.markle.org/rework-america/unlocking-experience-based-job-progressions-millions-workers/>;  
<https://www.atlantafed.org/cweo/data-tools/rework-community-insights-monitor.aspx>.

<sup>19</sup> Heather Long. “It’s Not a ‘Labor Shortage.’ It’s a Great Reassessment of Work in America.” *The Washington Post*. May 7, 2021. <https://www.washingtonpost.com/business/2021/05/07/jobs-report-labor-shortage-analysis/>.

<sup>20</sup> Long. “It’s Not a ‘Labor Shortage.’”

<sup>21</sup> Talent 2.0. <https://nocotalent2.com/>

<sup>22</sup> “Colorado Talent Equity Agenda.” *Colorado Workforce Development Council*.

- 1.3.** Continue to partner with employers and workforce development providers to identify and address challenges to talent retention.

**1.3.1. Childcare.** Increase access to affordable, quality childcare. COVID-19 has elevated access to childcare within economic development. Quality, affordable childcare benefits the economy in that it allows parents or guardians to hold jobs outside of the home while children receive education and social development opportunities. Reignite would act as a convener, bringing together childcare providers, employers, nonprofits such as the United Way, early childhood councils, foundations, and other stakeholders to identify priority actions for increasing access to affordable, quality childcare.

**1.3.2. Housing.** Expand accessibility to attainable, affordable housing. As COVID-19 increased worker mobility, the already fast-growing Northern Colorado region experienced additional population growth. A rapidly growing population is putting stress on the housing market, as reflected in increasing housing prices, longer commutes for workers, and increasing difficulties hiring entry-level or lower-wage workers. Reignite can convene housing providers, lenders, and nonprofits; real estate industry representatives; and employers to discuss strategies for addressing the regional housing market to increase workforce accessibility to affordable homes.

**1.3.3. Transportation.** Identify regional priorities for increasing mobility. The region's transportation challenges have several characteristics, to include a desire for transit between and within the cities and towns in Larimer and Weld Counties as well as connections with metro Denver. As more people move to the region and many move farther from job centers to access affordable housing, the stress on existing transit networks increases. Reignite can work with economic developers, transit agencies, transportation agencies, and employers to identify regional priorities for future action.

- 1.4.** Work with regional partners in economic development, business, and workforce to adapt to the future of work post-COVID-19. A 2020 meeting between the joint Larimer and Weld County Workforce Development Board<sup>23</sup> calls for a regional workforce symposium; Reignite can support this effort from a regional perspective, bringing additional organizations and perspectives to the effort.

**1.4.1.** Support additional funding and support for employment-focused training programs and other services leading to employment.

**1.4.2.** Utilize results from the skills transferability study, being conducted by CSU in conjunction with Larimer County, work with employers to identify bridge skillsets, and develop crosswalks between those skills and available employment opportunities. The existing study should be expanded to

#### CASE STUDY HIGHLIGHT

##### Workforce Southwest Washington: Improving Access to Childcare

In 2019, Workforce Southwest Washington began engaging with nearly 1,000 business owners, employees, and childcare providers to better understand existing challenges, solutions, and opportunities related to workers' access to childcare. This engagement revealed that more than 60 percent of participants cited affordability as the biggest barrier to accessing childcare, followed by availability.

Southwest Washington's work, summarized in a December 2020 report, documented the impact of inadequate access to childcare, the need for additional funding to families and childcare providers, and workplace policy changes that could create a more family-friendly environment. The second phase of Workforce Southwest Washington's work, to develop a model for addressing childcare needs through a public-private partnership, is currently underway.

Source: <https://workforcesw.org/wp-content/uploads/wsw-childcare-report.pdf>.

<sup>23</sup> Meeting Minutes, Joint Larimer and Weld Workforce Development Board. February 12, 2020. [https://www.larimer.org/sites/default/files/uploads/2020/meeting\\_minutes\\_february\\_12\\_2020\\_joint\\_wdb.docx](https://www.larimer.org/sites/default/files/uploads/2020/meeting_minutes_february_12_2020_joint_wdb.docx).



include Weld County. Efforts should be focused on the workers who were most impacted by COVID-19 and include strategies for helping workers overcome skill, cultural, and monetary barriers to changing careers.

## SMALL BUSINESS RESILIENCY

Small businesses were disproportionately impacted by COVID-19 yet are a critical part of the regional economy. These businesses include local restaurants, coffee shops, hotels, retail shops, food trucks, hair salons, and other service providers that are a critical part of creating a sense of community. According to a December 2020 survey by the Colorado Chamber of Commerce, 65 percent of small businesses (defined as businesses with 1 to 49 employees) reported being negatively impacted by the pandemic, and more than half of all businesses expect the economic fallout of the virus to extend beyond 2021.<sup>24</sup> Within the Northern Colorado region, 36 percent of respondents to a NoCo REDI survey reported that their revenues were down more than 50 percent. Another 22 percent reported a revenue decrease of 25–50 percent, and 14 percent of respondents are concerned that they will not get their revenues to return to pre-COVID-19 levels.<sup>25</sup> Mandated closures and supply chain disruptions affected the ability of owners to carry out basic business functions, such as receiving materials from suppliers, carrying out in-person business interactions, and keeping existing employees on the payroll. Businesses that were able to pivot to telework and online sales are in a better position for recovery, but there might be changes to their number of employees, overall revenue, and ability to afford rent payments.

While the effects of the pandemic on small businesses are still unfolding, a strong indicator of impact is decreased revenue. In Larimer County, small business revenue decreased by 29 percent in January 2021 as compared with January 2020; in Weld County, the percentage is even higher with a 39.8 percent decrease in revenue during the same time frame. The number of small businesses that are open has also decreased. In Weld County, the number of small businesses open decreased by 33.7 percent from January 2020 to January 2021; Larimer County experienced a decrease of 29.2 percent.<sup>26</sup> The effects of the pandemic could have been worse, however. More than 6,000 US Paycheck Protection Program loans were distributed in Larimer County, with an additional 4,407 loans distributed in Weld County, reportedly retaining more than 87,000 jobs in the region.<sup>27</sup>

Small businesses are a critical part of the Northern Colorado economy, and they are pivotal to a sustained recovery. Money that is spent with a small business is more likely to stay in the local economy, capturing the discretionary revenue that primary employers contribute to the economy, and owning a small business can create new pathways to wealth generation. In addition, the sense of place created by the region's small businesses directly contributes to the high quality of life described by local stakeholders.

As mentioned earlier regarding the inequitable economic fallout of the pandemic, small businesses that are owned by minorities or women were among the most impacted by COVID-19. Pre-pandemic, there were significant disparities in business value by race that should be addressed. Within Larimer County, White-owned businesses had an average business value (as measured by sales, receipts, or revenue) of \$295,678. Businesses owned by people of color had an average value of just \$128,120. Within Weld County, the disparity is more pronounced. White-owned businesses had an average value of \$523,003, while businesses owned by people of color had an average value of \$121,932.<sup>28</sup> To build a more inclusive economic recovery, the region must support

<sup>24</sup> *Colorado Chamber COVID-19 Business Impact Survey: Looking Ahead to 2021*. Colorado Chamber of Commerce. December 15, 2020. <https://cochamber.com/wp-content/uploads/COVID-Survey-Report-5.pdf>.

<sup>25</sup> *COVID-19 Business Survey*. NoCo REDI. May 2020. [https://choosenortherncolorado.com/wp-content/uploads/2020/06/NoCo-REDI\\_Survey-2-Report\\_FINAL-2.pdf](https://choosenortherncolorado.com/wp-content/uploads/2020/06/NoCo-REDI_Survey-2-Report_FINAL-2.pdf).

<sup>26</sup> *Opportunity Insights Economic Tracker*. <https://www.tracktherecovery.org/>.

<sup>27</sup> "All PPP Loans in Larimer County, CO." *Paycheck Protection Program Database*. <https://ppp.directory/colorado/larimer-county>. "All PPP Loans in Weld County, CO." *Paycheck Protection Program Database*. <https://ppp.directory/colorado/weld-county>.

<sup>28</sup> "Data by Location." *Prosperity Now Scorecard*. <https://scorecard.prosperitynow.org/data-by-location#county/8069> and <https://scorecard.prosperitynow.org/data-by-location#county/8123>.

businesses, with an emphasis on reaching minority-owned enterprises, both in the immediate aftermath of COVID-19 and the longer horizon.

