

2017

Pueblo Economic Outlook and Industry Analysis

DR. MIKE WAKEFIELD, PROFESSOR OF MANAGEMENT AND HEALY CENTER DIRECTOR, CSU PUEBLO

DR. BRUCE RAYMOND, DEAN, HASAN SCHOOL OF BUSINESS, CSU PUEBLO

SEAN MCCAIN, SENIOR HEALY FELLOW, CSU PUEBLO

ASHLEIGH HOLLOWELL, SENIOR HEALY FELLOW, CSU PUEBLO

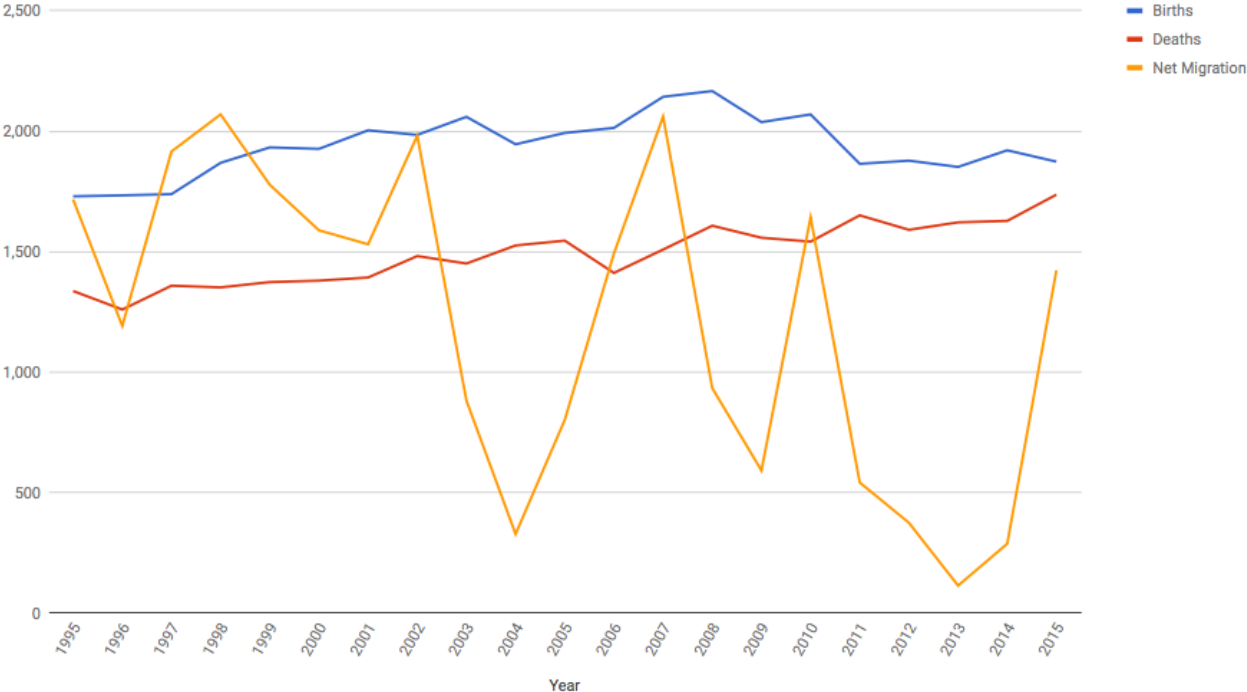
DILLON MARTIN, JUNIOR HEALY FELLOW, CSU PUEBLO

AMBER VAUGHT, JUNIOR HEALY FELLOW, CSU PUEBLO



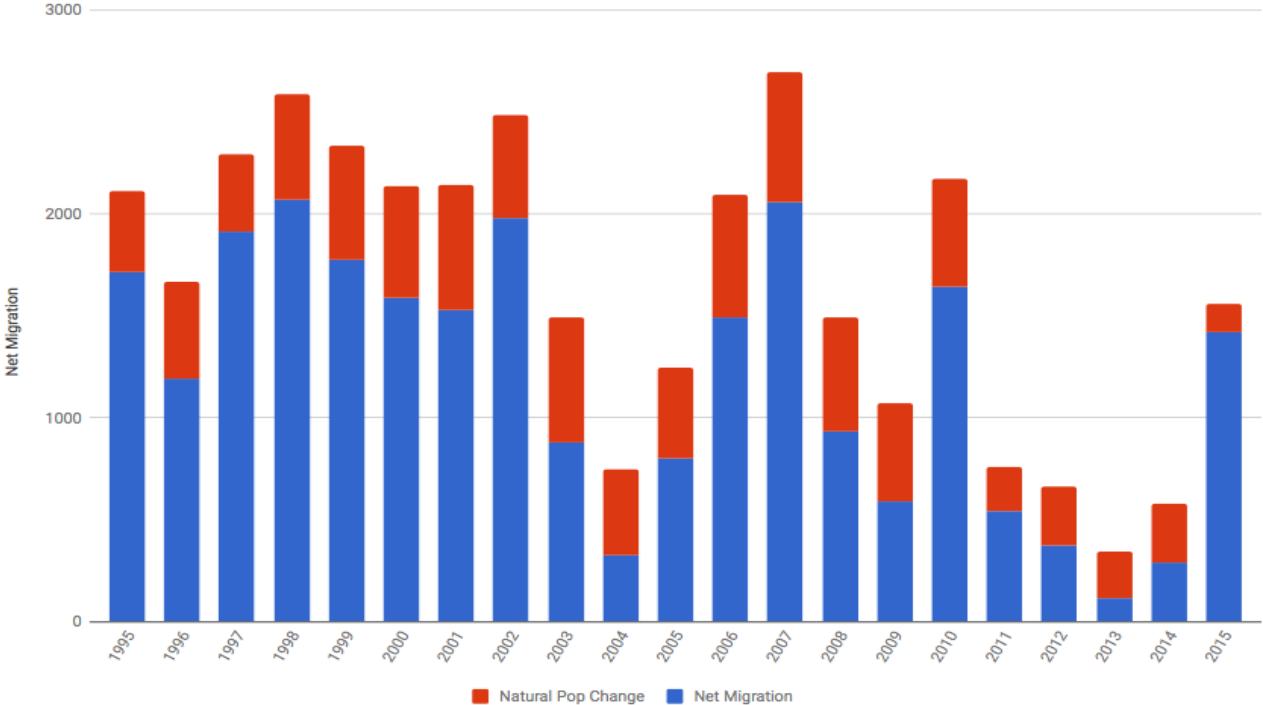
Population Changes

Population Data for Pueblo County



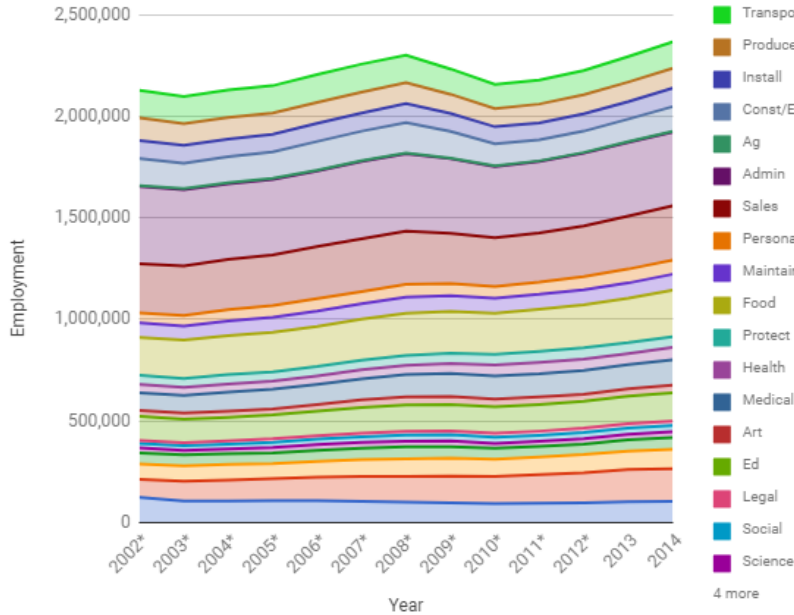
Population Changes

Net Population Change in Pueblo County

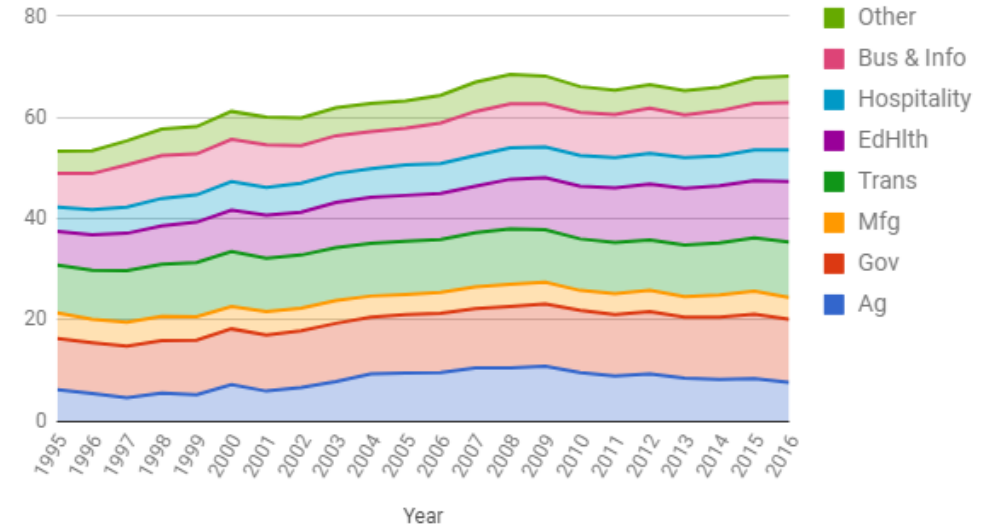


Employment Changes

CO Employment by Major Occupation

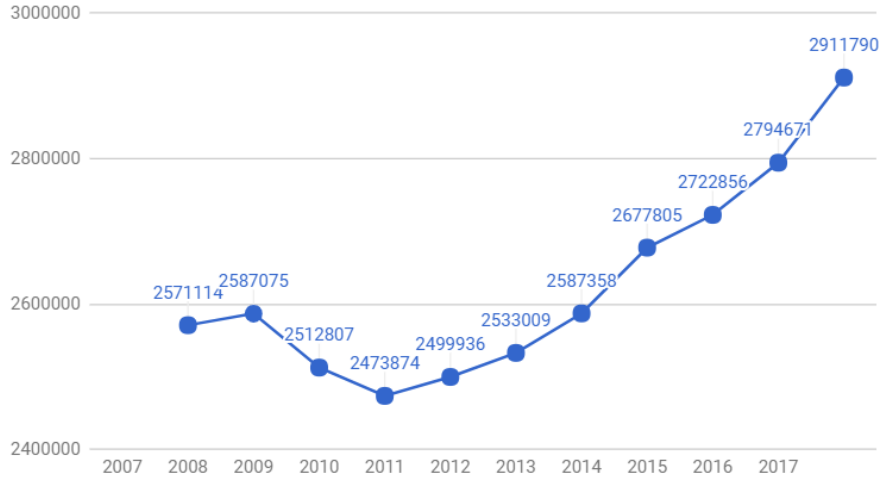


Employment by Industry (Pueblo MSA)

