

OPERATION COMMERCE

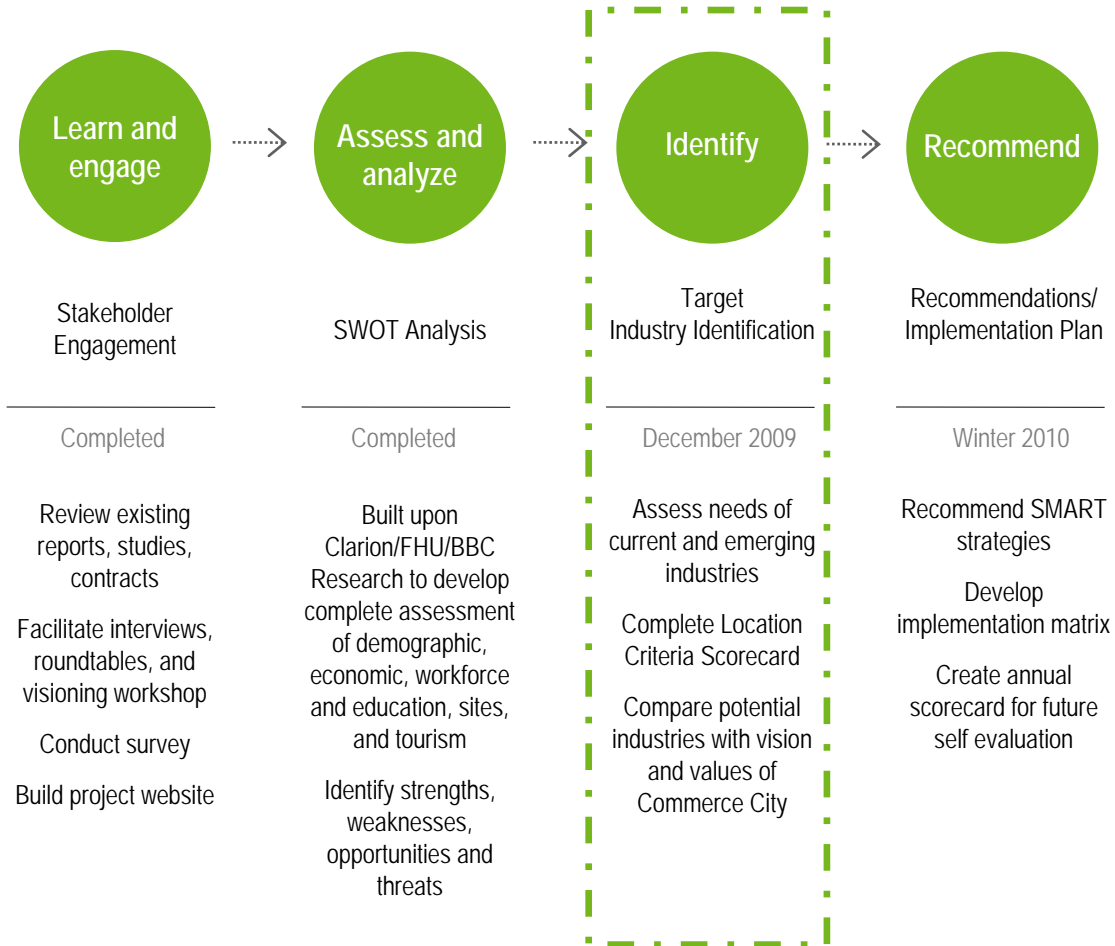
Target Industry Analysis
Presented to Commerce City, Colorado
December 14-15, 2009



Objectives

- Review project process and current phase
- Define target industry and discuss why Commerce City needs to identify its targeted industries
- Share target industry selection
- Discuss next steps

Project Process



What is a targeted industry?

- A “Target Industry” is a sector of the economy that has the strongest potential to expand or locate to a specific area.

Metro Denver Targeted Industries

- Aerospace
- Aviation
- Bioscience
- Broadcasting & Telecommunications
- Energy
- Financial Services
- Information Technology - Software

Adams County Targeted Industries

- Transportation and Logistics
- Construction
- Healthcare and Social Assistance
- Manufacturing/Metal Fabrication
- Wholesale Trade

Why should Commerce City identify its targeted industries?