## GOAL 2. SUPPORT SMALL BUSINESS RECOVERY TO ENSURE LONG-TERM RESILIENCY

- 2.1. Leverage the success of small business-focused programs such as Level Up, Safe Place, and the Business Advisory Council to build upon enhanced relationships with the business community that were developed in response to the pandemic.
- 2.2. Create opportunities that bring together small business owners, lenders, service providers, chambers, and others in the regional small business ecosystem to discuss challenges and solutions related to COVID-19 recovery. While programs might be implemented locally, information should be shared across the region.
- 2.3. Provide financial or programmatic assistance that connects small businesses with experts who help them create individual business transition plans. This assistance could be offered by Reignite's members directly or through small business support providers, such as a small business development center. The goal of a transition plan is to help small businesses adapt to new platforms and business strategies post-COVID-19, create succession plans to ensure the long-term success of a business through ownership changes, and to create exit strategies if a business needs to close.
- 2.4. To ensure consistent support for small businesses across the region, establish a network of "connectors" that link existing support and mentorship programs to small businesses in need. Potential partners for expanded programmatic and service offerings include members of the region's college and university system, the Larimer Small Business Development Center, the Loveland Business Development Center, chambers of commerce, incubators, and accelerators.
  - 2.4.1. Create connectors embedded within Reignite's member organizations that can provide a link to resources for small business owners.
  - 2.4.2. Stand up a service-based cooperative with experts in areas such as human resources, legal affairs, and accounting in a centralized location to serve small business owners.
- 2.5. Develop new and expand existing mentorship and technical assistance programs that serve business owners who do not speak English as a first language. Business owners who do not speak English as a first language (or who do not speak English at all) face unique challenges to accessing resources for recovery. According to stakeholder interviews, these business owners are less likely to be "document ready" with the

### CASE STUDY HIGHLIGHT

#### ANCA: Supporting Small Local Businesses through Transition

The New York Adirondack North Country Association (ANCA) places a high priority on economic growth through a thriving entrepreneurial ecosystem. The organization operates the Adirondack North Country Center for Businesses in Transition, which connects small business owners with potential buyers and provides access to planning tools and existing services.

The center, which does not have a physical location, is supported by a network of community organizations and outreach liaisons with a deep understanding of area businesses and communities.

During COVID-19, ANCA was able to leverage the center and a partnership with nearby Clarkson University to help small business owners expand their e-commerce capabilities through technical assistance in launching a new website, adopting an electronic point-of-sale system, or just getting an introduction to e-commerce.

Most recently, ANCA received a grant to implement a new Center for Pandemic Response in partnership with other regional organizations. The center will provide technical support services to small businesses that want to develop resilience plans, diversify income streams, decrease overhead costs, or adapt to a new business model.

Sources: <https://adirondack.org/>;  
<https://www.northcountrypublicradio.org/news/story/43838/20210527/building-back-in-the-north-country-new-center-focuses-on-post-pandemic-business-recovery>.

needed information to fill out loan applications, are often constrained regarding financial and staff resources and might not trust the government as a source of help. This new effort could be modeled after the City of Fort Collins cultural broker program or could be implemented by bringing in an outside partner, such as Mi Casa Resource Center, to help Reignite members better reach this population.

## CLUSTER IMPLEMENTATION

The Northern Colorado Regional Cluster Strategy was completed in March 2020. The purpose of the strategy is to align regional economic development efforts around a shared set of industry clusters by developing a common language, a unified message, and a programmatic response that is aligned to the target industries. The industry cluster strategies in the plan are a long-term regional commitment to growing the priority sectors over time, with individual communities acting both independently and with one another to implement the strategies. Successful clusters grow as the result of strong local ecosystems that are developed through collaboration among companies, deep talent pools that can be shared among companies in a cluster, knowledge sharing among companies and universities or other research institutions, strong infrastructure, placemaking initiatives that attract talent, and access to capital.<sup>29</sup> Northern Colorado already has a foundation for these elements in place. Further developing select target industry clusters in this economically diverse region will help to bolster the region's existing strengths and greatest prospects for future growth, creating a more resilient economy.

COVID-19 has introduced new opportunities to grow the study's cluster priorities. The priority clusters from the study are listed below.

- ▶ Bioscience and medical devices
- ▶ Distribution and e-commerce
- ▶ Fabrication and production technology manufacturing
- ▶ Food processing and manufacturing
- ▶ Information technology
- ▶ Plastics

The role of this plan is to align with REDI's cluster initiative and select the cluster study initiatives that will give the two-county region a strong foundation for economic opportunity and job creation, economic resilience, and workforce alignment between industry and workers.

## GOAL 3. IMPLEMENT THE REGIONAL CLUSTER STUDY, CAPITALIZING ON OPPORTUNITIES RESULTING FROM COVID-19

- 3.1. Identify regional reshoring and nearshoring opportunities for the region's companies that have developed because of supply chain restructuring. During COVID-19, many traditional supply chains became unavailable or unreliable. Supply chains were impacted by sick workers staying home, exposed workers in quarantine, a backlog at domestic ports, and sudden demand spikes for products such as personal protective equipment. These changes have prompted companies to begin diversifying their supply chains with a focus on suppliers who are in greater proximity to manufacturing plants, allowing for greater flexibility and responsiveness to change.

<sup>29</sup> Ryan Donahue, Joseph Parilla, and Brad McDearman. *Rethinking Cluster Initiatives*. Brookings Institution. July 25, 2018.



- 3.2. Reinforce current research efforts to monitor and report on trends impacting key economic drivers. This data can complement information gathered through relationships with industry and business leaders to facilitate a local understanding of trends and how those trends impact decision-making and strategic planning. These trends could be shared at a public event, such as the Regional Issues Summit.
- 3.3. Continue the conversation about establishing new industry partnerships in target clusters. The goal of these potential partnerships is to develop connections among companies and promote career awareness in the community. Conversations about the viability of new partnerships have already begun and should be continued post-COVID-19. Guided by strong leaders passionate about the industry cluster, new sector partnerships could be modeled after existing partnerships in manufacturing and healthcare.
- 3.4. Identify priority focus clusters for long-term growth and investment. Based on stakeholder feedback, regional strengths, and current trends, priority clusters might include bioscience & medical devices and fabrication & production technology manufacturing with new clusters in energy and agriculture tech. There are potential supply chain synergies here, such as the production of machinery within fabrication that could be streamlined with wholesale distribution of that machinery. Because the region consists of a wide variety of communities (urban, rural, metropolitan, and micropolitan), cluster focus should be adapted to fit the needs of each area. For example, although Weld County is home to more than 17,000 active oil and gas wells (the most in any single county in the US), it is diversifying and emerging as a leading clean energy producer with 381 recently constructed wind turbines and a 40-million-gallon dry mill ethanol plant in Windsor.<sup>30</sup>
- 3.5. Ensure that a diverse inventory of sites, from greenfield to shovel ready, are publicly available to accommodate target cluster growth.
  - 3.5.1. Reach out, in alignment with the REDI work plan, to commercial brokers, developers, site selectors, and existing businesses to establish the key features needed for specific site types.

#### CASE STUDY HIGHLIGHT

##### Oregon Lane County Tech Collaborative: Creating a Tech Sector Partnership

The Lane County Sector Strategy Team (LCSST) is facilitated by the Lane Workforce Partnership and is focused on the technology, food & beverage manufacturing, construction, and wood products industry sectors. The LCSST team members are leaders from the regional workforce development, economic development, city government, and business communities who come together to coordinate the development of industry-led sector partnerships for priority industries.

The tech sector is critical to Lane County's economy, with an average annual wage of \$80,645—nearly double the average county wage of \$45,199. In addition, the county's local tech industry is expected to grow by a projected 19 percent over the next 10 years. To meet the growing demand for these well-paid jobs, the LCSST brought local leaders in tech together to discuss the industry's opportunities for expansion and identify actions needed to ensure future growth. This meeting launched the Lane County Tech Collaborative, a tech sector partnership that has pursued several initiatives in partnership with the Technology Association of Oregon: building the workforce pipeline through improving K–12 and college curriculum to align with industry needs, talent retention through Experience Oregon Tech, tech community building, advocacy, and hosting events such as the Big Mix and Hack for a Cause.

Sources: <https://www.laneworkforce.org/sector-strategies/lane-county-sector-strategy-team/>; <https://www.dallasfed.org/cd/EconDev/workforce/2018/nextgen-lane.aspx>.

<sup>30</sup> "Site Selection: Key Industry Sectors." *Upstate Colorado Economic Development*. <https://upstatecolorado.org/site-selection/key-industry-sectors/>.