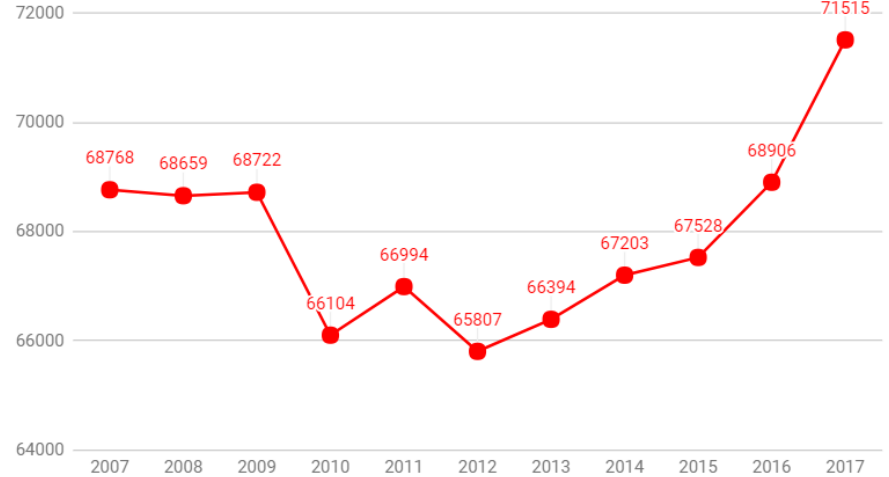


Employment Changes

Colorado's Total Employment



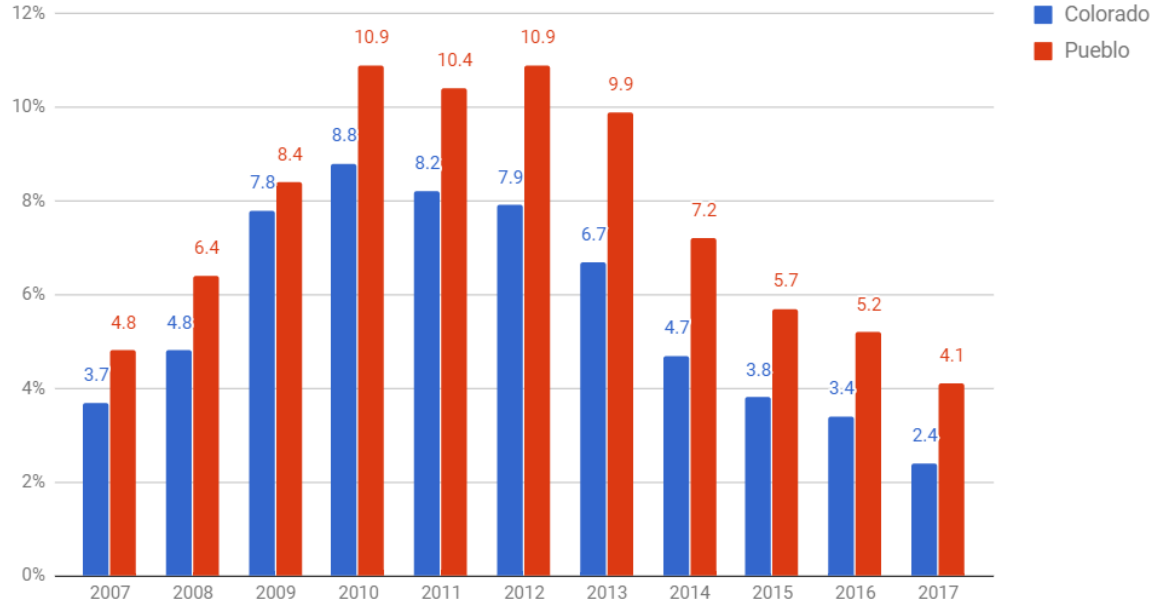
Pueblo's Total Employment



Employment Changes

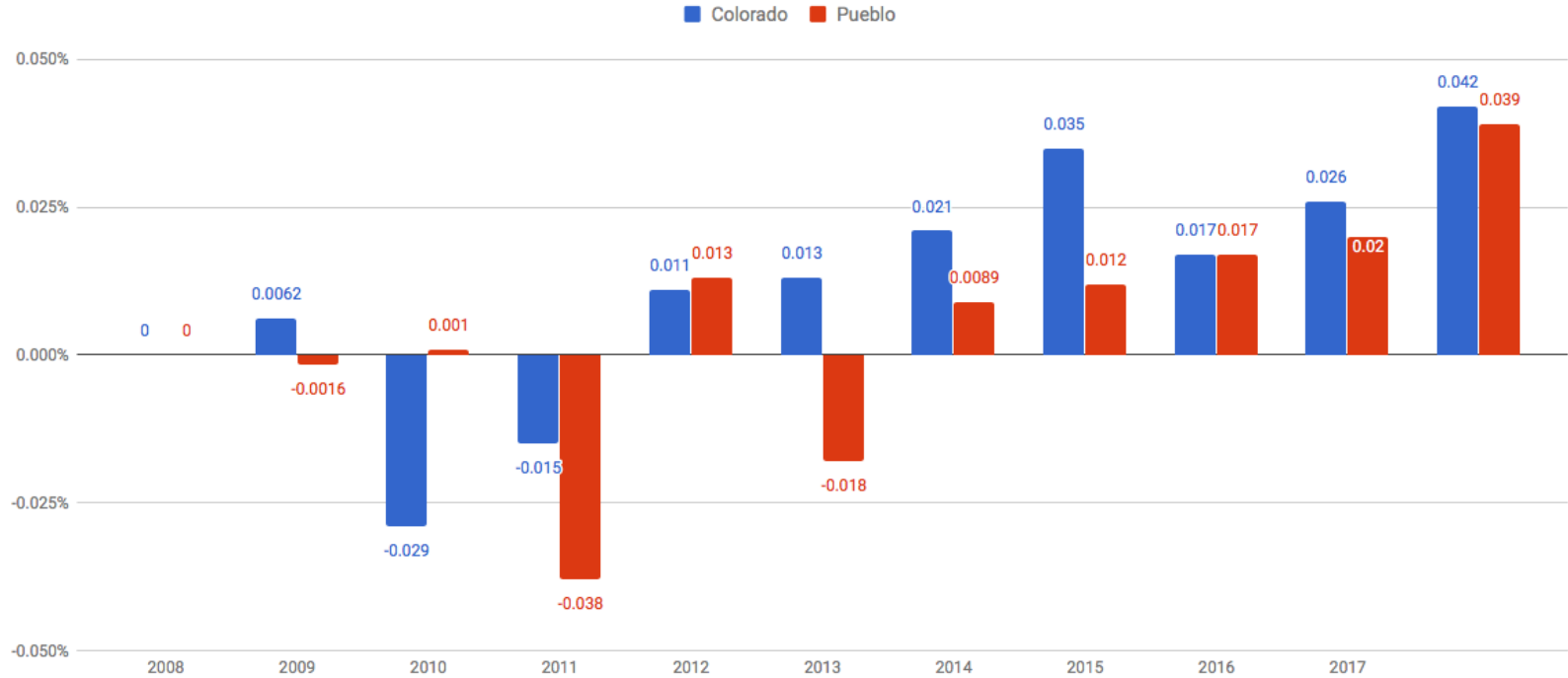
Unemployment Rates

Pueblo Vs. Colorado



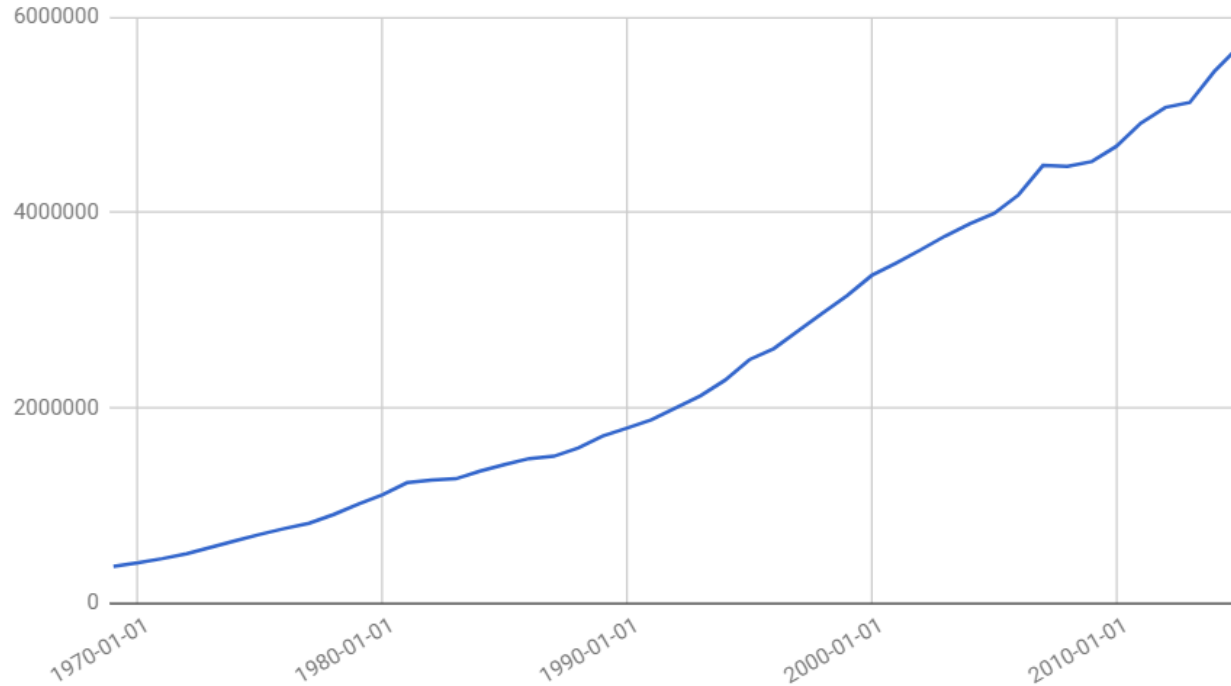
Job Growth Rates

% Change in Total Employment
Colorado Vs. Pueblo



Personal Income

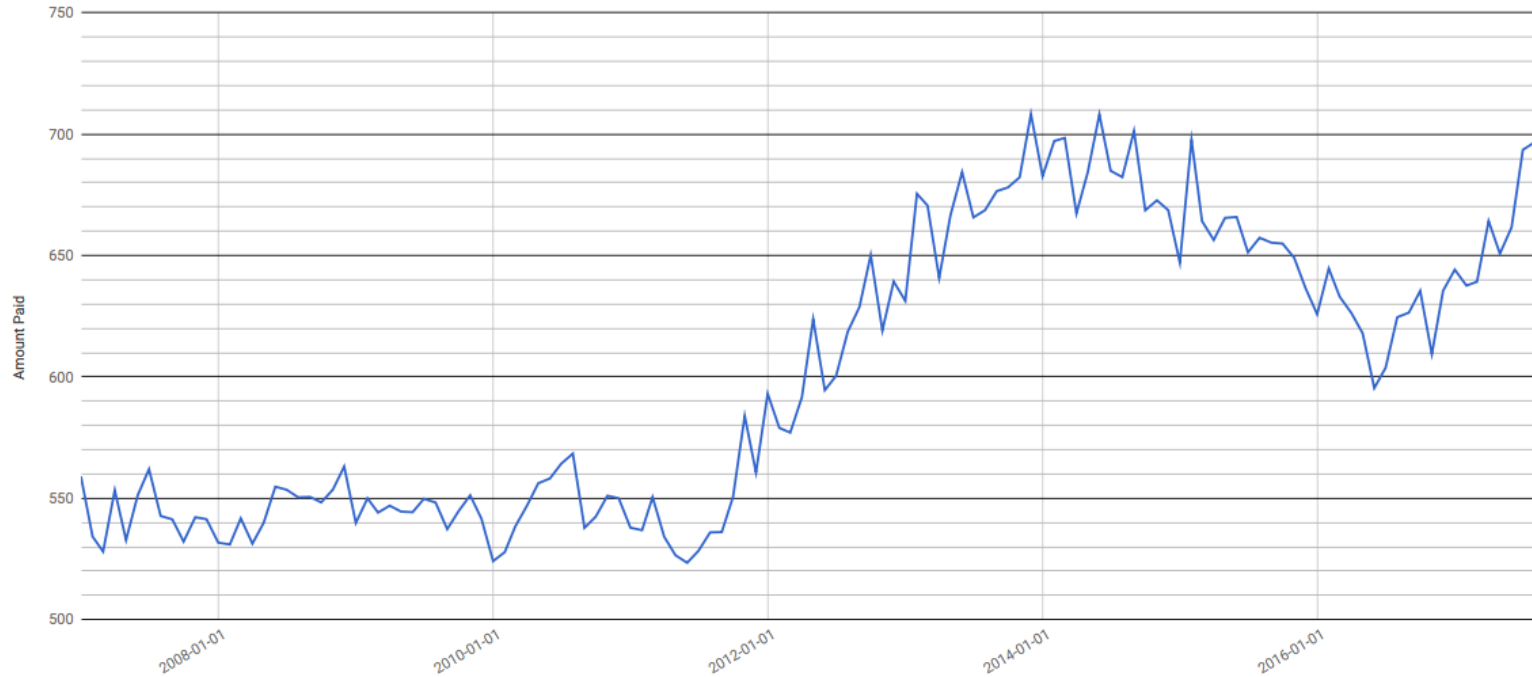
Aggregate Personal Income



Personal Weekly Earnings

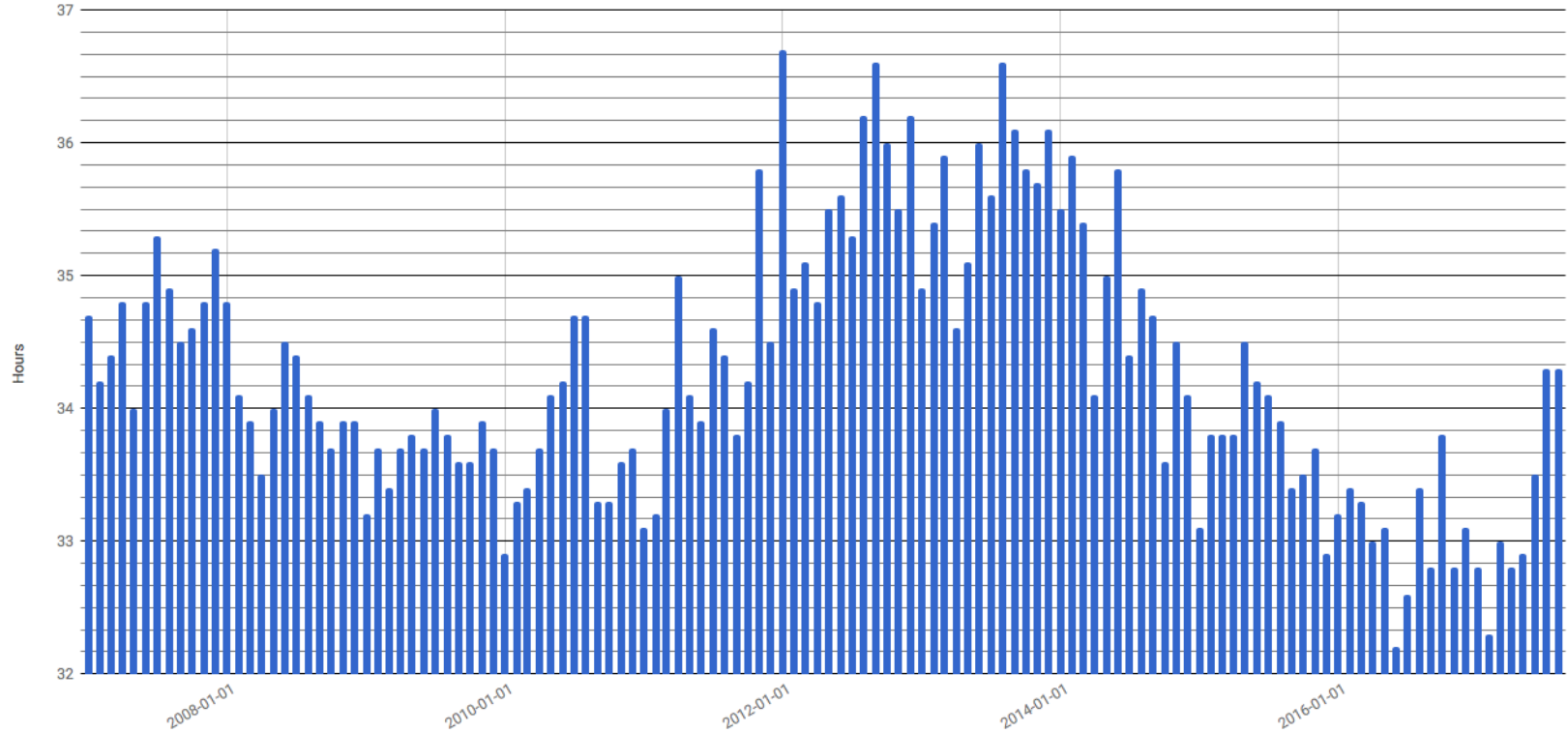
Average Weekly Earnings

