

Pueblo Economic Outlook

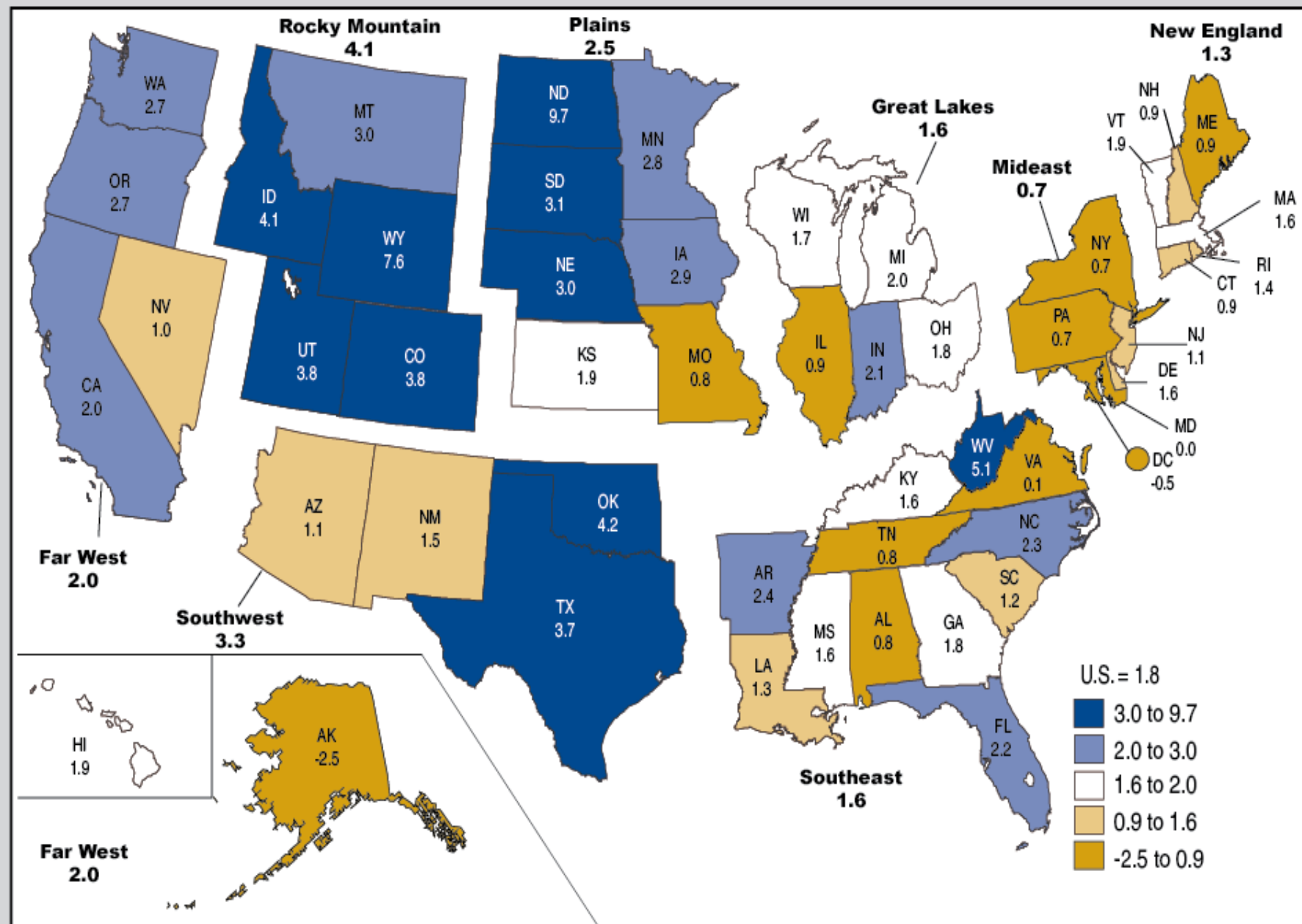
Kevin Duncan, Ph.D.

Professor of Economics and

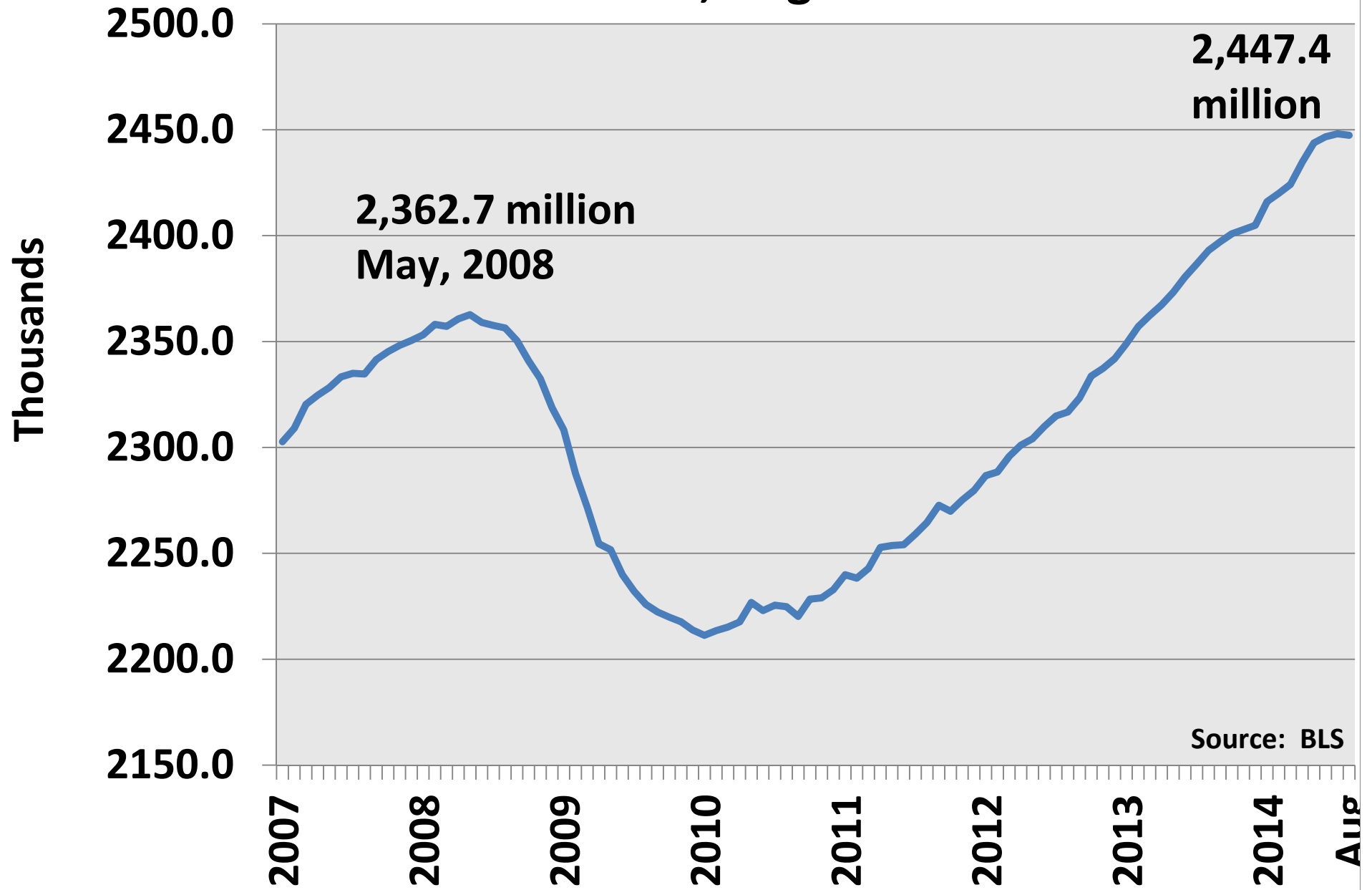
Aspen Fryberger, Healy Fellow, Hasan School of Business

- **Economic conditions in Pueblo County.**
- **Barriers to Local Economic Development:**
 - **Decrease in the number of business establishments.**
 - **Work force development.**