- 3.5.2.** Maintain an inventory of premier sites in the region that will be marketed to prospects. This inventory should include site-specific information, such as zoning, infrastructure and utility availability, and any completed environmental assessments.
- 3.5.3.** Identify areas where additional work is needed to increase site readiness, and work with regional partners to prepare sites as needed.
- 3.5.4.** Conduct an analysis of real estate fundamentals for major commercial property types, including office, industrial, and retail-zoned properties. This analysis could include data about regional supply and demand as well as key market indicators, such as rents, vacancies, and other underlying drivers of demand, such as infrastructure investments or major planned developments. This might be an independent analysis by Reignite members or in cooperation with brokers.
- 3.6.** Maintain an inventory of soft-landing sites for graduates of incubator and accelerator programs, and work with program graduates to find a suitable space in the region after they finish their program.
- 3.7.** Create a virtual site tour program. A virtual site tour could be created with still photos, drone footage, and supplemental site information to inform a long-distance prospect of opportunities in the region.

## INNOVATION

Innovation drives job creation, industry growth, and economic prosperity. With the colocation of universities, colleges, accelerators, incubators, manufacturers, tech firms, and a high quality of life, the Northern Colorado region is poised for future growth in innovation. This well-rounded ecosystem is a prime asset that drives technological advancement, the emergence and growth of startups, and economic development more broadly. In Larimer County, Colorado State University Research Foundation (CSURF) harnesses the marriage of institutional research and development with industry funding, technology transfer, real estate development and management, and mentorship through CSU Ventures, the CUS Infectious Disease Research Center, and the CSU Energy Institute.

In Weld County, the University of Northern Colorado in Greeley is making strides by adding cutting-edge academic programs, like Technology, Innovation, & Pedagogy. Native companies like Genesis Plastics Technologies and Aurora Organic Dairy have proven adaptive and agile amid the pandemic. By bolstering and supplementing these core strengths, Weld County can emerge from this period of economic uncertainty more resilient and high growth.

During stakeholder interviews, several participants referenced the need to develop intentional strategies around innovation that help Larimer and Weld Counties work within the Denver-Boulder region, but also differentiate the Northern Colorado region from it. There is a need to create stronger connections among funders, entrepreneurs, service providers, and available resources, such as office or lab space. Additional solutions could come through information sharing and ensuring an inclusive innovation ecosystem. Nationally, venture capital investment quadrupled over the last decade and more entrepreneurs of color are entering the market; only 1 percent of venture capital-backed founders are Black, and less than 2 percent are Latinx;<sup>31</sup> only 8 percent of venture capital firms have women partners.<sup>32</sup> This lack of diversity on the funding side often translates to lower investment rates in people of color or women-owned firms and should be considered when further developing the region's innovation ecosystem.

<sup>31</sup> Ilene H. Lang and Reggie Van Lee. "Institutional Investors Must Help Close the Race and Gender Gaps in Venture Capital." *Harvard Business Review*. August 27, 2020. <https://hbr.org/2020/08/institutional-investors-must-help-close-the-race-and-gender-gaps-in-venture-capital>.

<sup>32</sup> Wendy DuBow and Allison-Scott Pruitt. "The Comprehensive Case for Investing More VC Money in Women-Led Startups." *Harvard Business Review*. September 18, 2017. <https://hbr.org/2017/09/the-comprehensive-case-for-investing-more-vc-money-in-women-led-startups>.

## GOAL 4. STRENGTHEN THE ROLE OF NORTHERN COLORADO AS A HUB FOR INNOVATION

- 4.1. Establish a Northern Colorado Innovation Council to bring stakeholders to the table and implement the actions in Goal 4.
- 4.2. Define Northern Colorado's role in the greater Denver and intermountain west innovation ecosystem. Currently, the Northern Colorado region is overshadowed within the intermountain west by Denver and Boulder as a destination for venture capital investment. While this proximity can be a disadvantage, it also presents an opportunity to benefit from the assets in Denver and Boulder, while differentiating Larimer and Weld Counties. A first step in understanding Northern Colorado's role in the intermountain west ecosystem is to map the region's assets, to include educational institutions; entrepreneurship and innovation programs; accelerators and incubators; coworking spaces; maker spaces; labs; and events, meetups, workshops, and competitions.
- 4.3. Work with regional leaders, such as CSURF and UNC, to co-locate researchers, scientists, and engineers from the university with private industry. Coordinating these leaders in innovation also correlates with initiatives in cluster development, especially within the energy, agriculture technology, or medical device sectors.
- 4.4. Develop a resource inventory and referral network for the regional entrepreneurship ecosystem that is shared among local partners. While there are many programs, events, and organizations that are part of the regional innovation ecosystem, the organizations and leaders can do better to coordinate with one another. This resource inventory can feature information such as a mapping exercise to identify the region's assets, a cross-organizational calendar of events throughout the region, a database of real estate availability, and can facilitate warm handoffs when an entrepreneur transitions from one support service or program to another.
- 4.5. Provide information and education to funders about investing in startups.
  - 4.5.1. Connect traditional investors with established angel and venture capital groups, such as the Rockies Venture Club, the Innosphere Ventures investor network, and the Rocky Mountain Venture Capital Association to promote the region's entrepreneurs and the benefits of investing in startups.
  - 4.5.2. Reach out to large regional funders to provide information about the Northern Colorado entrepreneurship and innovation ecosystem, to include opportunities for investing in startups.
- 4.6. Create broader access to local sources of funding for entrepreneurs by identifying disparities or gaps in access to funding.

### CASE STUDY HIGHLIGHT

#### Venture Asheville: Growing a Startup Community

Founded in 2011 by the Economic Development Coalition for Asheville-Buncombe County and the Asheville Chamber of Commerce, Venture Asheville focuses on catalyzing the local high-growth entrepreneurial ecosystem through mentorship, financing, and events.

One of the reasons for founding Venture Asheville was to address challenges in the region's entrepreneurial infrastructure. These challenges included a shortage of highly skilled workers for high-tech startups, a lack of local investors that could help keep startups in the area, and the absence of a strong entrepreneurial network.

In response, Venture Asheville has launched several programs. The Asheville Angels, a member-based angel investor network, was founded in October 2014. The group is not an actual investment fund, but rather an investor network whose members make individual investment decisions after working together to evaluate candidate companies. Venture Asheville also manages a microgrant program for early-stage startups.

Additional programming includes sponsoring Asheville Entrepreneurship Week, a networking event called Asheville Startup Games, a startup road trip taking funding-ready startups to cities in the region, a mentoring program called Elevate (modeled on the Massachusetts Institute of Technology Venture Mentoring Service), and a weekly 1 Million Cups event.

*Source: <https://ventureasheville.com/>.*

- 4.7. Promote the creation of regional capital investment funds that address those gaps, which might include focusing on geography or demographic characteristics. Funds that target companies that are in Northern Colorado and intend to stay in the area can help to bolster the region's entrepreneurial ecosystem, creating a center of gravity that works with, but is also separate from, the Denver-Boulder region. A fund specifically designed to support people of color or women founders is one way to encourage a more diverse, inclusive, innovation and entrepreneurship ecosystem.
- 4.8. Host a regional gathering of leaders in emerging technology who have a strong presence in the intermountain west. During stakeholder outreach, there were several discussions about emerging technology that present an opportunity for emerging as a national leader in a particular sector. This will bring together thought leaders will help to raise the profile of the region and create new connections among subject-area experts that can lead to new innovations.

## REGIONAL POSITIONING

Larimer and Weld Counties are inextricably connected, with people crossing county lines to access housing, job, recreation, retail, educational, and healthcare opportunities via shared transportation networks. Similarly, site selectors and corporate prospects might cross county lines by looking for specific criteria on a regional scale before selecting a specific site. The region is better able to serve a mobile population and reach prospects when communicating as a single voice, leveraging the resources of the individual cities, towns, and counties.

Northern Colorado has a history of regional economic cooperation to address issues and capitalize on opportunities within the region, most recently with NoCo REDI. NoCo REDI has enabled "one voice" alignment internally between the economic development entities of the two counties ensuring investments and initiatives are coordinated and clearly communicated to stakeholders, including elected officials. Working together through NoCo REDI will help address issues and capitalize on opportunities in talent, small business resiliency, cluster development, and innovation. The unified voice of NoCo REDI has amplified the region's voice externally with metro Denver representatives, the Colorado Office of Economic Development and International Trade, the Economic Development Council of Colorado, and the business community. Enabling NoCo REDI to coordinate a collaborative implementation and messaging of this plan will create a stronger economic recovery.