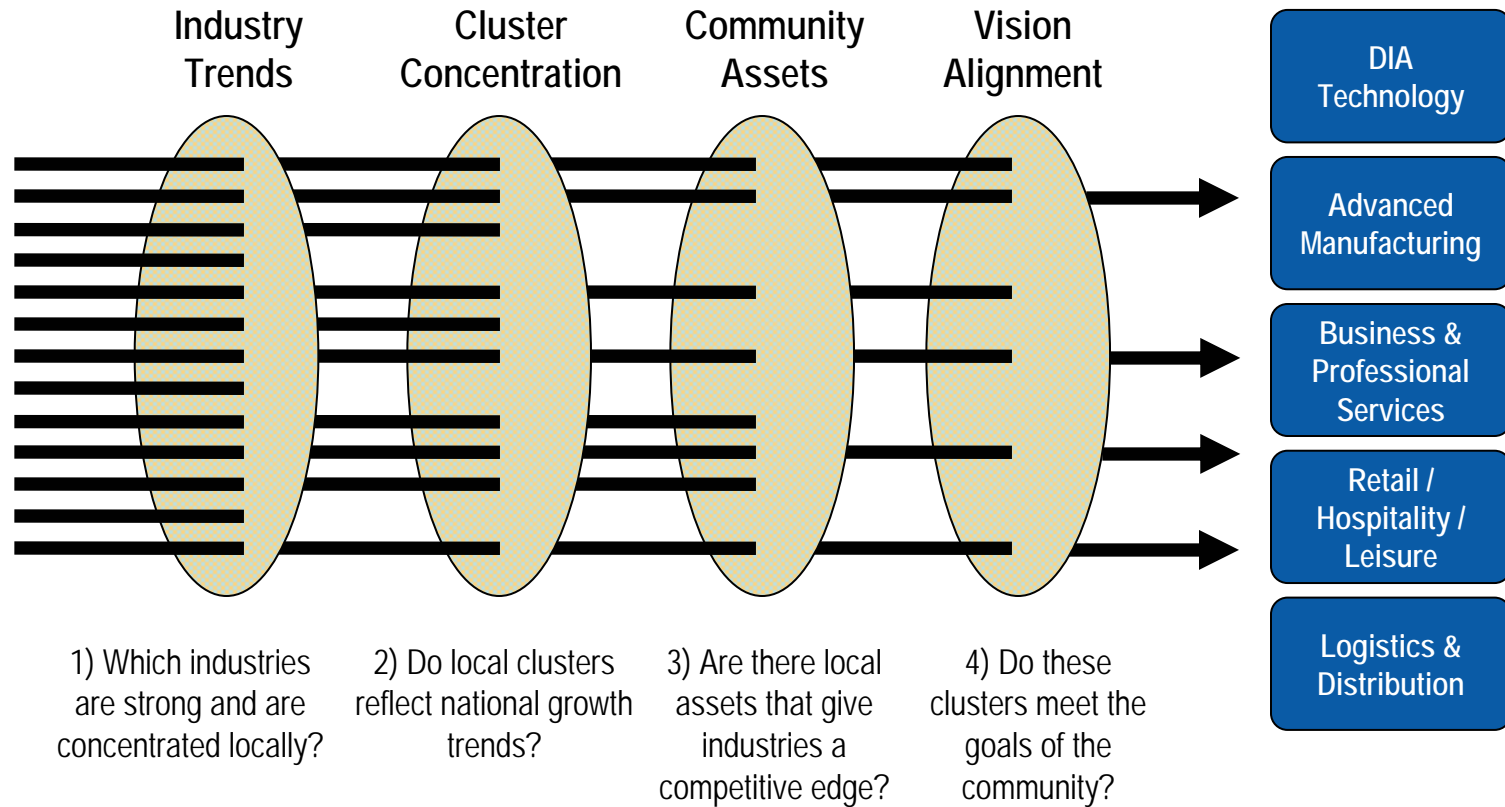
- Identifies what separates us from our competitors!
- It drives the city's ED agenda:
 - Strategic Marketing
 - Business Attraction
 - Business Retention
- Federal and State Grant Opportunities