Percent Change in Real GDP by State, 2013

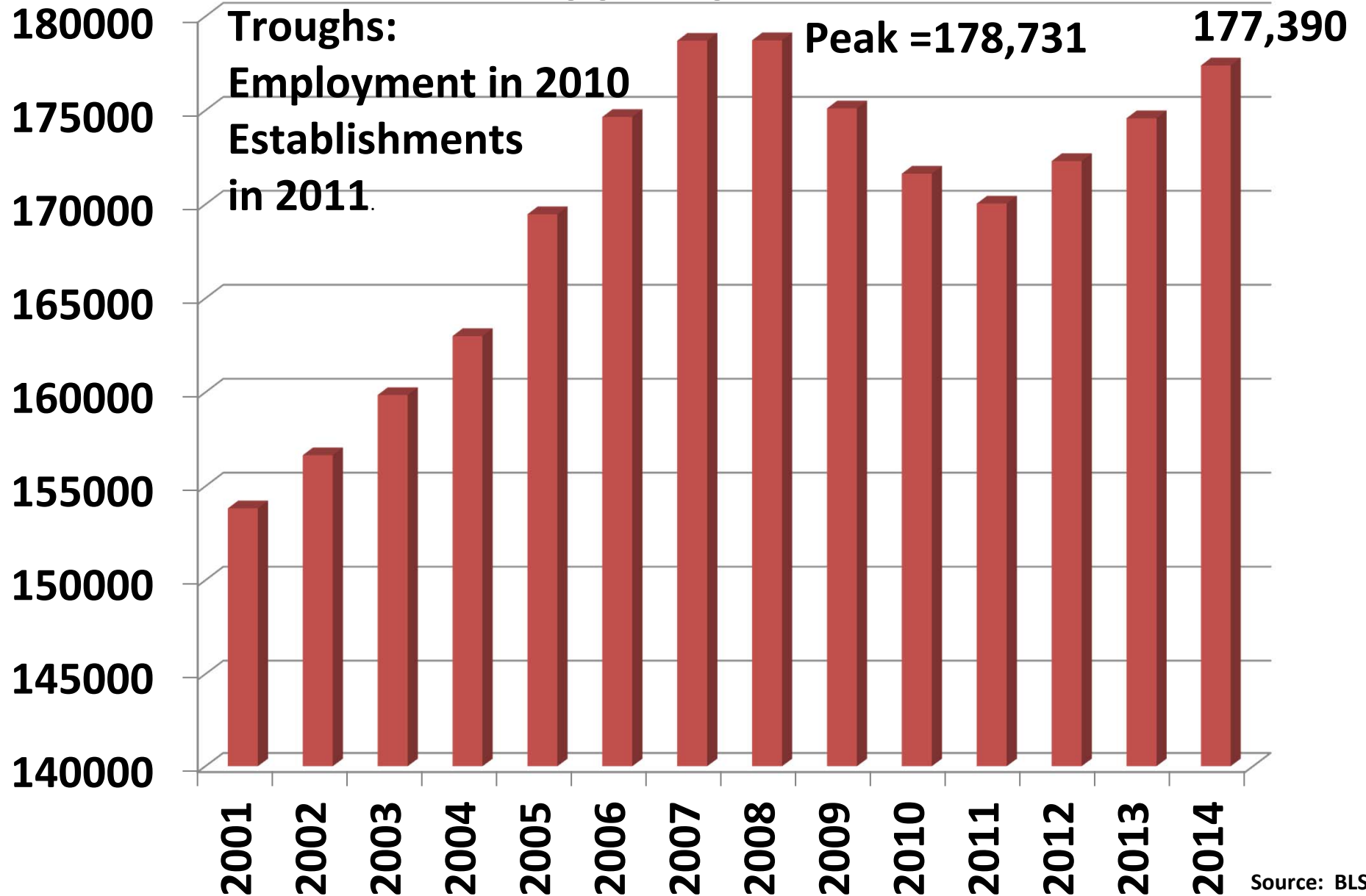


Colorado Employment 2007-2014, August



Colorado Business Establishments

2001-2014



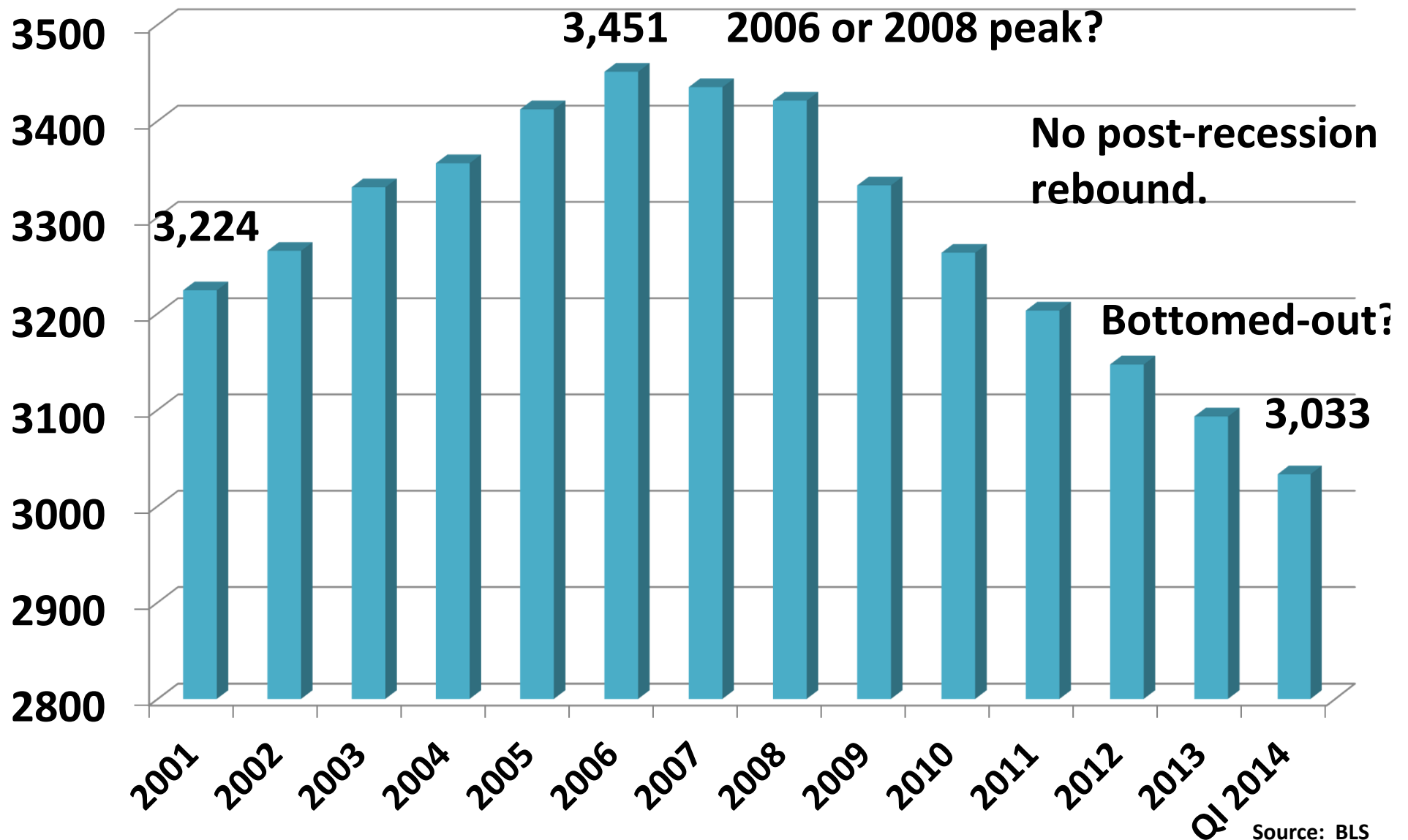
Source: BLS

2001 Recession and Private Business Establishments

- 2001 Recession: 8 months (April to November).
- Statewide in 2001:
 - # establishments increased 1.5%.
 - QIII to QIV: -0.9% decrease.
- Pueblo County:
 - QIII to QIV: # establishments decreased by 1.2%.

The decrease in # establishments between 2008-2011 is unique to the Great Recession.