## GOAL 5. ENHANCE REGIONAL COOPERATION TO ADDRESS CHALLENGES AND CAPITALIZE ON OPPORTUNITIES

- 5.1. Reinforce cooperative efforts currently led by NoCo REDI that ensure prospect teams and economic developers are viewed as representing "one voice" for the region.
  - 5.1.1. Through NoCo REDI, maintain alignment of economic development representatives in Larimer and Weld Counties around regional priorities and strategies. Maintain consistent messaging when communicating with local, regional, state, and national representatives in government, business, and economic development.



**5.1.2.** Connect prospects with information about site and real estate availability, financial assistance, and local community contacts.

- ▶ Collaboratively market the Northern Colorado region, which is part of speaking as one voice. This effort would promote Northern Colorado to targeted industries.
- ▶ Establish a regular meeting schedule with economic development contacts locally, with metro Denver, and with the state of Colorado.
- ▶ Engage with regional business leaders to identify challenges to future growth and ways that economic developers can work with elected officials to address those challenges.

**5.2.** Bring leaders in economic development, higher education, business, nonprofits, foundations, and other key stakeholder groups together to address challenges to economic growth. These gatherings can be modeled after the Loveland Strategic Partnership or the Regional Issues Summit, with Reignite acting as a lead convener. Challenges that impact the region's ability to grow economically include the following topics.

**5.2.1. Business Climate.** Address perceptions of an **antigrowth or antibusiness attitude**. Topics within this category could include highlighting the impact of local businesses or recent expansions, discussing the impact of proposed regulations, and gaining a better understanding of systemic obstacles to business attraction or retention that can be addressed by economic development organizations.

**5.2.2. Water.** Examine solutions for water availability and affordability, which are a constraint on new development and a challenge for those already in the region. While some recent agreements in Weld County might increase access to water, over the long-term, innovative efforts in conservation might be needed to sustain growth. Reignite can elevate this issue and the impact on economic development efforts, bringing together developers, large businesses, and government officials to examine potential solutions.

### CASE STUDY HIGHLIGHT

#### The Austin Area Research Organization: Strategic Leadership

The Austin Area Research Organization (AARO) was founded in 1980 by a group of chief executive officers who wanted to create a forum for discussing issues impacting central Texas's ability to thrive. Over time, the group's membership has expanded to include community leaders and non-CEO business leaders from six central Texas counties.

This influential group has advocated for major regional connectivity and mobility projects, to include relocating Austin's airport, property tax increases to fund Austin Community College, a water supply agreement for the city of Austin, creating new entities such as the Travis County Healthcare District and the E3 Alliance focused on building a strong educational pipeline, and an affordable housing bond.

AARO's current priorities include health, education, social equity, transportation, and water. These priorities are addressed by engaging regional leaders through roundtable discussions, sharing data, and leveraging the membership's diverse expertise. Each priority area is assigned a bold idea, and members are encouraged to take specific steps to address the priority area's challenges to ensure long-term prosperity.

*Source: <https://aaroregion.com/>.*

## MOVING FORWARD

As Northern Colorado emerges from the COVID-19 era and prepares to become a more resilient economy, the ongoing efforts of local organizations (and individuals) will be paramount. The coalition that enabled and facilitated this Reignite plan provided significant value to the region. NoCo REDI should continue to engage all partners to work together and address the economic needs of Northern Colorado, making sure every community voice is heard, and translating those voices into actions that reflect the goals outlined in this plan. Partners external to economic development are critical to developing long-term resiliency and will also be part of this effort. NoCo REDI enables

these partners, including colleges and universities, private sector business leaders, and industry partners (e.g., NoCo Manufacturing Partnership) to engage in the collaborative regional economic development efforts.

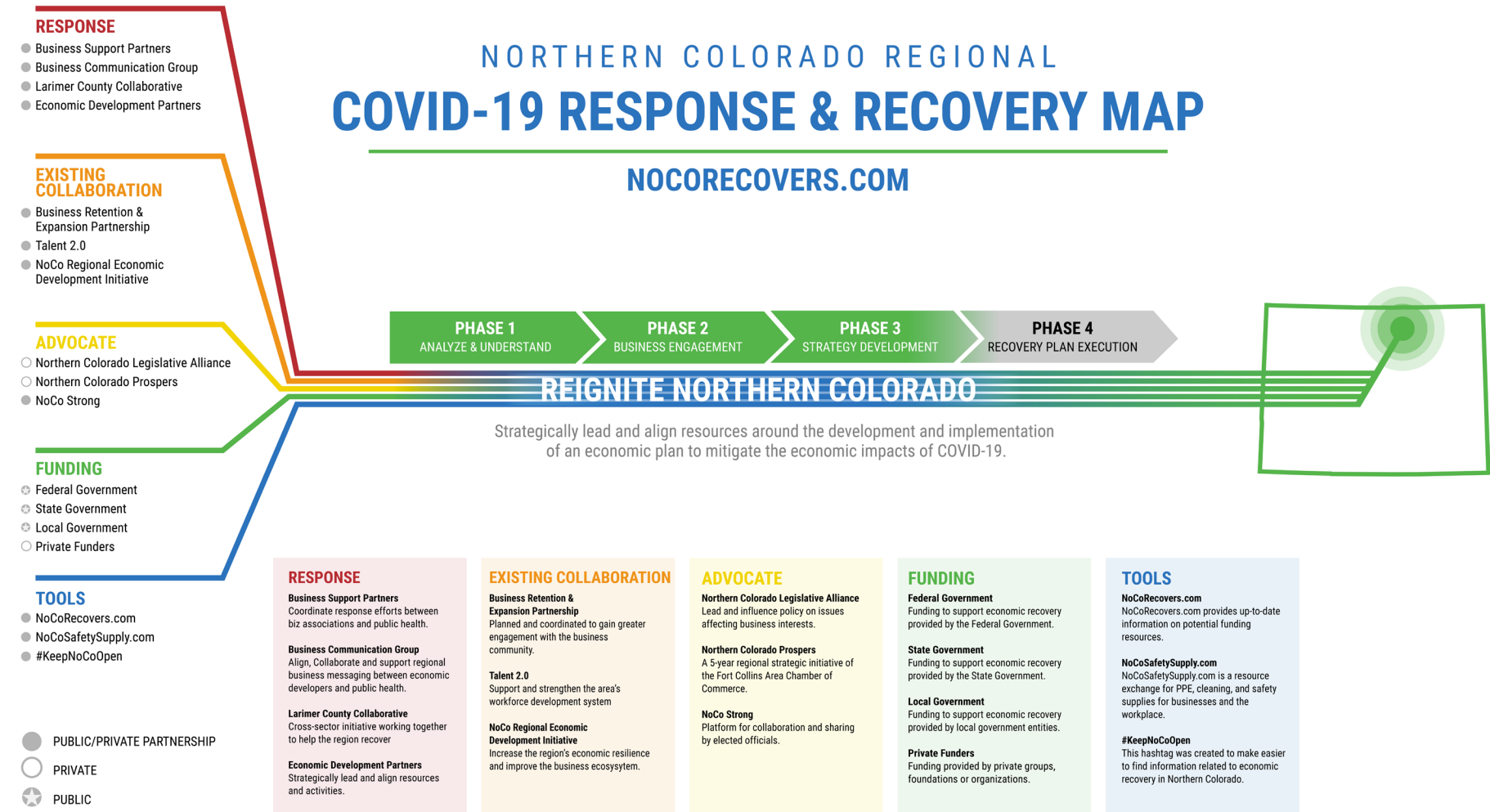
In the aftermath of the pandemic, there will be significant influxes of federal funding for economic relief, most notably the American Rescue Plan Act (ARPA). The Joint Budget Committee of the Colorado General Assembly estimates that local cities within the state will receive \$2.29 billion in ARPA funds, which will prove crucial to ongoing efforts to foster a more resilient and robust regional economy.<sup>33</sup> City, county, and economic development leaders have an opportunity to allocate these new funding sources, and the actions identified in this plan can guide those efforts.

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<sup>33</sup> Amanda Bickel. *Memorandum to Members of the [Colorado] Joint Budget Committee*. March 19, 2021. <https://leg.colorado.gov/sites/default/files/arp-03-19-21.pdf>.

# APPENDIX






FIGURE 4. NORTHERN COLORADO REGIONAL COVID-19 RESPONSE AND RECOVERY MAP



Source: "Northern Colorado Regional Economic Development Partners Release COVID-19 Response and Recovery Map." *NoCo Recovers*. <https://nocorecovers.com/northern-colorado-regional-economic-development-partners-release-covid-19-response-and-recovery-map/>.