Angelou presentation of Targeted Industry selection

- Steve Vierck, President of Economic Development, AngelouEconomics

Current Project Phase: Identify Targets

COMMERCE CITY TARGET INDUSTRY SELECTION PROCESS



Current Industry Clusters

2009 COMMERCE CITY INDUSTRY CONCENTRATION: TEN STRONGEST INDUSTRIES (BY LOCATION QUOTIENT)

Industry	Employees	Businesses	LQ
Utilities	684	25	5.28
Logistics & Distribution	1,313	126	3.68
Wholesale	2,508	186	3.08
Transportation Services	438	11	2.84
Housing & Construction	2,873	259	2.59
Food Processing	353	7	2.06
Industrial Supplies	498	40	1.84
General Services	1,611	240	1.70
Industrial Machinery	113	10	1.69
Chemicals & Plastics	292	16	1.53

Source: Dun & Bradstreet

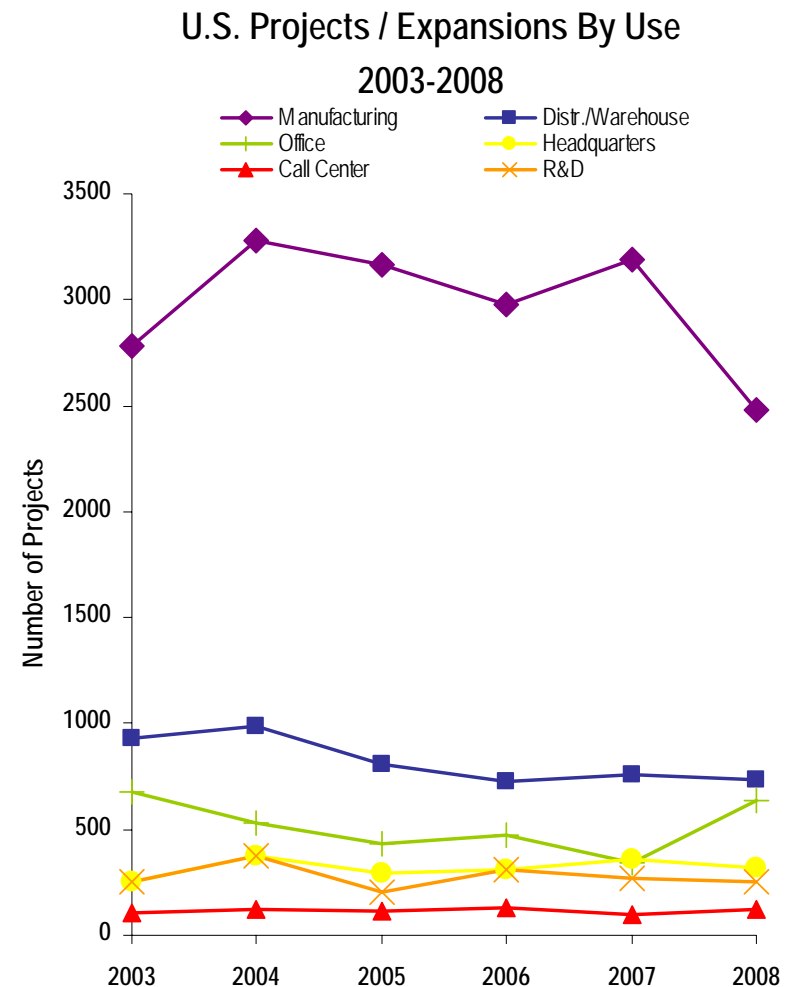
National Market

Fewer Projects

- Judging by January through October totals, projects in every use will be down this year from 2008.
- Projects will be scarce into 2010.