Total Pueblo County Business Establishments 2001-2014 (Q1)



Establishments 2006 to 2012: Colorado and Pueblo County

County Business Patterns, US Census Bureau

- Statewide: # small establishments (< 20 employees) decreased, # large establishments increased, 2006-2012.
- Colorado and Pueblo: Small establishments = 87% of total # establishments.
- Small establishment decrease as percent of total establishment decrease:
- Colorado = 55%, Pueblo = 97%.
- Pueblo = 2% of all CO establishments.
- Pueblo = 16% of all CO establishment loss.

Number of Business Establishments in Pueblo and Colorado: 2008 to Q1, 2014.

Industry	Change in Pueblo	Change Statewide
All industries	-11.6%	-0.8%
Manufacturing	-13.0%	-8.8%
Education & Health Services	1.7%	10.7%
Professional & Business Services	-9.2%	4.9%
Leisure & Hospitality	-6.6%	1.9%
Other Services	-10.8%	2.5%

Source: BLS

Number of Business Establishments in Pueblo and Colorado: 2008 to Q1, 2014.

Industry	Change in Pueblo	Statewide Change
All industries	-11.6%	-0.8%
Mining, Logging, and Construction	-31.2%	-20.9%
Information	0%	-6.5%
Financial Activity	-13.8%	-9.8%
Trade. Transportation, and Utilities	-8.6%	-6.0%
		Source: BLS

Region	GDP Growth (metro areas, 2013, adjusted for inflation) Source: BEA	Business Estab. Growth (counties, 2008-Q1, 2014)
Colorado	3.8% (statewide)	-0.8% (statewide)
Greeley	10.1%	-1.5%
Denver-Aurora-Lakewood	4.3%	0.1%
Boulder	3.2%	2.5%
Ft. Collins	2.9%	-1.2%
Pueblo	0.4%	-11.6%
Colorado Springs	-0.2%	-4.4%
Grand Junction	-0.9%	-13.1%

Source: BEA & BLS

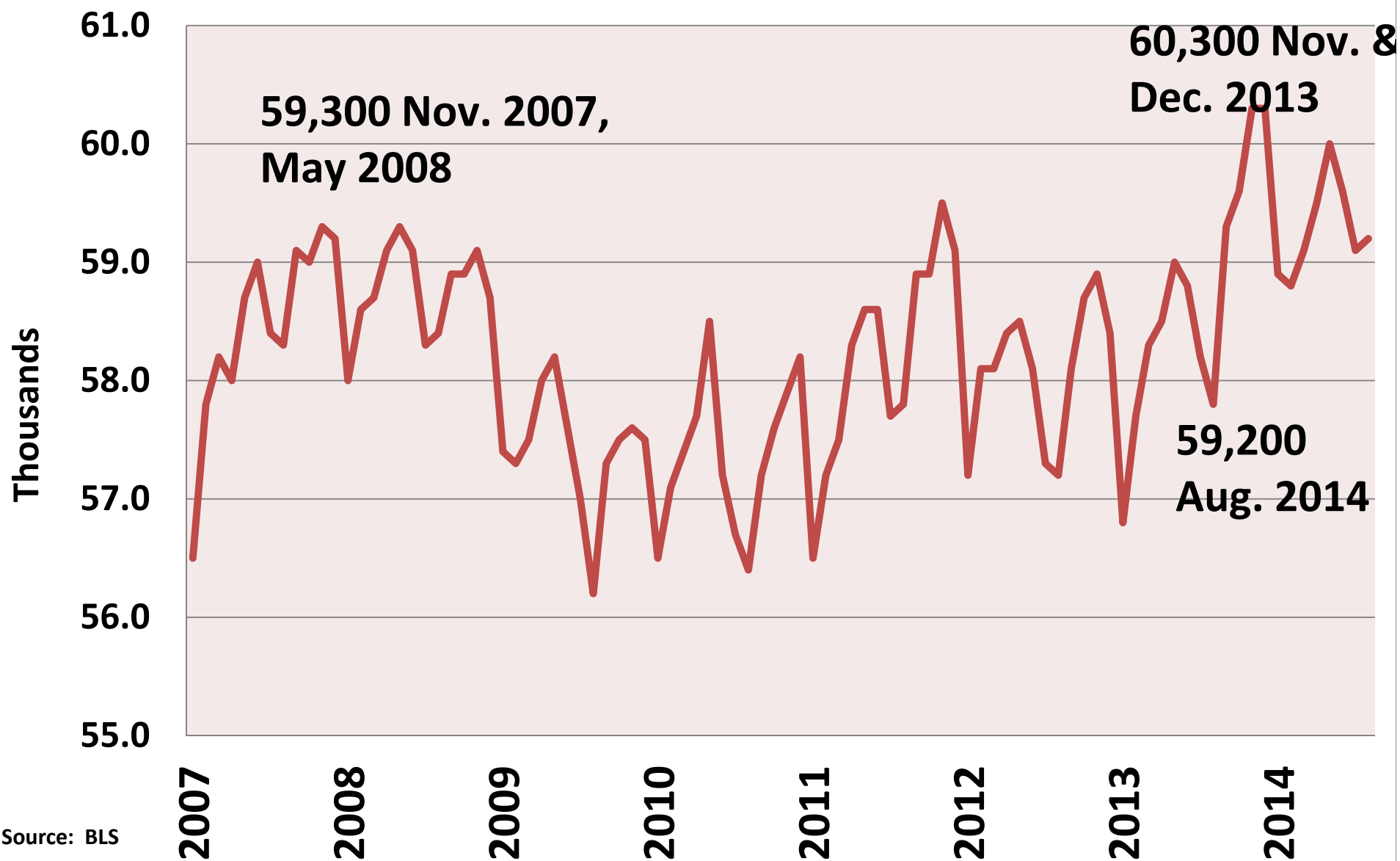
Pueblo and Colorado Employment Growth.

- Capacity utilization and the loss of capacity.

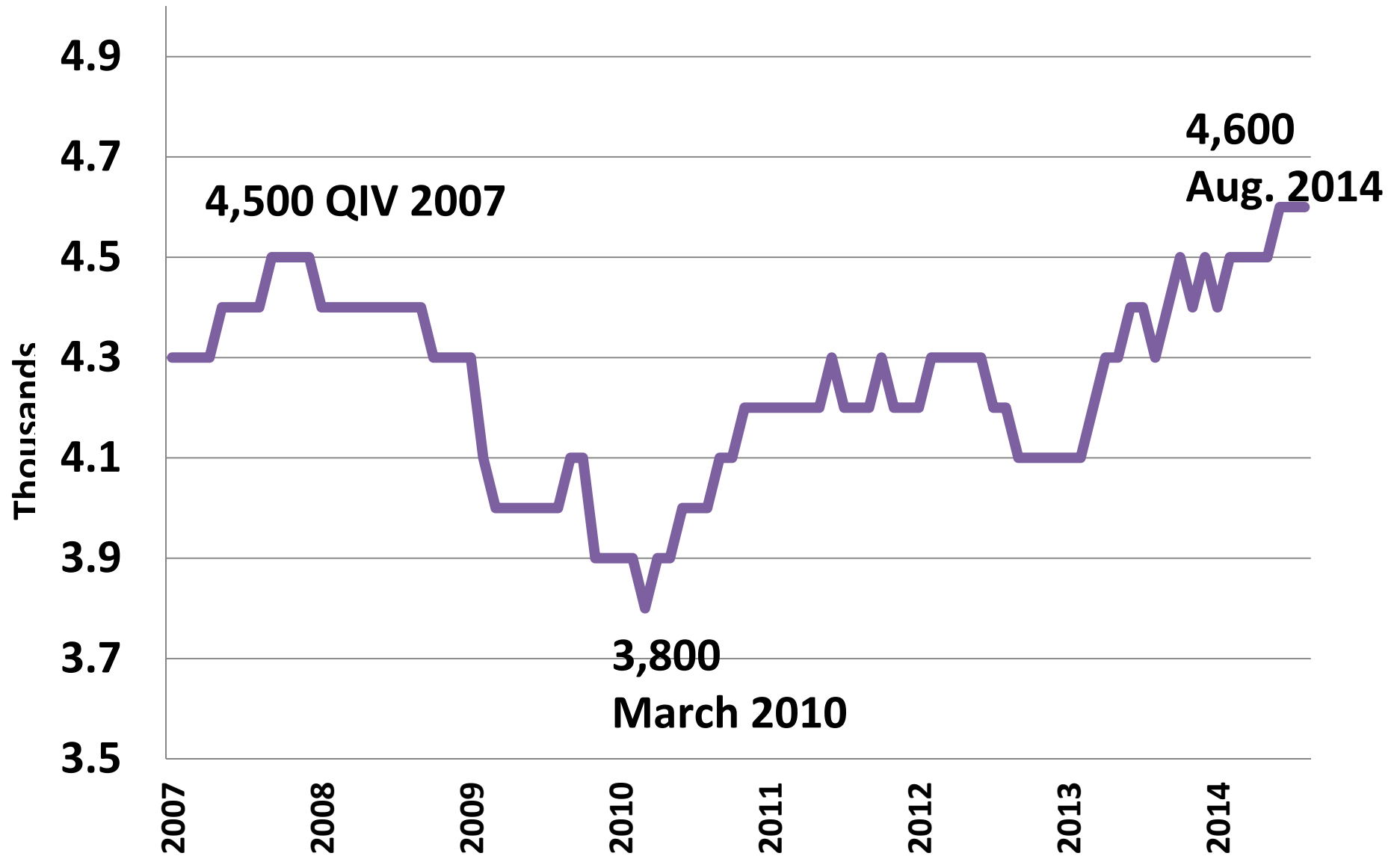
Year	Pueblo County	Colorado
2007	3.2%	2.3%
2008	0.5%	0.8%
2009	-2.4%	-4.5%
2010	0.0%	-1.0%
2011	1.4%	1.6%
2012	-0.2%	2.4%
2013	1.0%	3.0%