The summary in Figure 5 breaks down North Colorado regional jobs in 2019 by their occupational risk quadrant and selected demographics. Darker cells indicate higher shares of jobs.

**FIGURE 5. OCCUPATIONAL RISK TOOL DEMOGRAPHIC ANALYSIS**

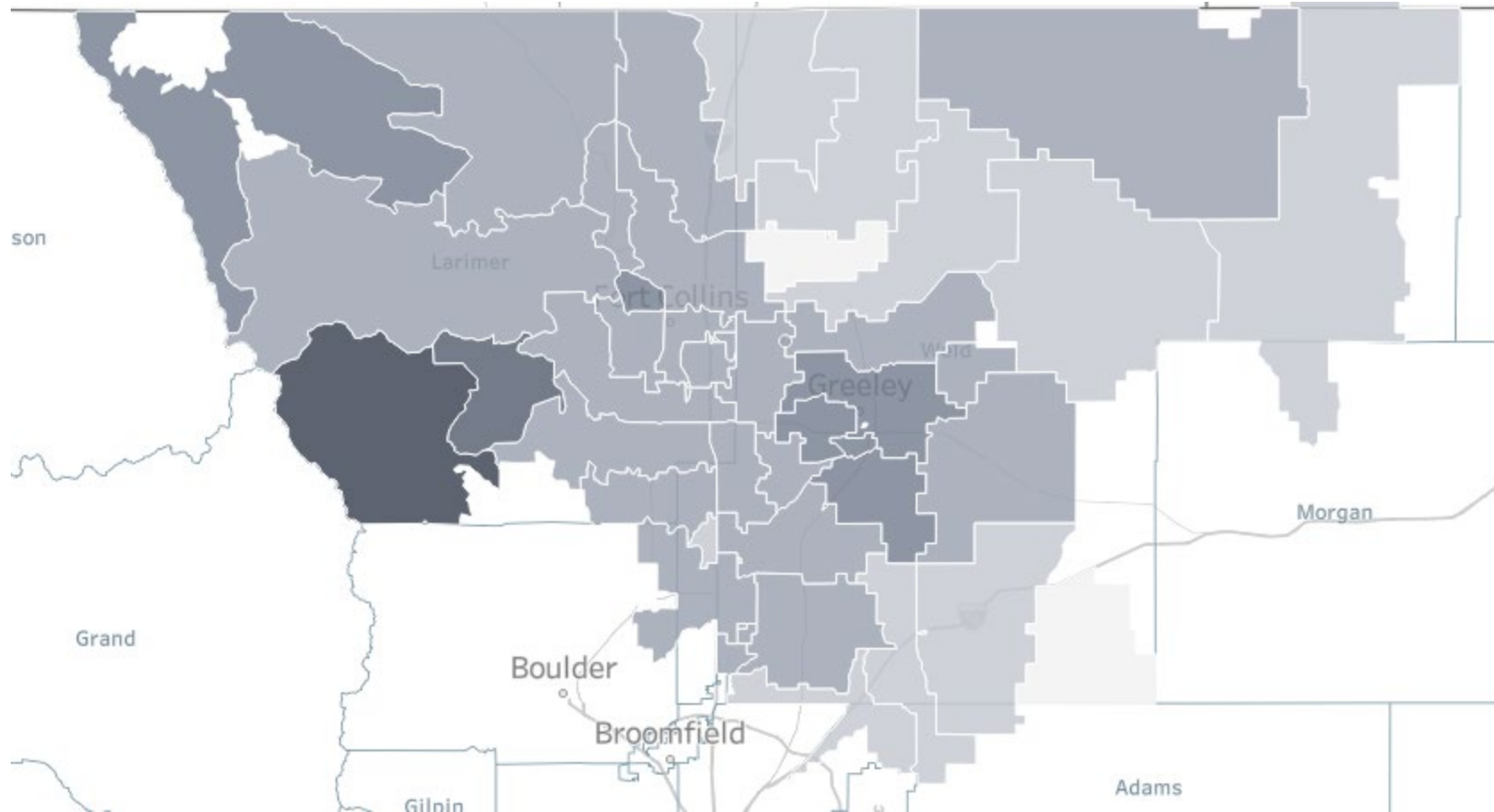
 GENDER		High Risk to Earnings & Personal Health	High Risk to Earnings, Low Personal Health Risk	Low Risk to Earnings, High Personal Health Risk	Low Risk to Earnings & Personal Health	Northern Colorado Region
 GENDER	Female (%)	45.6%	39.2%	55.9%	46.9%	45.8%
	Male (%)	55.1%	61.6%	44.8%	54.1%	54.2%
 AGE	Under 25 years (%)	22.5%	13.1%	11.8%	7.5%	15.2%
	25 to 34 years (%)	23.4%	21.5%	23.8%	21.5%	22.2%
	35 to 44 years (%)	20.1%	21.4%	23.8%	23.0%	21.3%
	45 to 54 years (%)	16.5%	20.3%	20.0%	21.6%	18.7%
	55 years & over (%)	19.0%	26.0%	22.3%	28.6%	22.6%
 RACE & ETHNICITY	White (%)	69.6%	76.4%	72.0%	81.9%	72.3%
	Hispanic or Latinx (%)	23.1%	17.6%	19.6%	12.2%	18.7%
	Black or of African descent (%)	3.0%	2.9%	4.0%	2.3%	3.0%
	Asian (%)	3.0%	2.6%	3.1%	3.3%	2.9%
	Other race or ethnicity (%)	3.1%	3.3%	3.5%	2.8%	3.1%
 MEDIAN HOURLY EARNINGS	Under \$10.00	0.0%	0.1%			0.0%
	\$10.00 to \$14.99	42.5%	16.5%	20.9%	5.2%	21.3%
	\$15.00 to \$19.99	31.2%	26.9%	23.9%	8.9%	22.8%
	\$20.00 to \$29.99	20.3%	34.6%	30.7%	35.4%	30.3%
	\$30.00 to \$39.99	4.7%	11.0%	19.2%	30.1%	16.3%
	\$40.00 to \$49.99	0.9%	8.3%	1.8%	13.5%	6.1%
	\$50.00 and Over	0.4%	2.2%	3.3%	6.7%	3.2%

Sources: US Department of Labor O\*NET; American Community Survey (ACS) 2018 5-year sample via Integrated Public Use Microdata Series (IPUMS); Economic Modeling Specialists International (Emsi) 2020.4—Quarterly Census of Employment and Wages (QCEW) Employees, Non-QCEW Employees, and Self-Employed; Charles Gascon and Devin Werner, "COVID-19 and Unemployment Risk: State and MSA [metropolitan statistical area] Differences," *Federal Reserve Bank of St. Louis*, April 3, 2020; TIP Strategies.

Notes: Percentages reflect shares of total number of jobs in each risk quadrant in the Northern Colorado region. Shares are estimated and might not add exactly to 100 percent due to rounding. Only detailed occupations with >10 resident workers in the region are included. In risk score calculations, unemployment by occupation group (two-digit Standard Occupational Classification/SOC) is used, and selected occupations' "essential" and "salary" indicators have been modified from their initial designations by the Federal Reserve Bank of St. Louis.

The map in Figure 6 shows the share (percent) of workers in their resident ZIP Codes in occupations with a high risk to earnings and a high risk to health. Darker gray ZIP Codes have higher shares.

**FIGURE 6. OCCUPATIONAL RISK TOOL MAP: PERCENT OF WORKERS AT HIGH RISK TO EARNINGS AND HIGH RISK TO HEALTH**



Sources: US Department of Labor O\*NET; ACS 2018 5-year sample via IPUMS; ACS 2019 5-year sample; Emsi 2020.4—QCEW Employees, Non-QCEW Employees, and Self-Employed; Gascon and Werner, "COVID-19 and Unemployment Risk"; TIP Strategies.