Pueblo County



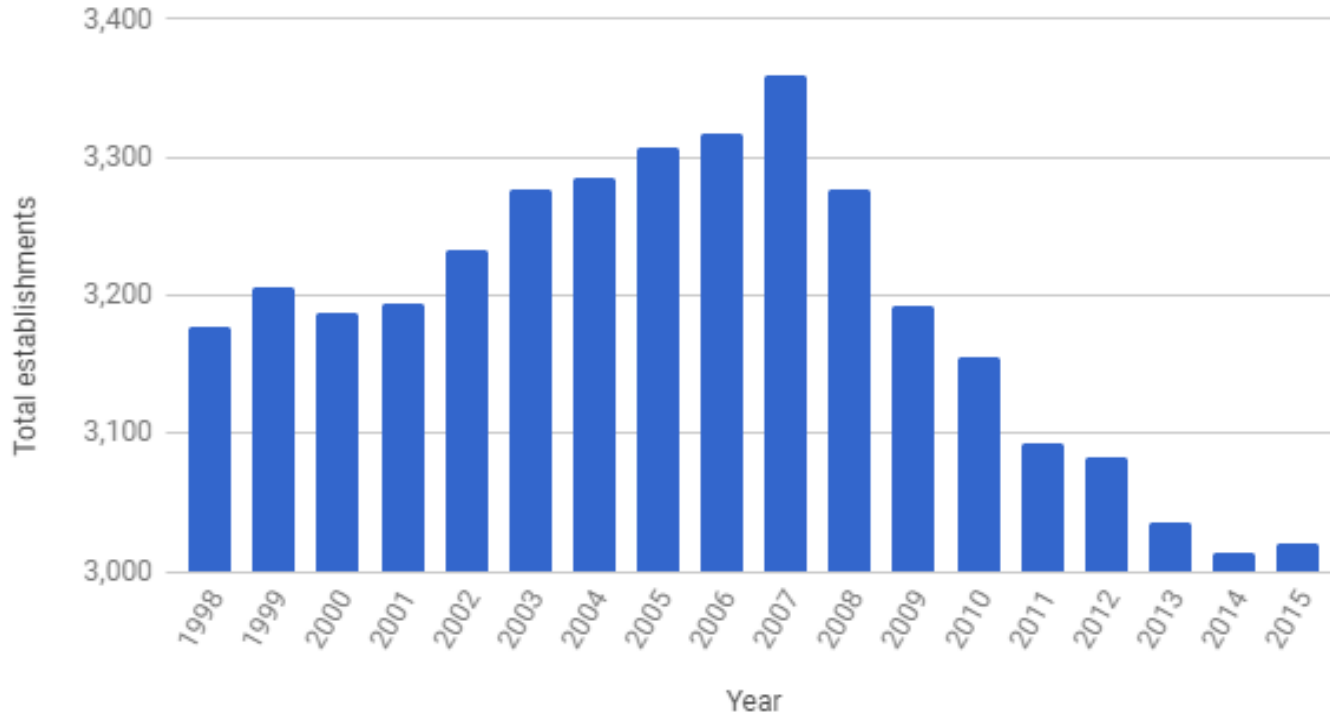
Average Hours Worked

Hours Worked Per Week
Pueblo County



Business Establishments

Total Number of Establishments, Pueblo MSA



Leading Metro Areas for Economic Growth

City	2015 Rank (Out of 379)	2016 Rank (Out of 394)	2017 Rank (Out of 394)
Denver	1	8	27
Greeley	4	58	238
Boulder	9	49	66
Ft. Collins-Loveland	20	11	5
Colorado Springs	129	131	118
Pueblo	215	209	292
Grand Junction	227	229	356

Workforce Rankings for Pueblo

Category	2015 Ranking (of 379)	2016 Ranking (of 394)	2017 Ranking (of 394)