Source: BLS

Pueblo Nonfarm Employment 2007-2014, August

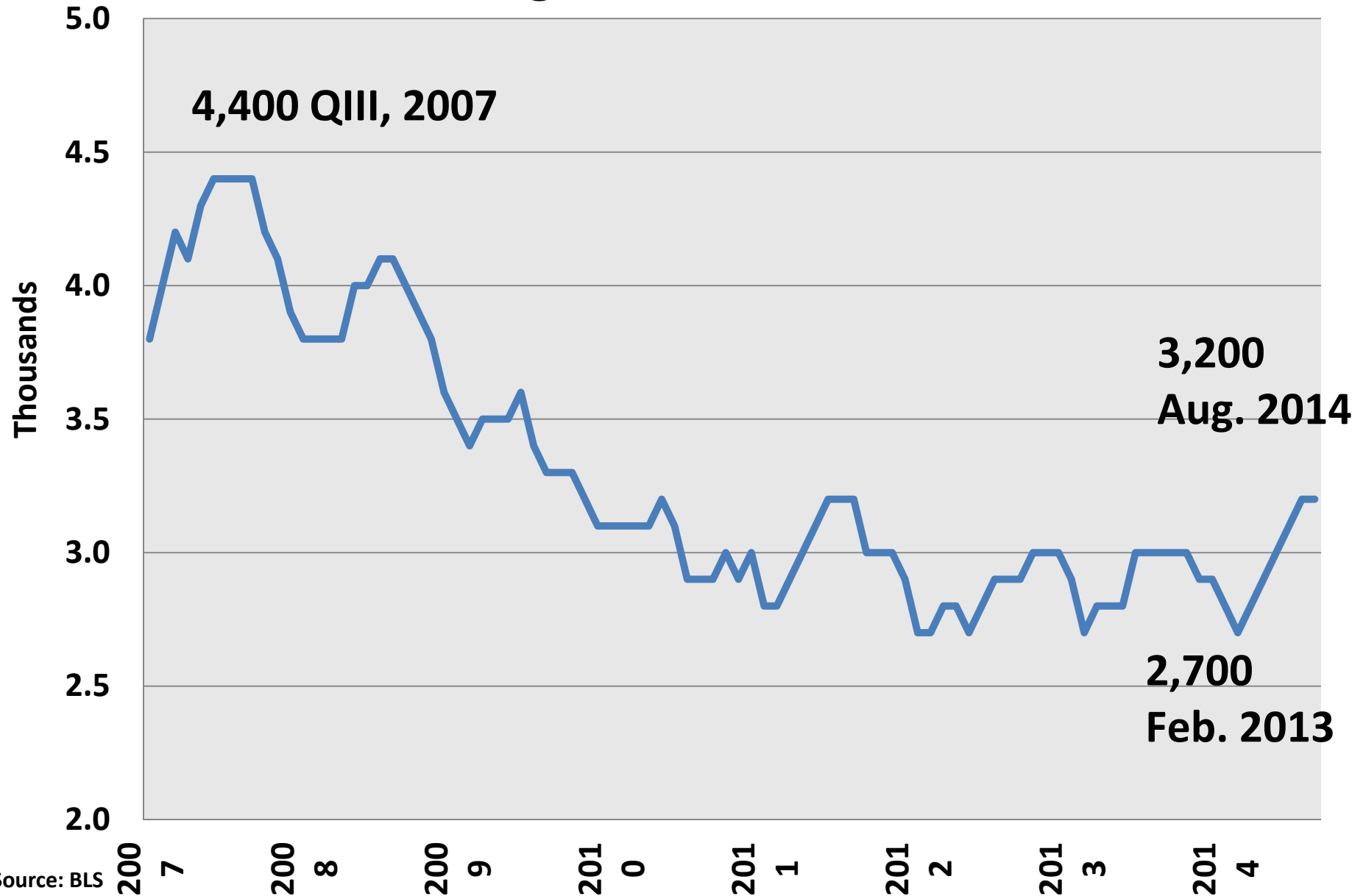


Pueblo Manufacturing Employment 2007-2014, August

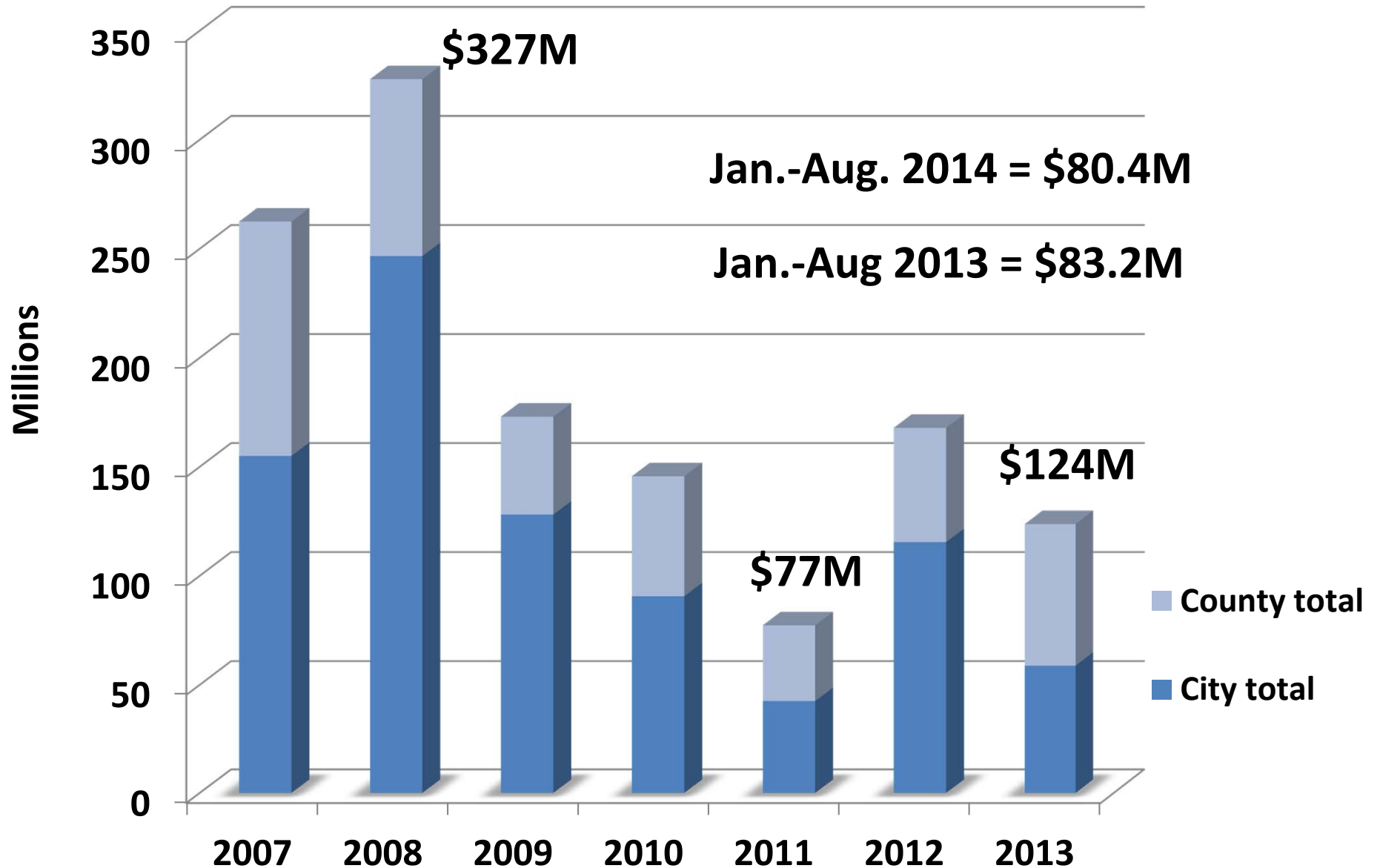


Pueblo Construction Employment

2007-2014, August (Includes Mining and Logging)