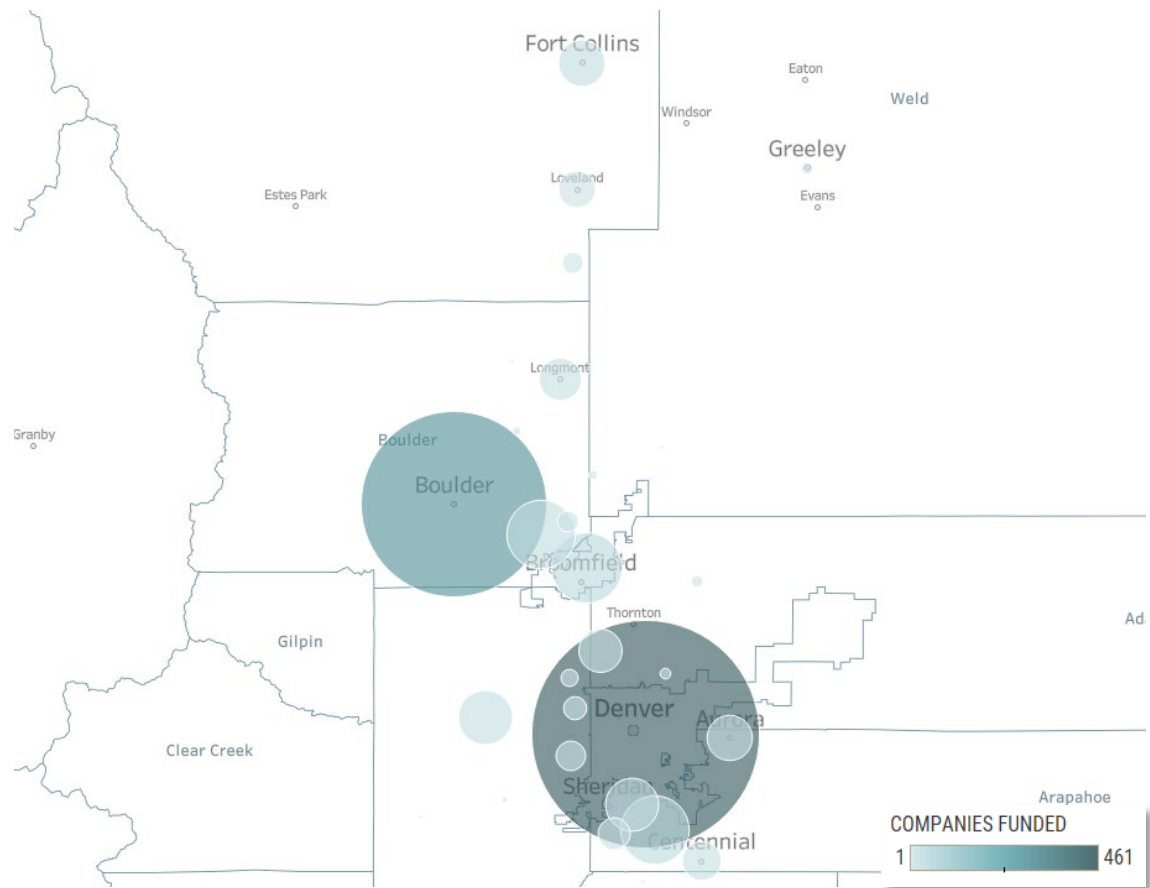
Notes: Only ZIP Codes with at least 100 total resident workers and at least 1 resident worker matching the selection criteria are shown (PO boxes or other single-address ZIP Codes are also excluded). Only detailed occupations with >10 resident workers in the region are included. In risk score calculations, unemployment by occupation group (two-digit SOC) is used, and selected occupations' "essential" and "salary" indicators have been modified from their initial designations by the Federal Reserve Bank of St. Louis.



## VENTURE CAPITAL INVESTMENT

To illustrate the flow of venture capital investment into Colorado, the data visualization tools in Figure 7 and Figure 8 were derived from the Crunchbase repository of venture capital (VC) funding numbers. The data paint a picture of an up-and-coming VC market at the state level, with the bulk of the money from elsewhere in the US flowing into Boulder and Denver. From 2010 to 2021, Colorado companies received \$15.8 billion in funding, of which \$4.3 billion went to those based in Boulder and \$6.5 billion to those based in Denver (Figure 7). Only \$270.6 million in funding went to Fort Collins-based companies in that time frame, with nearly half of that (\$113.7 million) to a single company: BillGO. However, the VC market in Colorado is booming, and Larimer and Weld Counties have an opportunity to capitalize on this opportunity. After experiencing a drop in the first quarter to the third quarter of 2020 (possibly due to the pandemic), the fourth quarter of 2020 and the first quarter of 2021 were the best periods on record for the state (Figure 8), with funding influxes originating from out-of-state at \$900 million and \$1.32 billion, respectively. Other major deals for Fort Collins companies were Solix Algredients (\$49 million), Ampt (\$40 million), St. Renatus (\$14.3 million), TurboTenant (\$10.2 million), Armis Biopharma (\$10 million), Madwire (\$7.5 million), and VetDC (\$5.5 million). Seven Loveland companies received a total of \$169 million in funding, including deals for Lightning eMotors (\$97 million), VanDyne SuperTurbo (\$35 million), and McWhinney (\$31 million). Greeley was also represented with a \$16.4 million deal for Xiant Technologies.

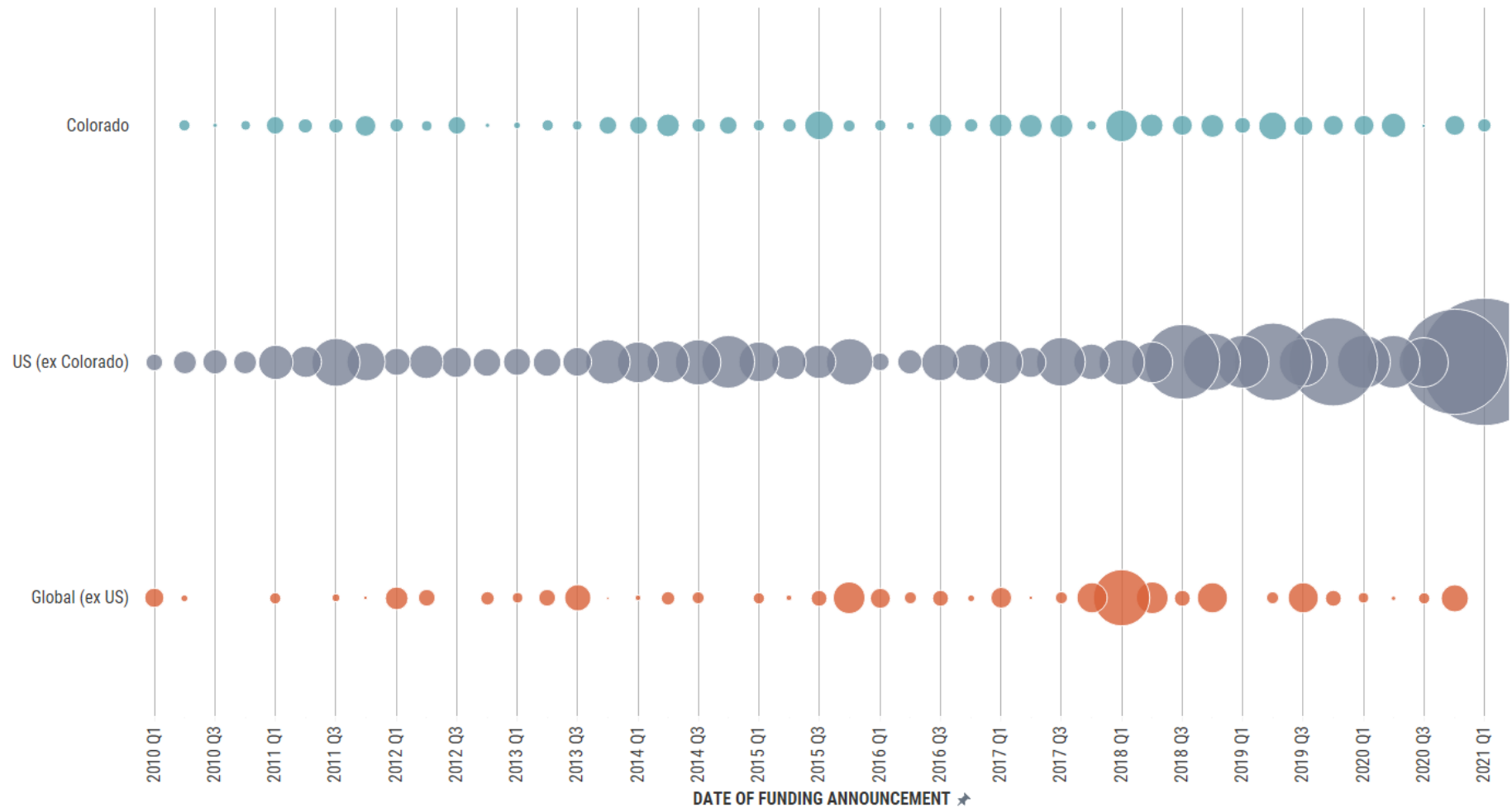
**FIGURE 7. CAPITAL DESTINATIONS**  
VENTURE FUNDING BY LOCATION OF COLORADO RECIPIENT COMPANY, Q1 2010–Q1 2021



Sources: Crunchbase, TIP Strategies.