Manufacturing & Goods as a % of Population	272	186	326
Wage Growth	224	316	308
Employment Growth as a % of Population	200	234	250
Prime Workforce Indicators Ranking	136	237	282
Economic Strength Indicators Ranking	238	202	284

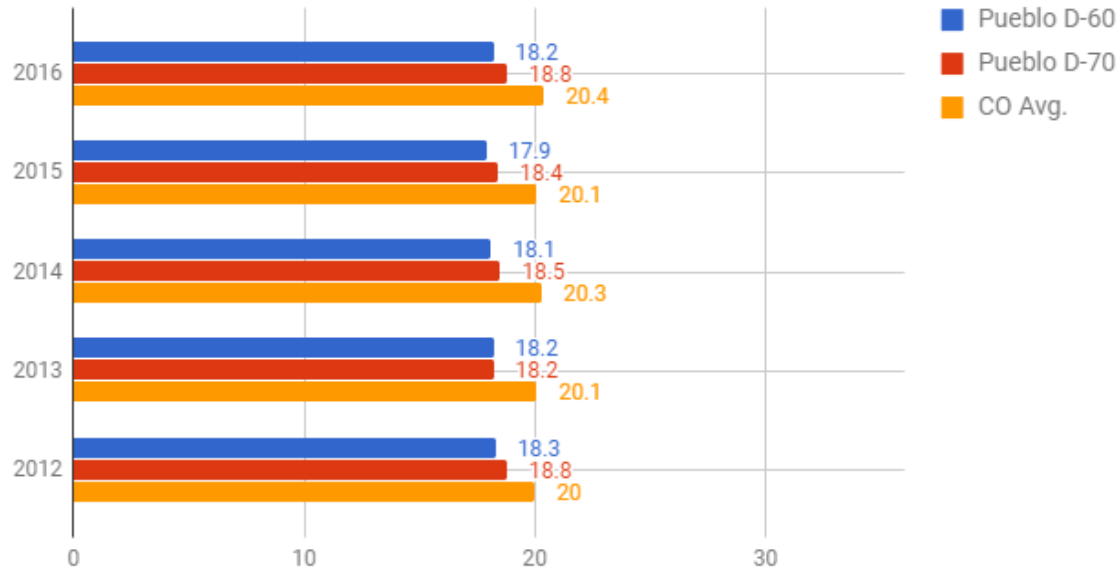
Comparison of % BA in Population to Median Income

Community	% Bachelor's or Higher	2017 Median Household Income
State of Colorado	39.9	\$63,909
Colorado Springs	37.0	\$56,079
Grand Junction	31.0	\$47,329
Greeley	25.0	\$54,307
Pueblo	20.0	\$36,267
Canon City	18.0	\$40,396
Lamar	12.0	\$37,407