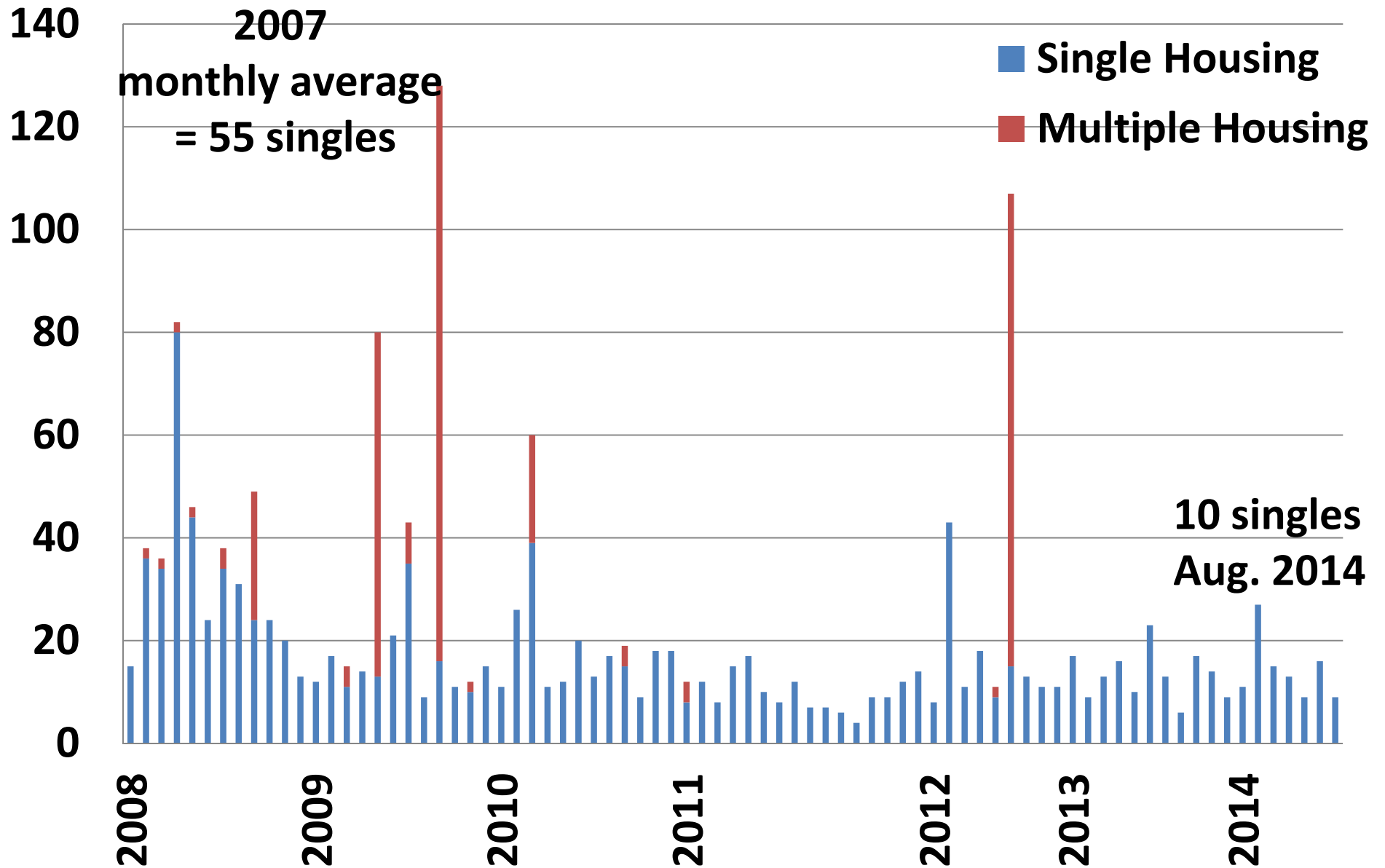
Value of Commercial and Residential Construction City and County of Pueblo 2007 to 2013*



*Pueblo Regional Building Dept.

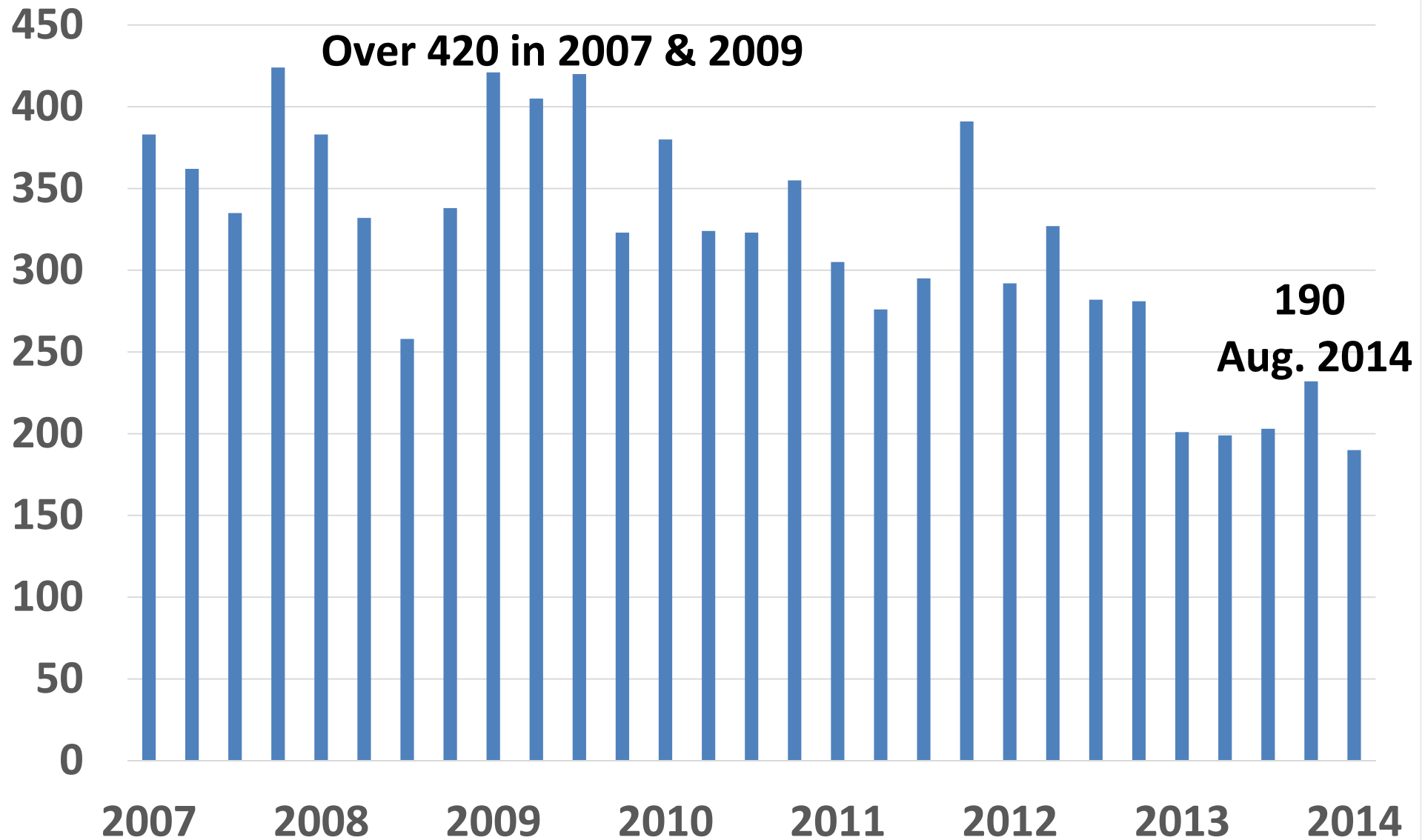
Pueblo County Residential Building Permits (# Units)