Notes: Circle sizes represent amount of funding announced in the selected interval. Circle color represents number of companies funded in the selected interval where darker indicates more companies. Keyword activity search filters on descriptions of funded company activities and sectors. Only active-funded companies are included. Crunchbase is a crowdsourced dataset. All analysis should be interpreted with these limitations in mind. Funded firms are active as of April 2021. Funding for Palantir Technologies, which relocated to Denver from California, is excluded from this analysis.

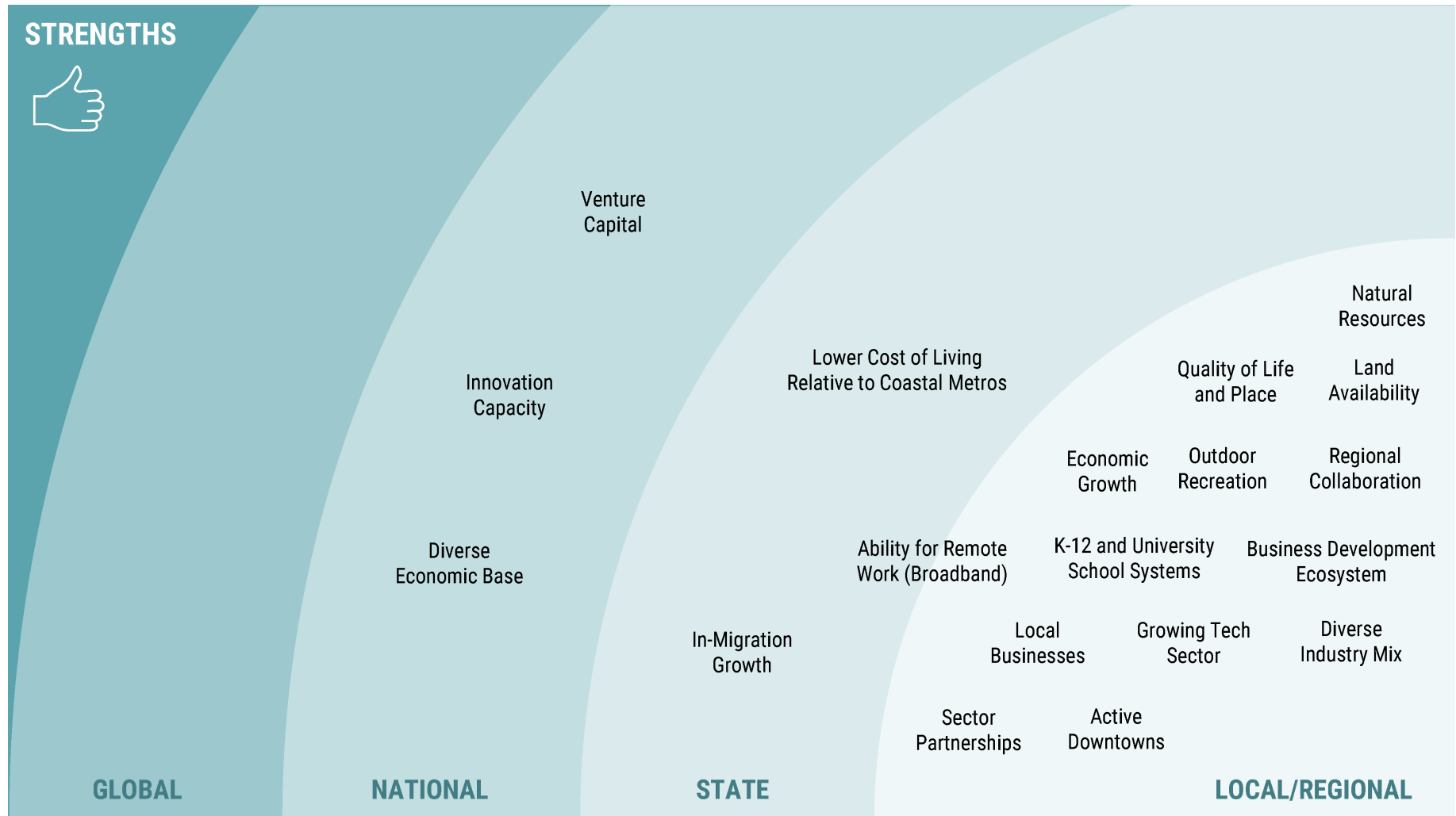
**FIGURE 8. CAPITAL SOURCES: WHERE THE MONEY ORIGINATED**  
 VENTURE FUNDING RAISED BY COLORADO COMPANIES SINCE 2010 BY INVESTOR LOCATION



Sources: Crunchbase, TIP Strategies.

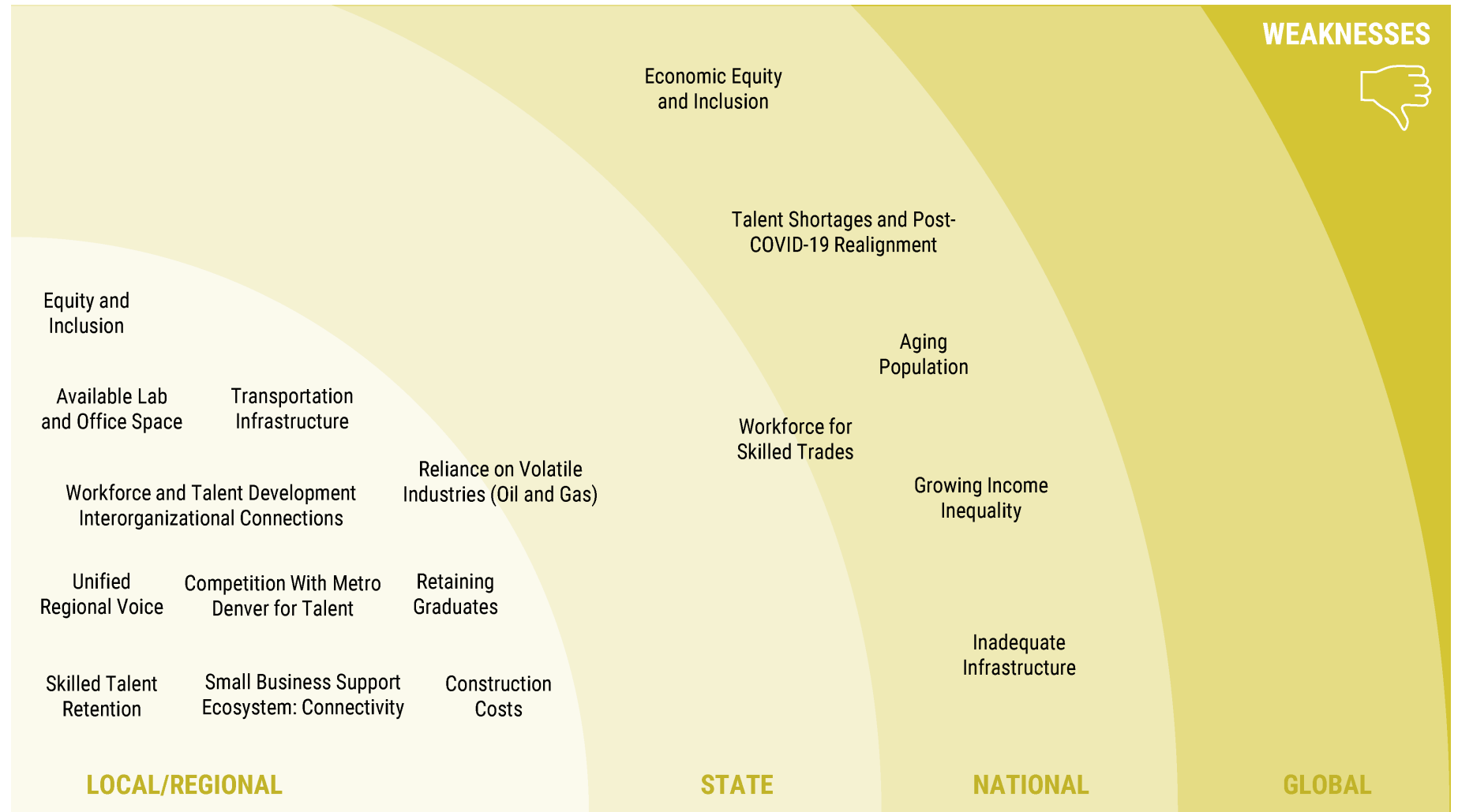
Notes: Investor location represents the headquarter city of the sole or lead investor for each funding round (only funding with disclosed investors and their locations are included). Investor location categories are mutually exclusive (US excludes Colorado; Global excludes the US). Larger circles represent larger amounts of VC funding announced. Keyword activity search filters on descriptions of funded company activities and sectors. Only active-funded companies are included. Funding for Palantir Technologies, which relocated to Denver from California, is excluded from this analysis. Crunchbase is a crowdsourced dataset. All analysis should be interpreted with these limitations in mind.