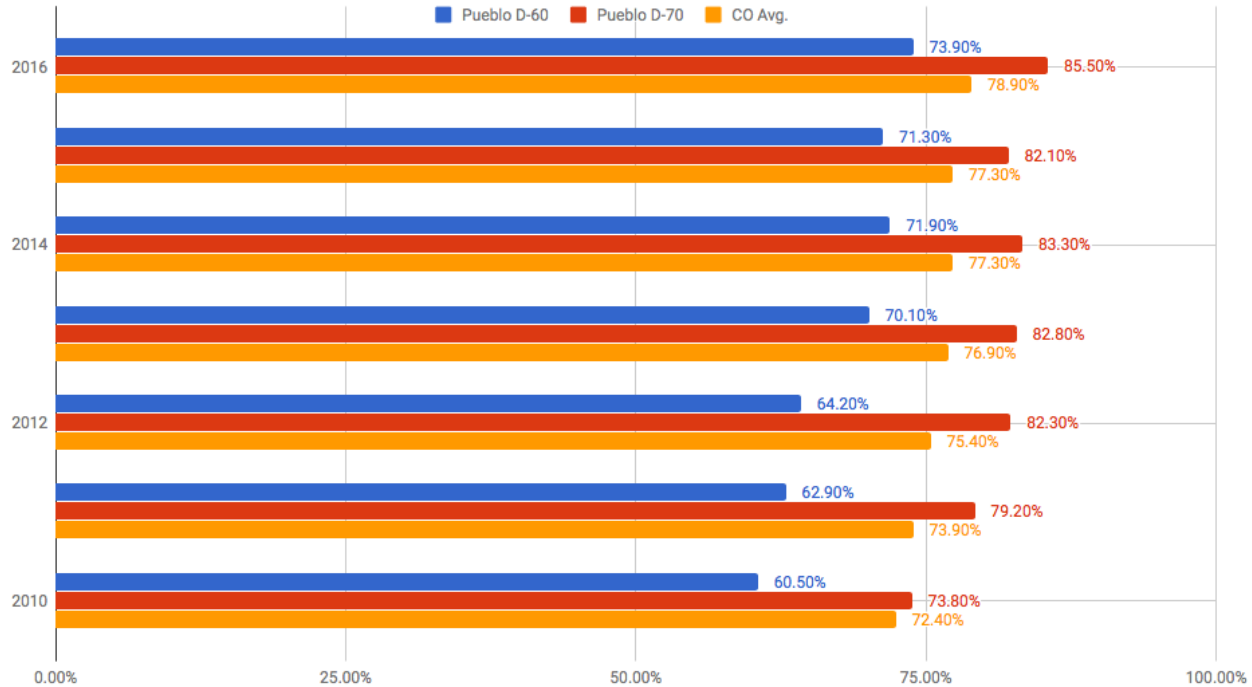
ACT Test Scores District vs. State

ACT Score Comparisons
Graded on a Scale of 0-36



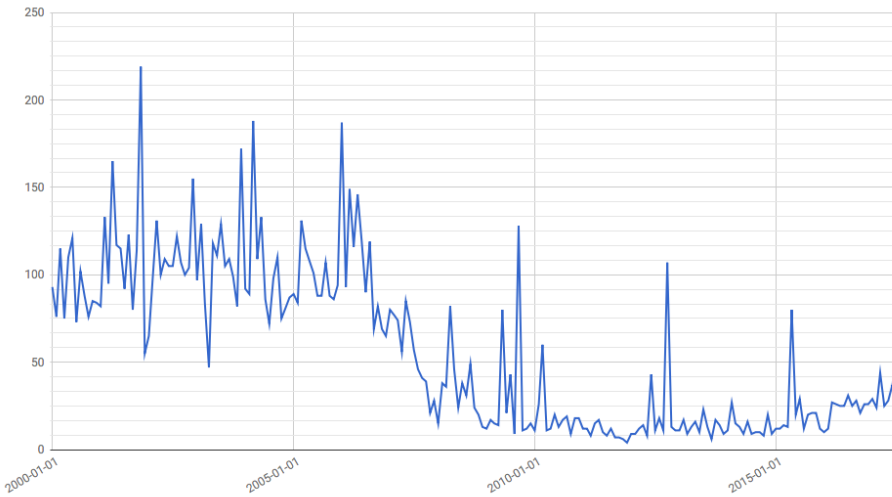
Graduation Rates

Graduation Rates

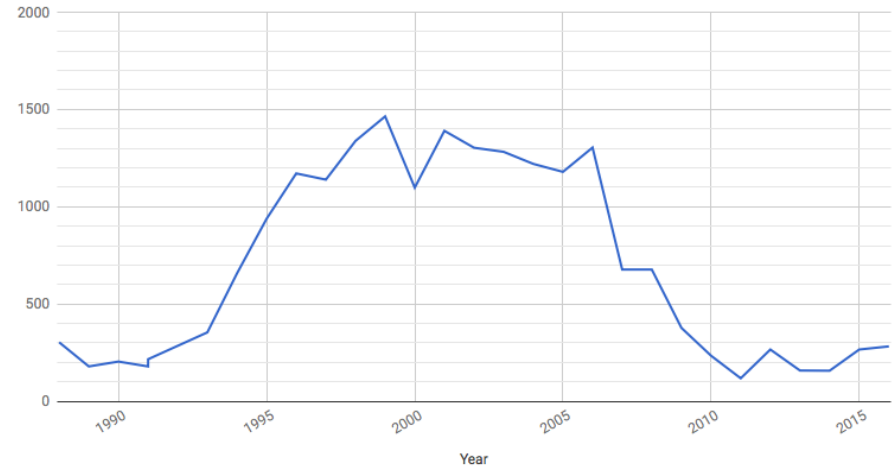


Building Permits

New Private Housing Units Permitted Per Month - Pueblo, CO (data from Federal Reserve Bank of St. Louis)

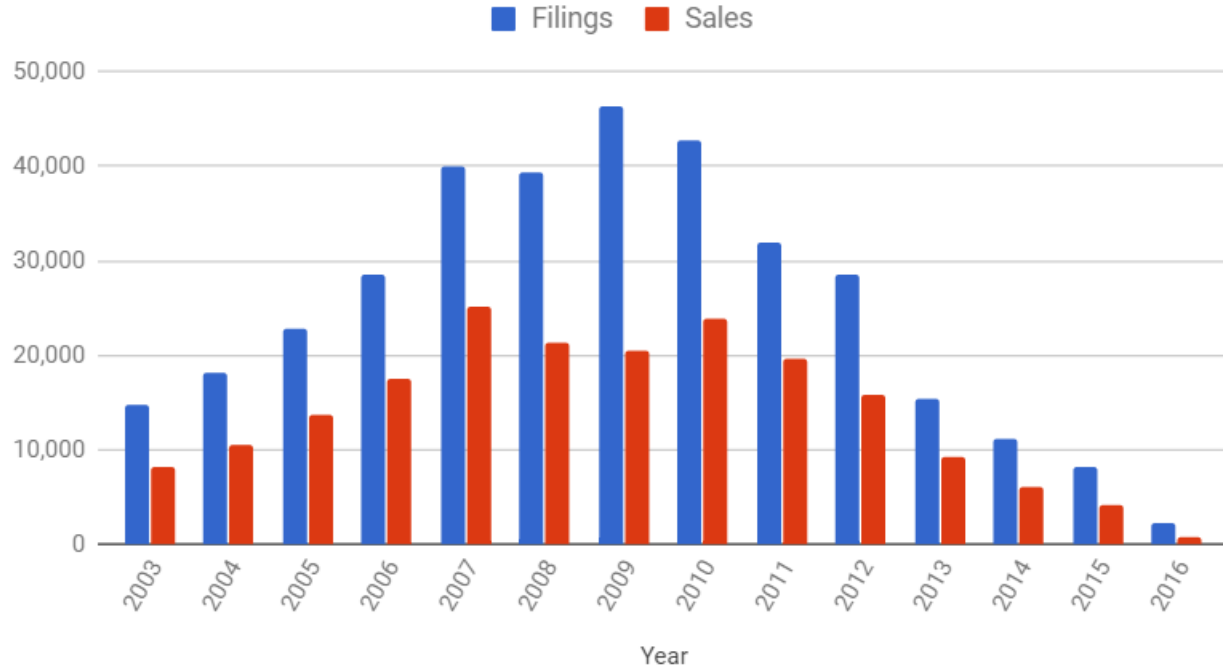


New Private Housing Units Permitted Per Year - Pueblo, CO (data from Federal Reserve Bank of St. Louis)



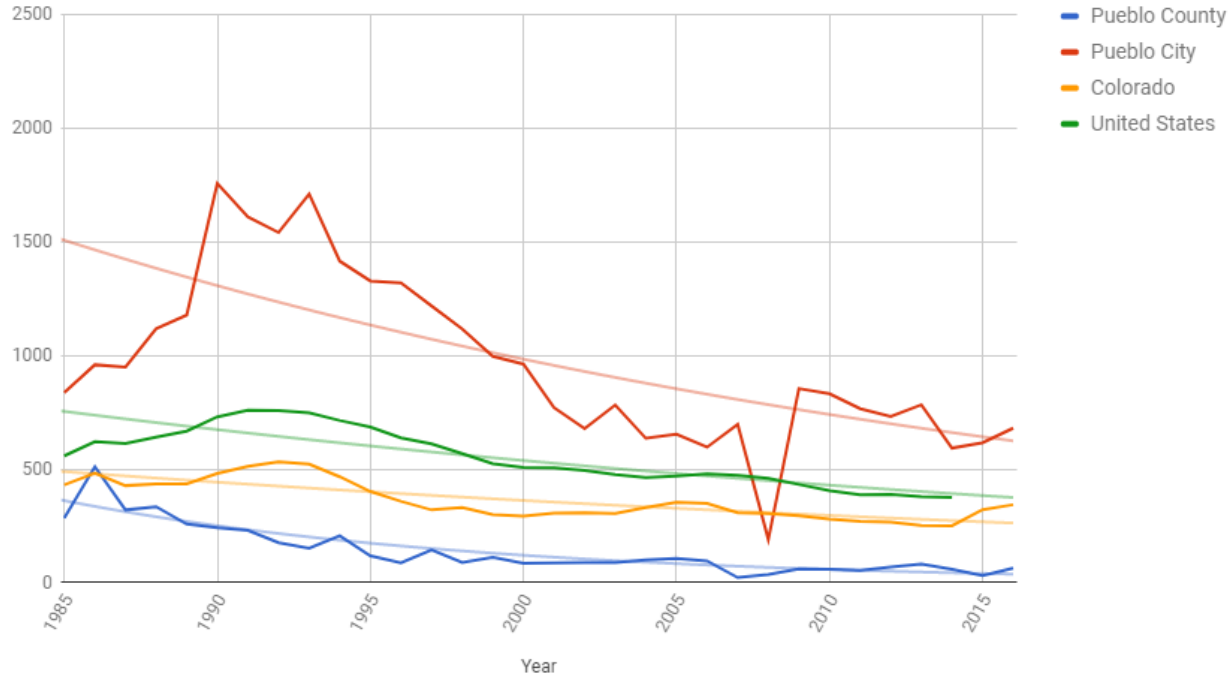
Foreclosure Rates

CO Foreclosure Filings & Sales



Arrest Rates by Violent Crime

Violent Crime Rate Comparisons (per 100,000)