Source: US Census Bureau



Pueblo County Quarterly Foreclosure Filings 2007- 2014 (Q1)

Source: DOLA



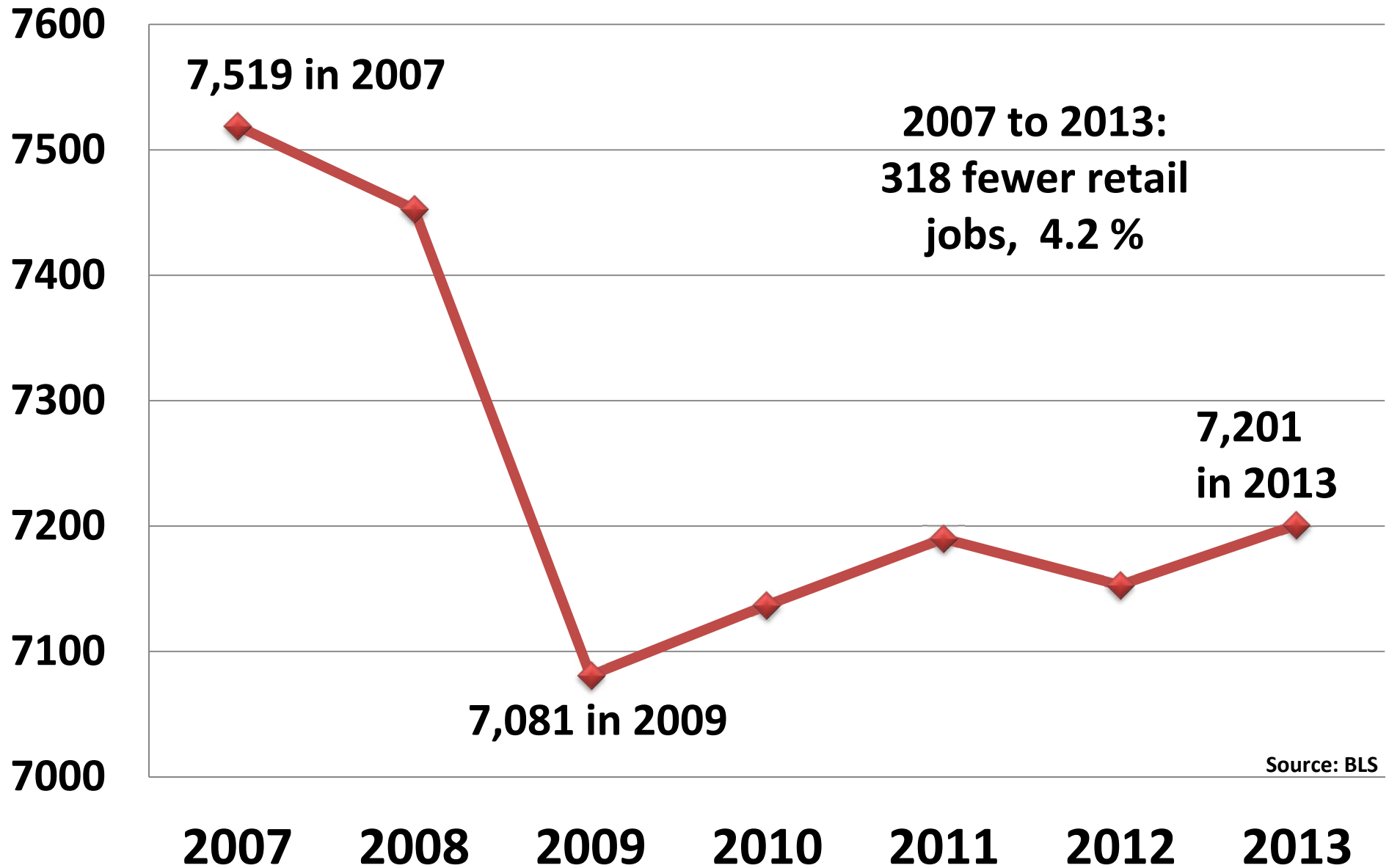
New Pueblo Freeway

- Entire I-25 corridor = \$800 million (2035).
- First stage: \$55-\$65 million (to 2017).
- Stimulus to local suppliers of asphalt, concrete, rebar, trucking, etc.
- Resident Construction Workers will spend in local health services, eating and drinking establishments, real estate, retail, and utilities.
- Traveling Construction Workers: lodging, eating and drinking establishments.

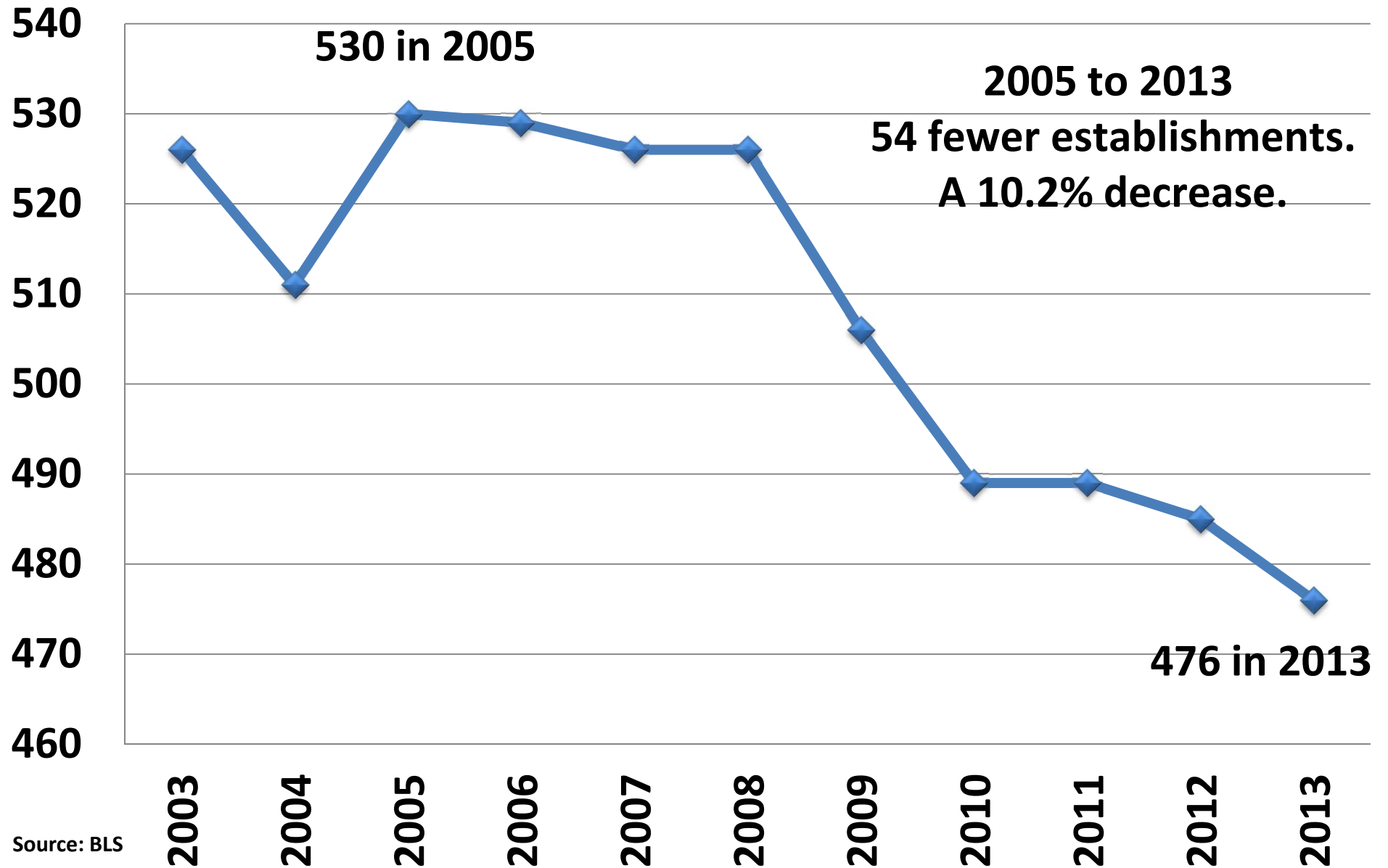
HARP and the Solar Farm

- More construction and retail stimulus:
- Community Energy of Boulder: \$200 million solar farm project cost, 300 construction jobs, 2015.
- HARP: \$15 million first stage at the Convention Center.