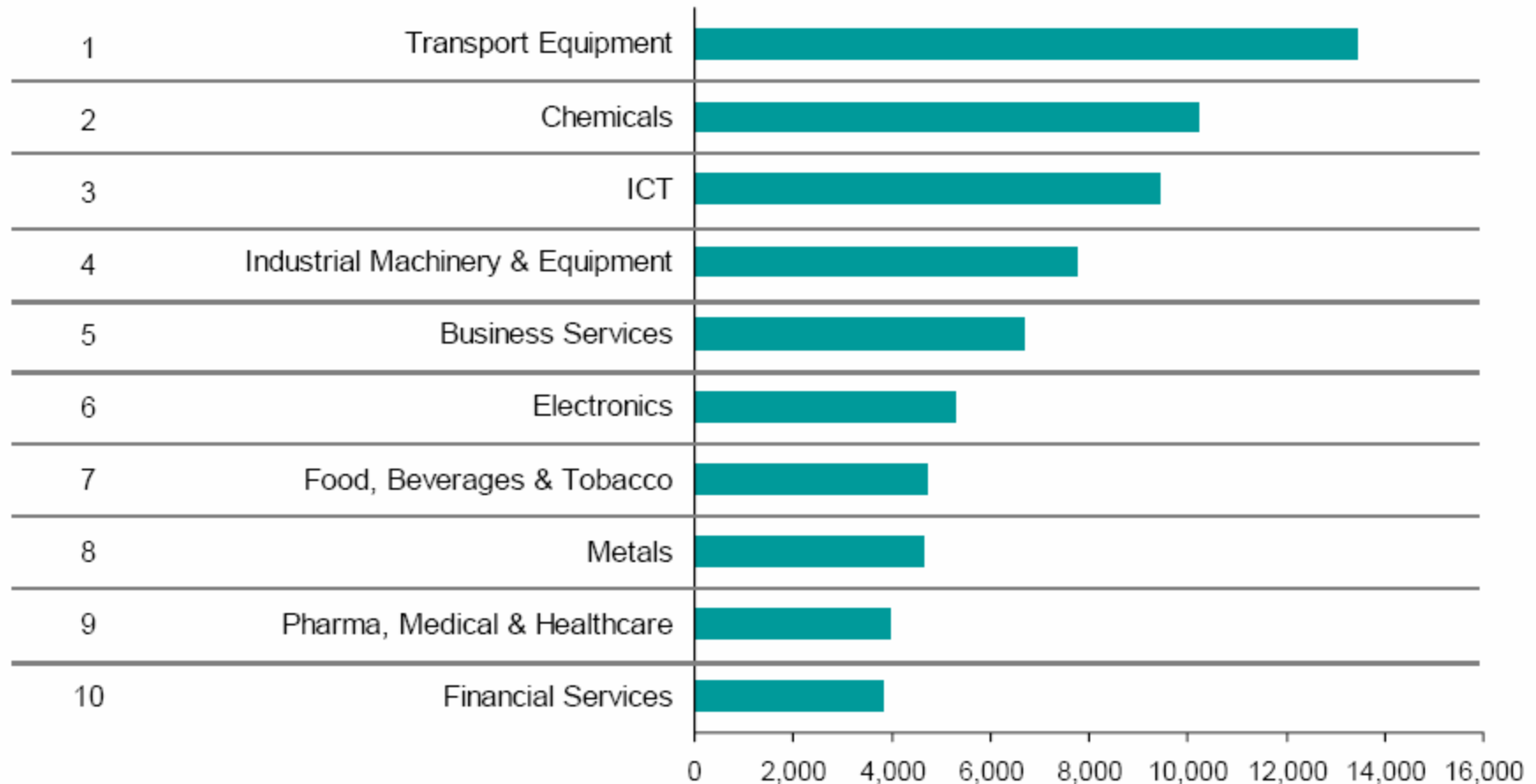
Select Opportunities

- Despite the economic downturn, many sectors are expected to grow.
- These industries include:
 - Renewable energy
 - Healthcare and medical devices