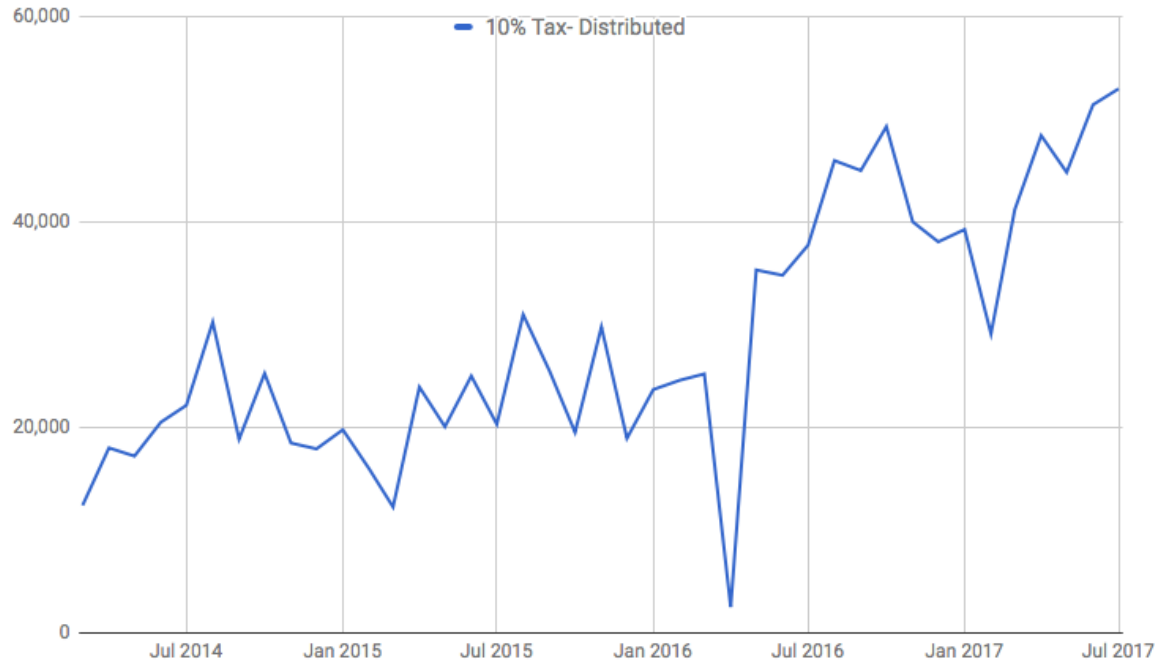


Indigent Needs Increasing

Number of People Seeking La Posada Aid

Year	# Individuals	% Increase
2013	2,444	n/a
2014	3,767	54.1
2015	4,946	31.3
2016	7,800	57.7

Marijuana Taxes Allocated to Pueblo



Cost of Living

Cost of Living Index

- Pueblo = 85.2 with an average index = 100.00
- For comparison, Denver = 127.5
- To match Pueblo living standard at \$50,000, must earn \$74,824 in Denver

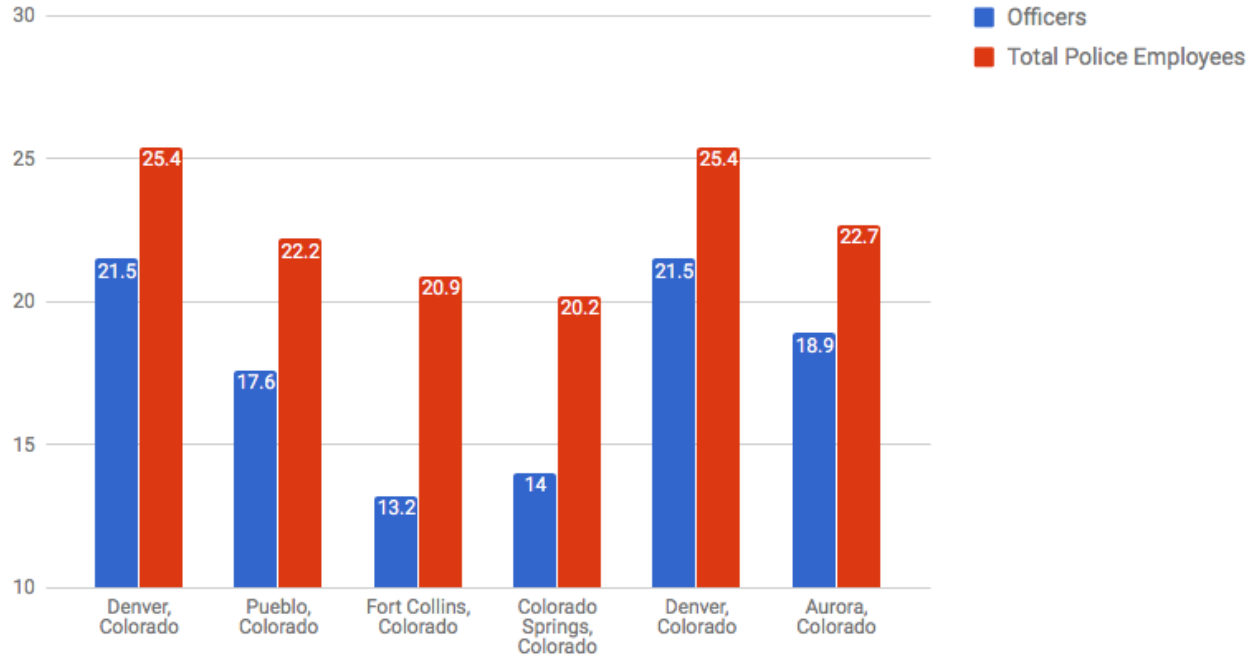
Comparison Highlights

- Denver is 50% more expensive than Pueblo.
- Housing is the biggest factor in the cost of living difference.
- Housing is 159% more expensive in Denver.

Police Officers per Capita

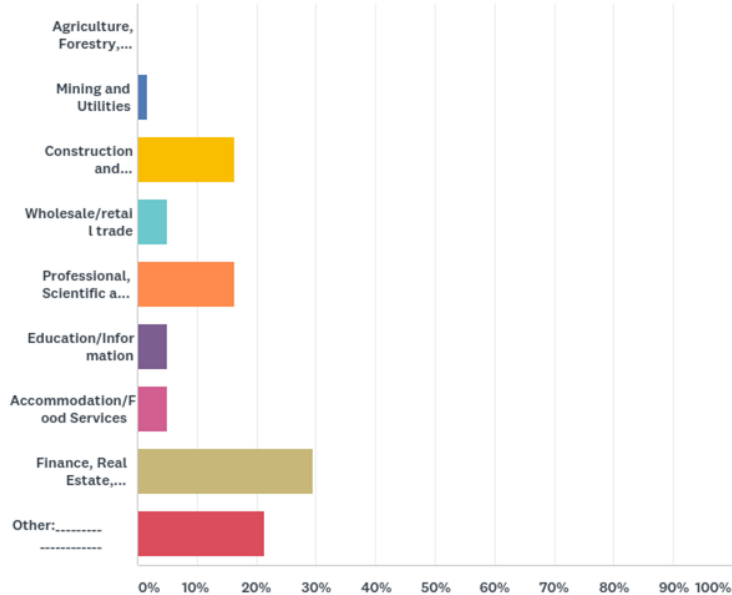
Police Department Employment

Per 10,000 People

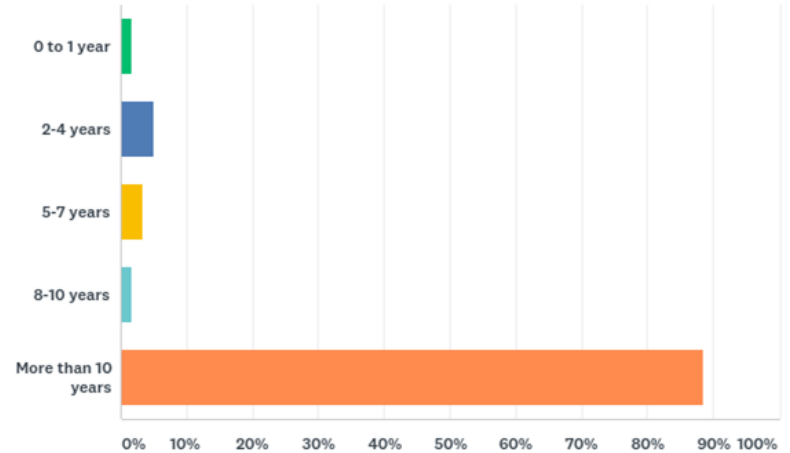


2017 Sentiment Survey Data Results

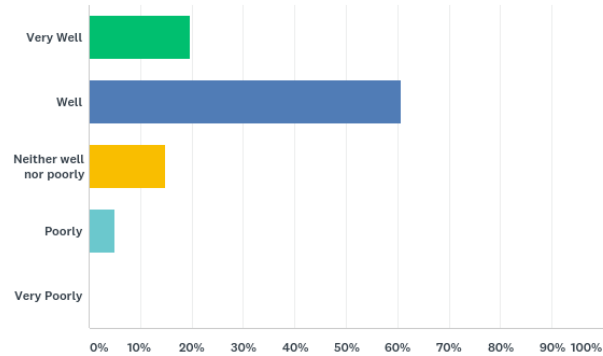
Q1 In what industry is your business?