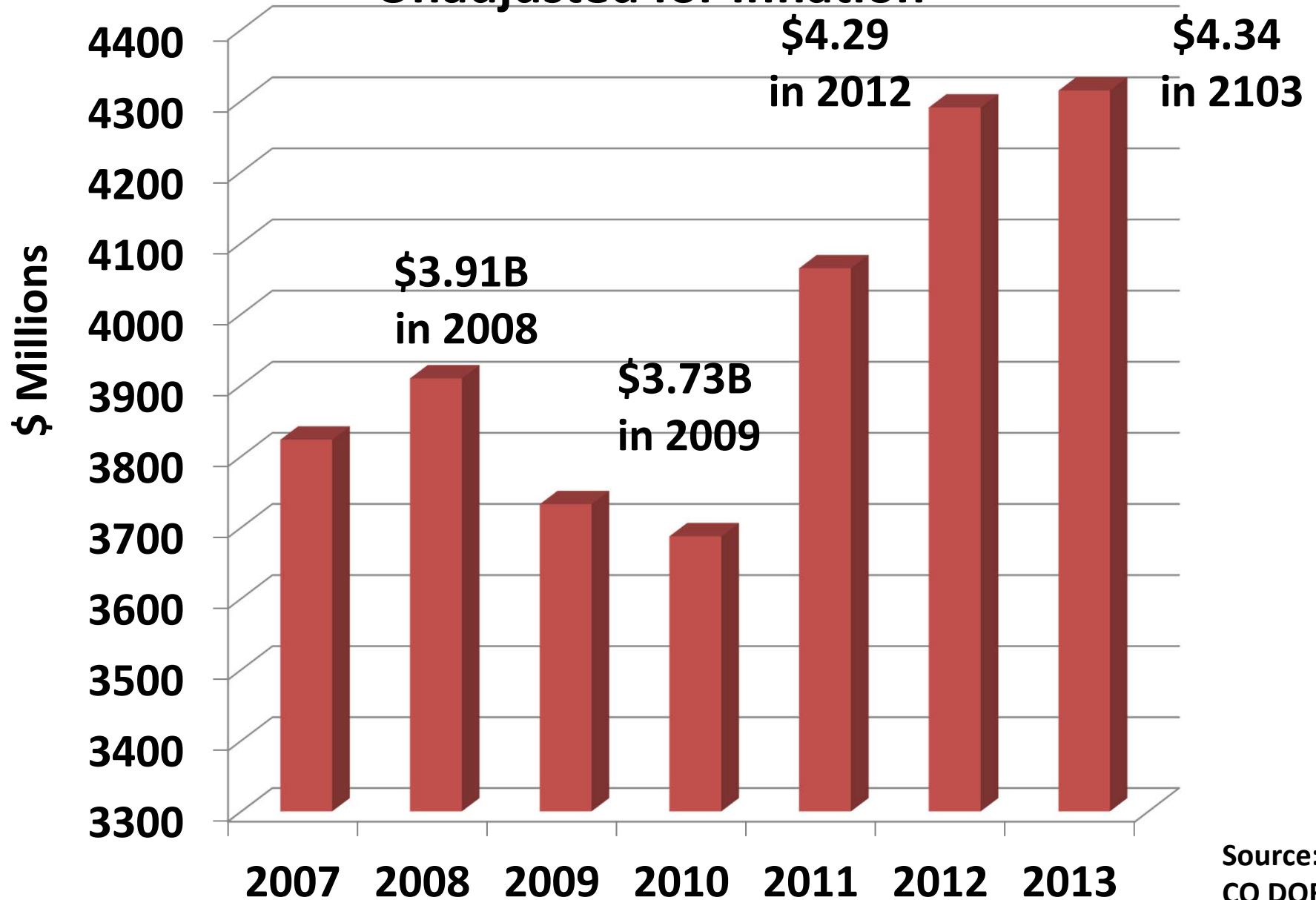
Pueblo Retail Employment 2007-2013



Pueblo County Number of Retail Establishments 2003-2013



Pueblo County Retail Sales, 2007 to 2013, Unadjusted for Inflation



Source:
CO DOR

Change in County Employment and Number of Business Establishments, 2008-2013

County	Employment Change	Establishment Change
Crowley	-7.5%	-5.4%
Custer	-7.5%	-17.3%
Fremont	-6.1%	-11.1%
Huerfano	-17.7%	-10.7%
Las Animas	-18.6%	-14.5%
Otero	-2.2%	-5.7%

Source: BLS

Uneven Employment Growth in Pueblo, July 2008 to July 2014.

- **About 900 new jobs (July '08 to July '14).**
- **About 600 with above average salaries.**

Average Salary (\$37,400)	Job Gains	Job Losses
Above Average Salaries	1,900	-1,300
Below Average Salaries	900	-600

Source: BLS

Employment Recovery in Pueblo, July 2008 to July 2014 By Industry and Average Salary

Industry	Employment Change 2008-2014 (July)	Average Annual Salary (2013)
All industries	900 (1.5%)	\$37,400
Manufacturing	200	\$56,800
Education & Health Services	1,700	\$41,600
Professional & Business Services	600	\$34,100
Leisure & Hospitality	200	\$14,300
Other Services	100	\$25,400