FIGURE 9. ANALYSIS OF STRENGTHS



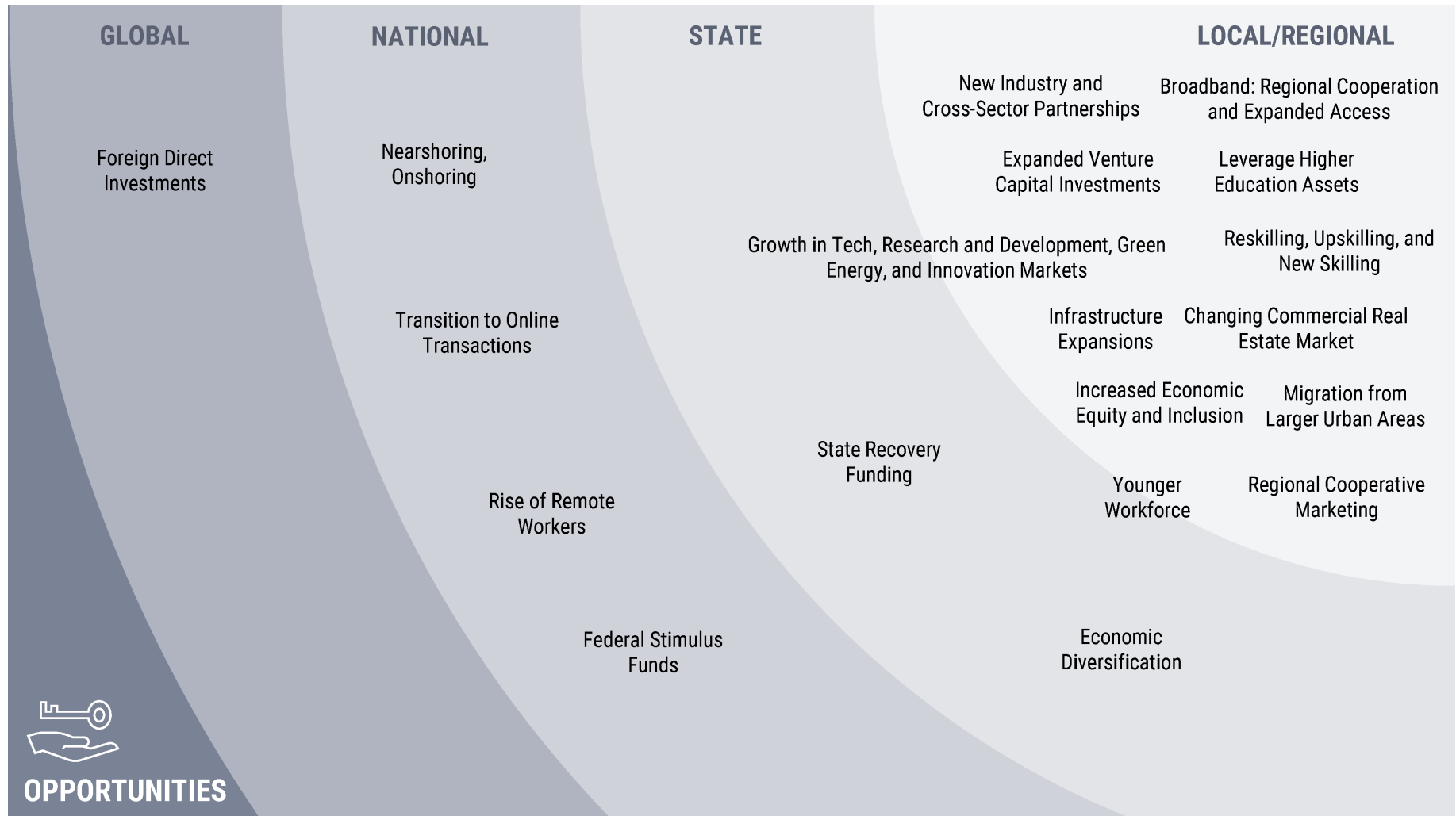
Source: TIP Strategies.

FIGURE 10. ANALYSIS OF WEAKNESSES



Source: TIP Strategies.

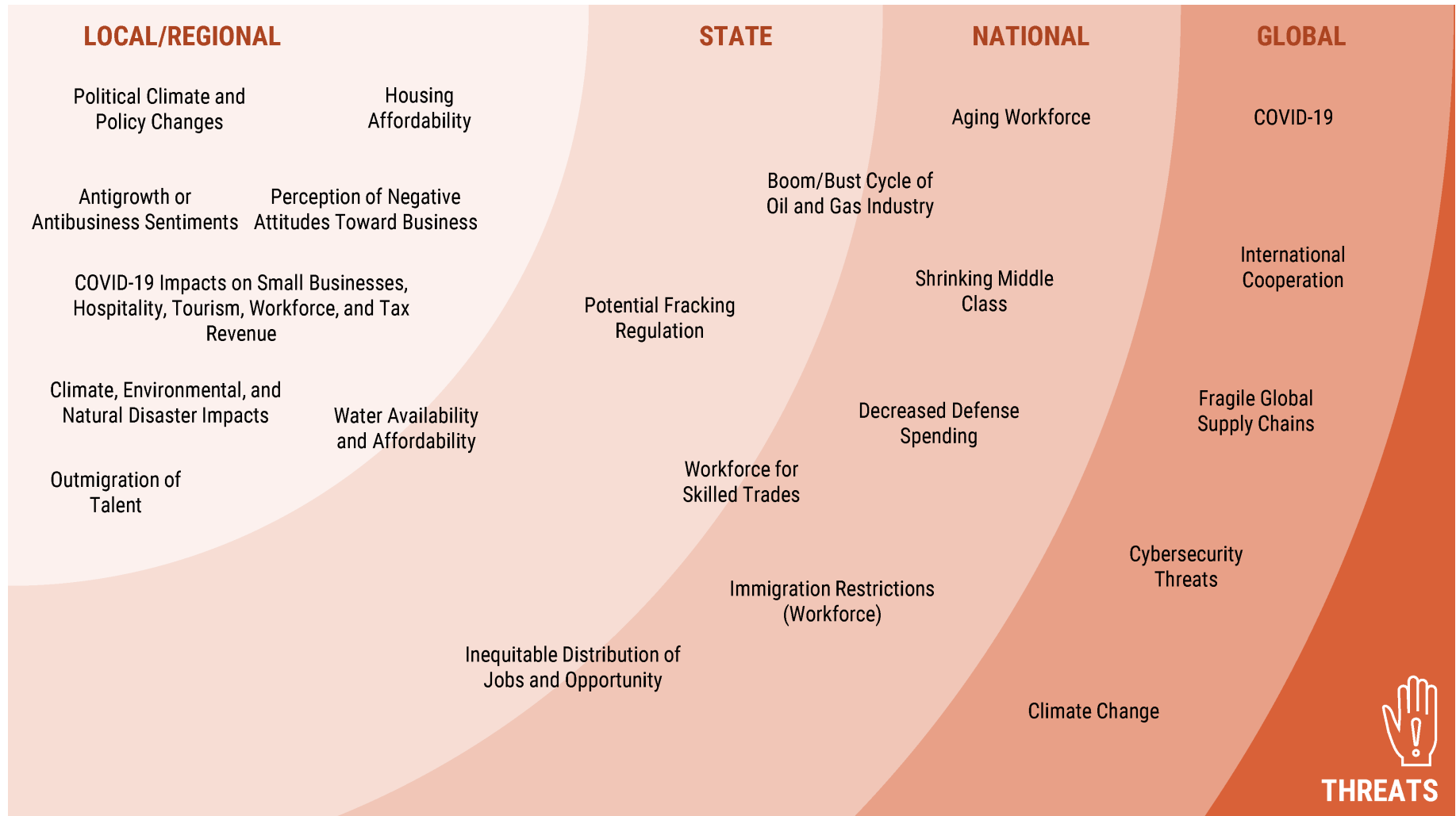
FIGURE 11. ANALYSIS OF OPPORTUNITIES



Source: TIP Strategies.



FIGURE 12. ANALYSIS OF THREATS



Source: TIP Strategies.