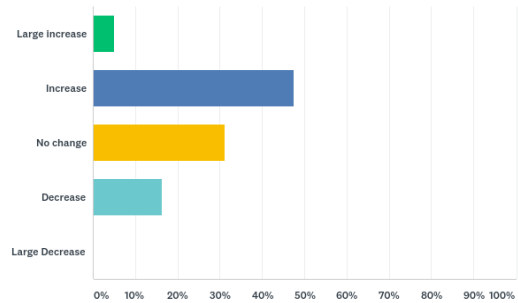
Q2 How long has your business been in operation?



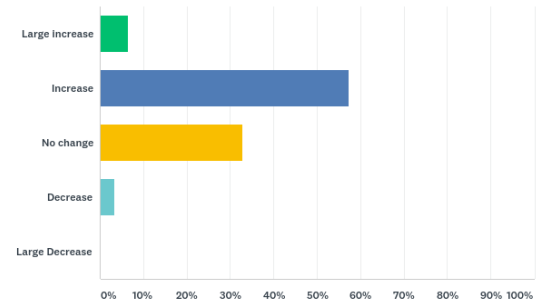
Q3 How do you expect your industry to perform in the next 6 months?



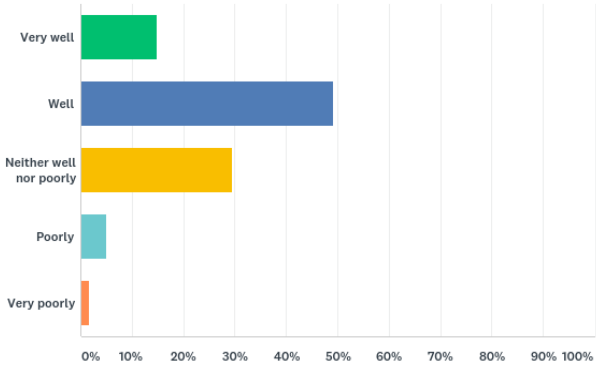
Q4 What changes in your profit do you expect to occur in the next 6 months?



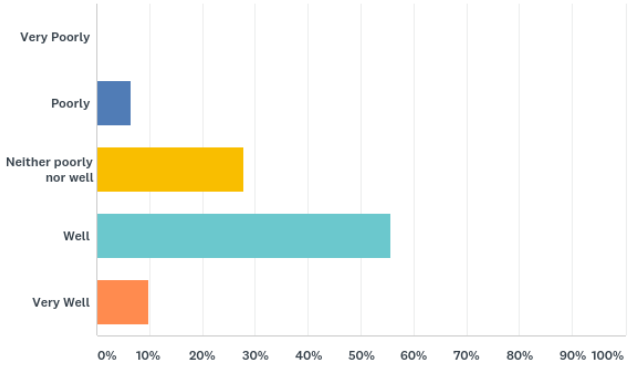
Q5 What changes in your expenses do you expect to occur in the next 6 months?



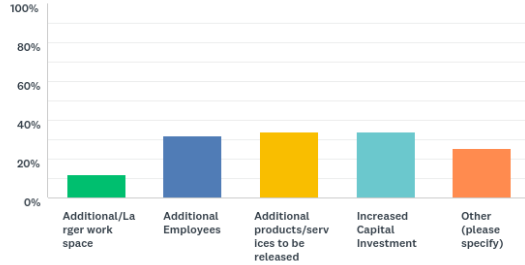
Q6 During the last 6 months, how well has your business performed compared to its own average 6 month time period?



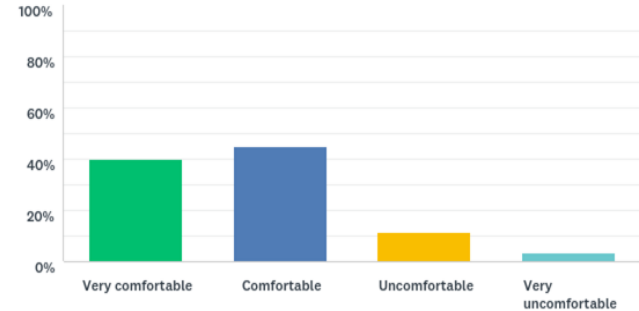
Q7 In the upcoming 6 months, how do you feel your business will perform compared to its own average 6 month time period?



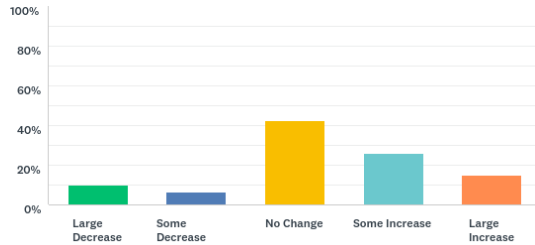
Q8 In what ways do you expect to expand your business in the next 6 months? (Check all that apply)



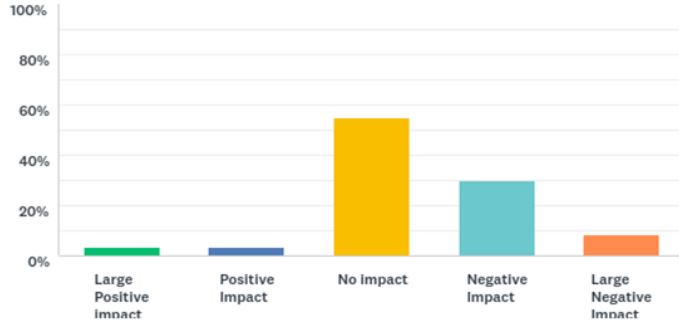
Q9 How comfortable are you with the current debt level of your business?



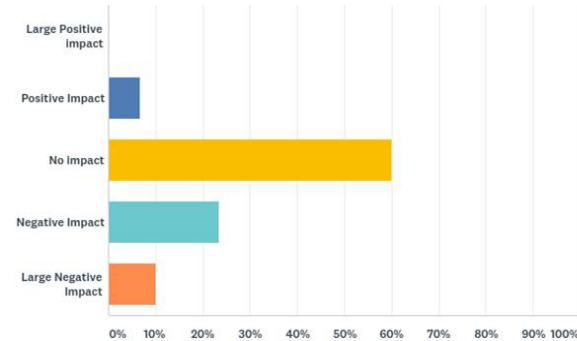
Q10 Have you seen a change in your employer contribution to employee health insurance benefits in the last year?



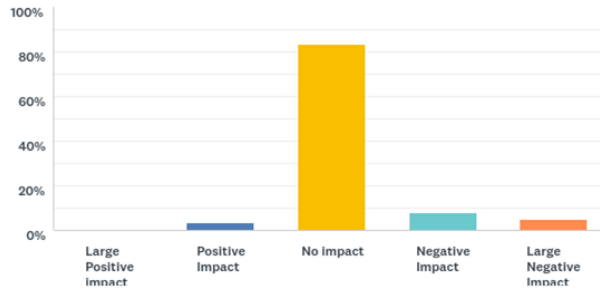
Q11 How has the cost of Health Insurance impacted your ability to attract and retain employees?



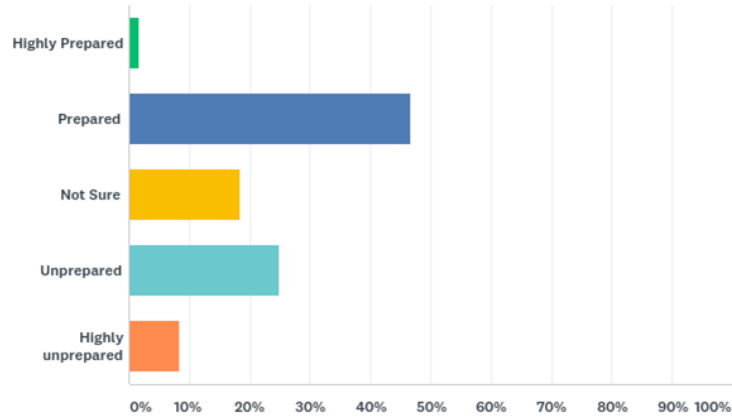
Q12 How has the increase in Colorado's Minimum Wage affected profitability of your business?