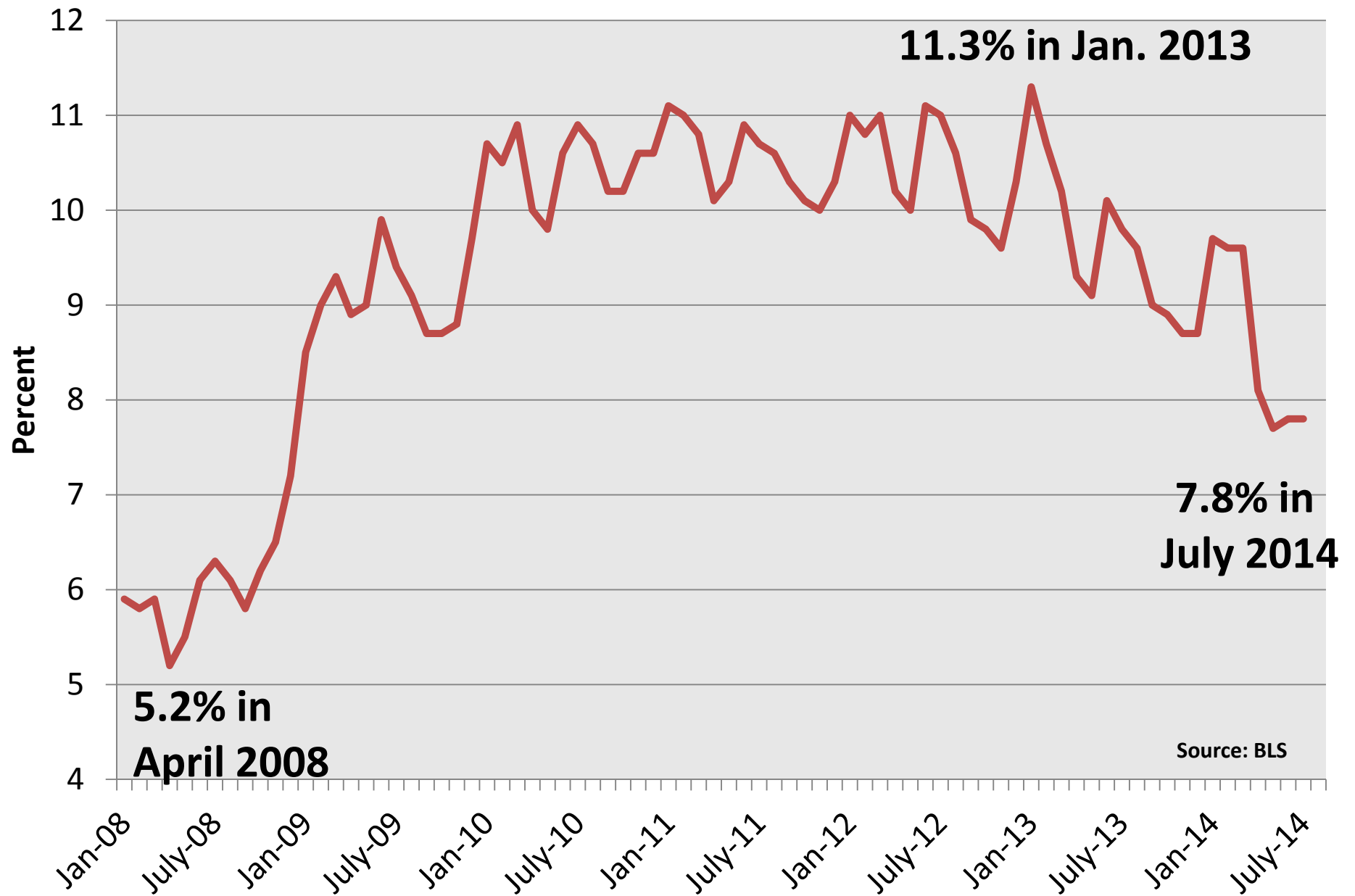
Source: BLS

Job Losses in Pueblo Since 2008. By Industry and Average Salary.

Industry (& Percent Total Employment)	Employment Change 2008-2014 (July)	Average Annual Salary (2013)
All industries (100%)	900 (1.5%)	\$37,400
Mining, Logging, and Construction	-800	\$49,500
Information	-100	\$45,600
Financial Activity	-400	\$39,400
Trade, Transportation, and Utilities	-600	\$32,400
Government	0.0%	\$34,100

Source: BLS

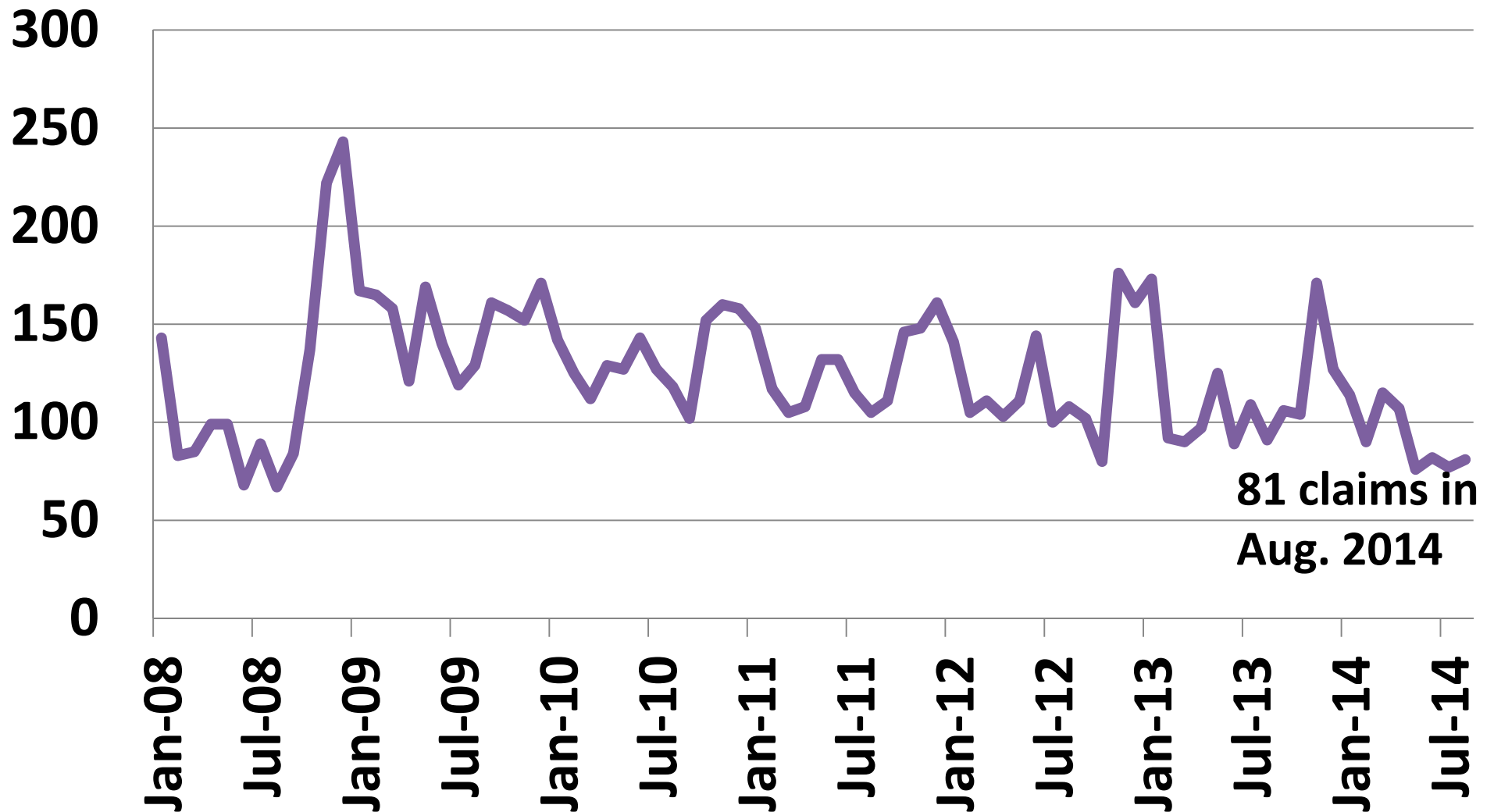
Pueblo Unemployment Rate 2008 to July 2014



Pueblo County Initial Claims for Unemployment Compensation

2008-2014, August Source: CDLE

Counts based on 1 week that includes the 19th of each month.



Barriers to Local Economic Development

- # of Business Establishments.
 - Watch this and employment.
- Work Force Development:
 - Skills of the local labor force.

Area Development On Line: Leading
Metro Areas for Economic Growth in
2014.

Colorado City	Ranking (out of 379)
Denver	8
Boulder	30
Ft. Collins	43
Greeley	70
Pueblo	243
Grand Junction	304
Colorado Springs	315

***Area Development On Line: Rankings for
Pueblo***

Category	Ranking
Manufacturing & Goods as % Pop	29
Wage Growth	48
Employment Growth as % Pop	111
Prime Workforce	169
Economic Strength	265

Area Development: Rankings for Pueblo

Category	Ranking (379)
Work Force with BA	280
BA In-Migration	315
Per Capita GDP	328
Area Unemployment	328

2014 Pueblo School District 60 TCAP Scores: Percent Proficient and Advanced

Source: CDE

	Reading	Writing	Math	Science
Pueblo City	59.98	43.68	40.83	30.89*
Colorado	69.00	54.40	56.39	50.49

* 2013

County Per Capita Income and County Average TCAP Summary Math Scores

Sources: BEA (2012) and CDE (2014)

Region	Per Capita Income	Proficient and Advanced
Colorado	\$45,775	56.39%
Boulder County	\$53,772	69.32%
Larimer County	\$41,311	61.76%
Mesa County	\$35,726	53.70%
Pueblo County	\$33,218	48.07%
Weld County	\$31,657	44.87%

Questions for Kevin or Norman?

- Presentation available at CSU-Pueblo web page. <http://hsb.colostate-pueblo.edu/CSU-PueblosEconomicImpactStudy/Pages/default.aspx>
- Search “Pueblo Economic Forum.”
- Forthcoming “Local Economic Data.”