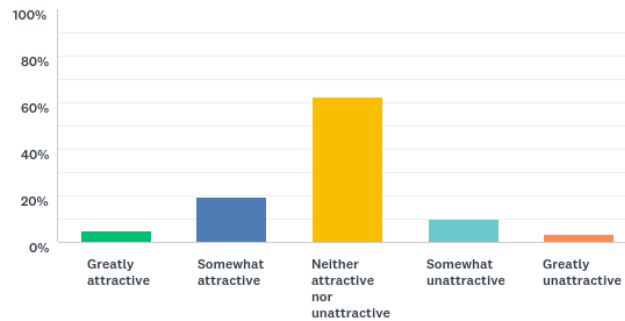
Q13 What impact has the increase in minimum wage had on the performance of your employees?



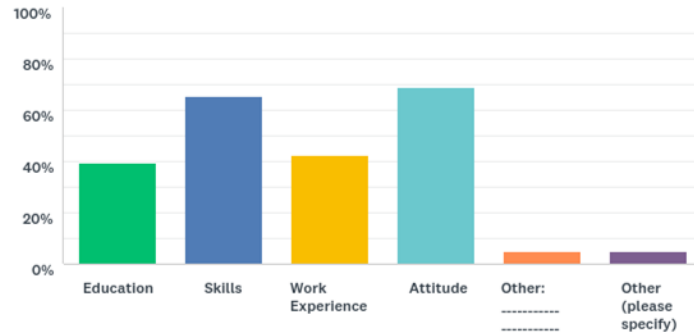
Q14 How prepared for work are your employees at the time of hire?



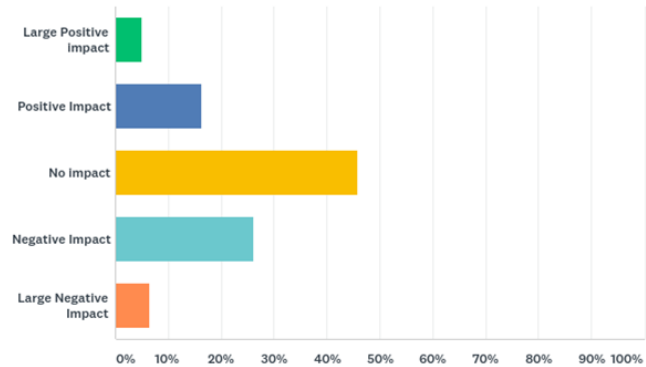
Q15 How do natural gas costs affect attractiveness for conducting businesses in Pueblo?



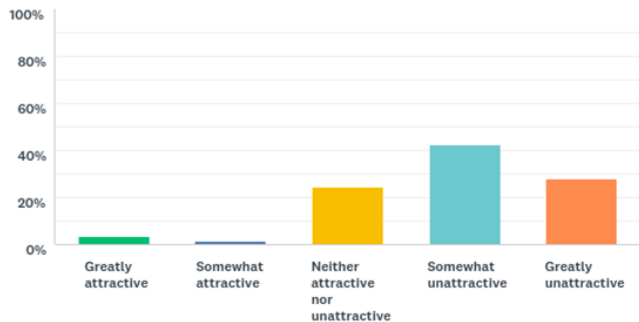
Q16 In what areas do new employees need to be better prepared? (Check all that apply)



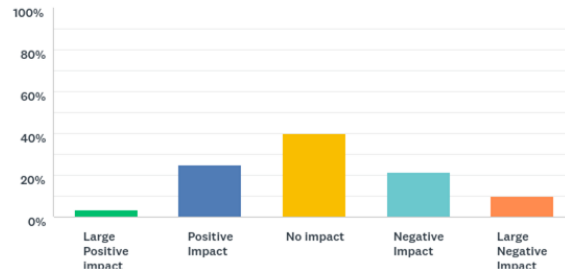
Q17 How does the current state of infrastructure in Pueblo impact the performance of your business?



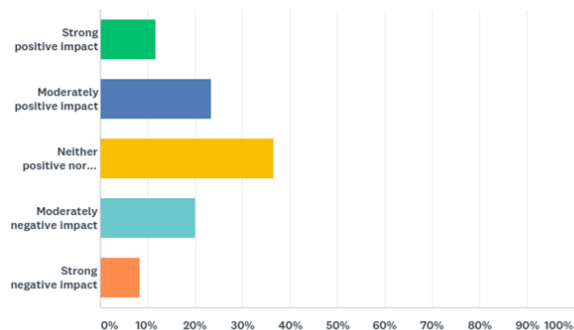
Q18 How do electricity costs affect attractiveness for conducting business in Pueblo?



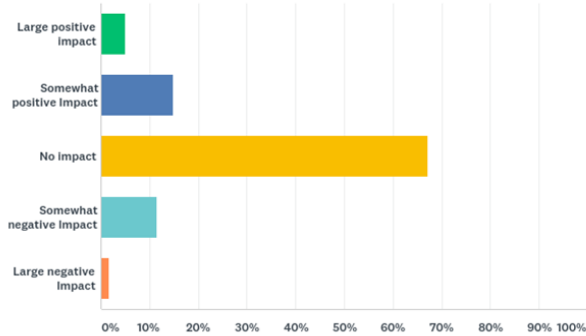
Q19 How will Pueblo's transition to using 100% sustainable energy affect your future profit potential?



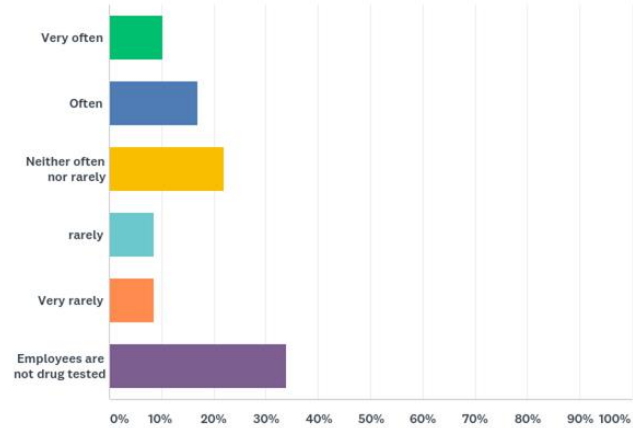
Q20 What impact will Pueblo's transition to 100% sustainable energy have on our community's ability to attract and retain new businesses?



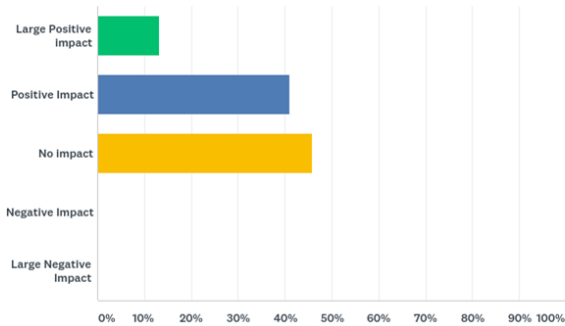
Q21 Does Pueblo's public transit system have an effect on the accessibility of your business by potential customer or employees?



Q22 How often do you have to turn down applicants because of a failed drug test?



Q23 Would increased tourism in Pueblo have any impact on the financial performance of your business?



Survey Comment Themes

- Roads, parking, transportation
 - Bus service to PW
 - Transport north
- Electricity rates
- Crime, gangs, drugs, homeless, panhandling
- City functions: application process, approvals, timelines, enforcement, attitude
- Master planning, city management/political structure
- Minimum wage a detriment
- Poor K-12 performance
- Pueblo weak self image
- Aesthetic improvement - by roads, in community
- Retain young professionals, more, better training
- Worker attitudes and training needs improvement
- More, improved tourism attractions

Economic Report Card

Jobs/Workforce

Unemployment



Job Growth/Job Creation



Median Per Capita Income



“Quality” of Labor Force



Schools

◦ D60



◦ D70



◦ PCC



◦ CSU-Pueblo



Well Above Average



Moderately Above Average



Slightly Above Average



Average



Slightly Below Average



Moderately Below Average



Well Below Average

Economic Report Card - 2

Health Care System



Managing Crime



Low Cost of Living



Reputation Regional/National



Self Image



Arts/Quality of Life



Well Above Average



Moderately Above Average



Slightly Above Average



Average



Slightly Below Average



Moderately Below Average



Well Below Average

Recommendations

Budget Issues - Allocation of Resources

- Tourism Investment - No apparent downside
- Homeless issues
- Law Enforcement - crime, gangs, drugs
 - Increase officers
- Roads

School Systems

- Improve test scores, graduation rates
 - Esp. D 60
- Enhanced workforce training
 - Work ethic, attitude, Skillset

City AND County Management

- Address energy costs
- Master planning -
 - Transparency, articulation
 - Review processes, adopt “business-friendly” policies & procedures
 - Recruitment, workforce needs for current jobs, v. desirable future jobs
 - Investigate Ft. Collins economic success
- Sponsor business innovation programs
 - Improve partnerships with K-12, PCC, CSU Pueblo, SBDC, Chambers of Commerce, Start-Up Pueblo, etc. to develop workforce, retain our best
- Work to create “Pueblo Proud!”
 - Celebrate the good

Presentation Concluded

Comments or questions?