International Investment

Top ranking sectors in North America by estimated jobs
2008

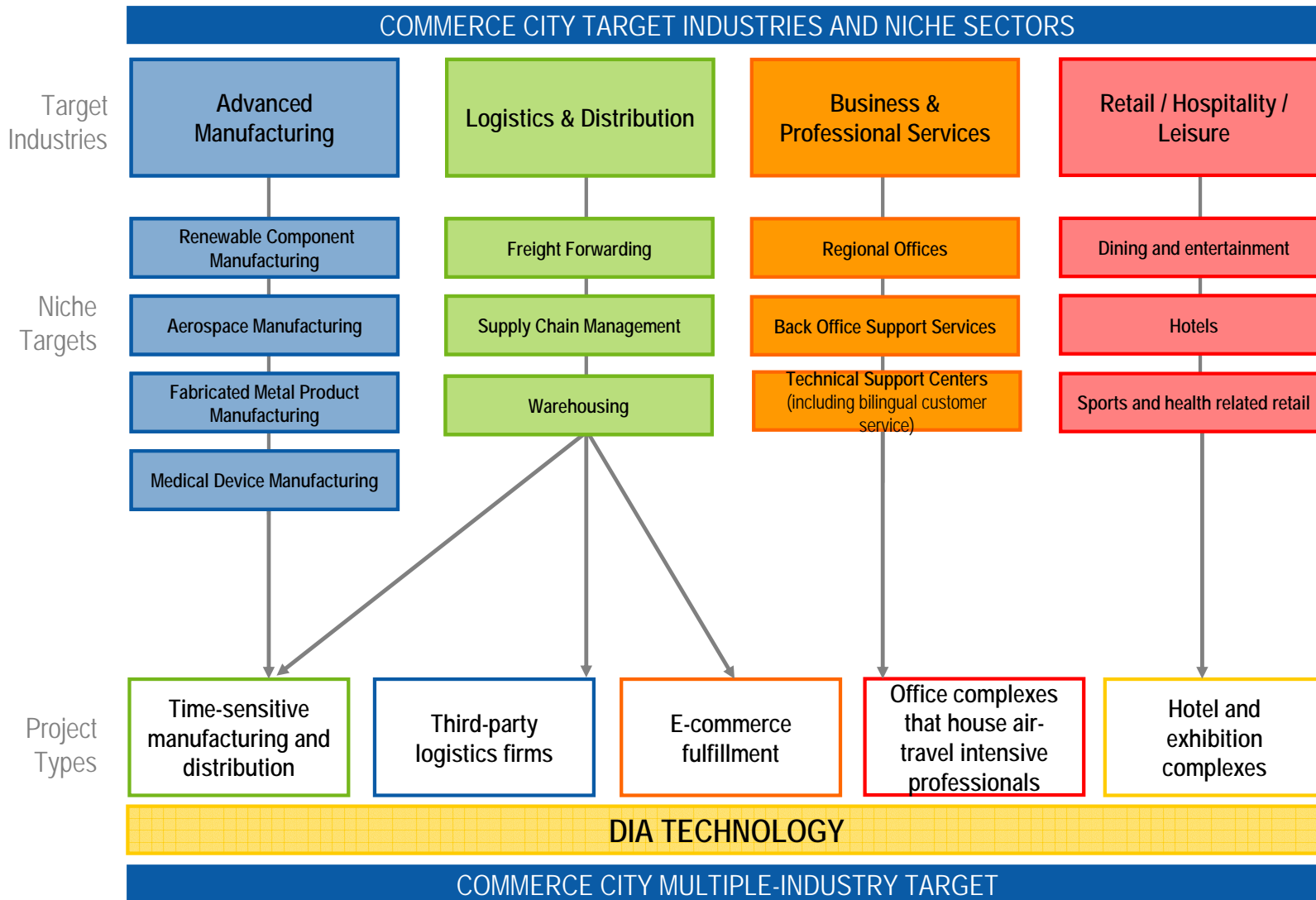


Source: IBM-PLI Global Investment Locations Database (GILD)

Local Assets

- **Strategic location** between downtown Denver and the Denver International Airport.
- Excellent **interstate access** (I-70, I-76, I-270 and E-470) provides ease of mobility and transportation access.
- Rapidly **growing population** that is both young and diverse.
- Strong, established **industrial base** including well-established clusters in trucking & warehousing, wholesale trade and fabricated metal manufacturing.
- **Available land** for redevelopment in the Core City and greenfield sites along the E-470 corridor.
- Unique **recreation facilities** such as the Dick's Sporting Goods Park and the Rocky Mountain Arsenal National Wildlife Refuge.
- An **array of housing options** are available within the city, from luxury to affordable.

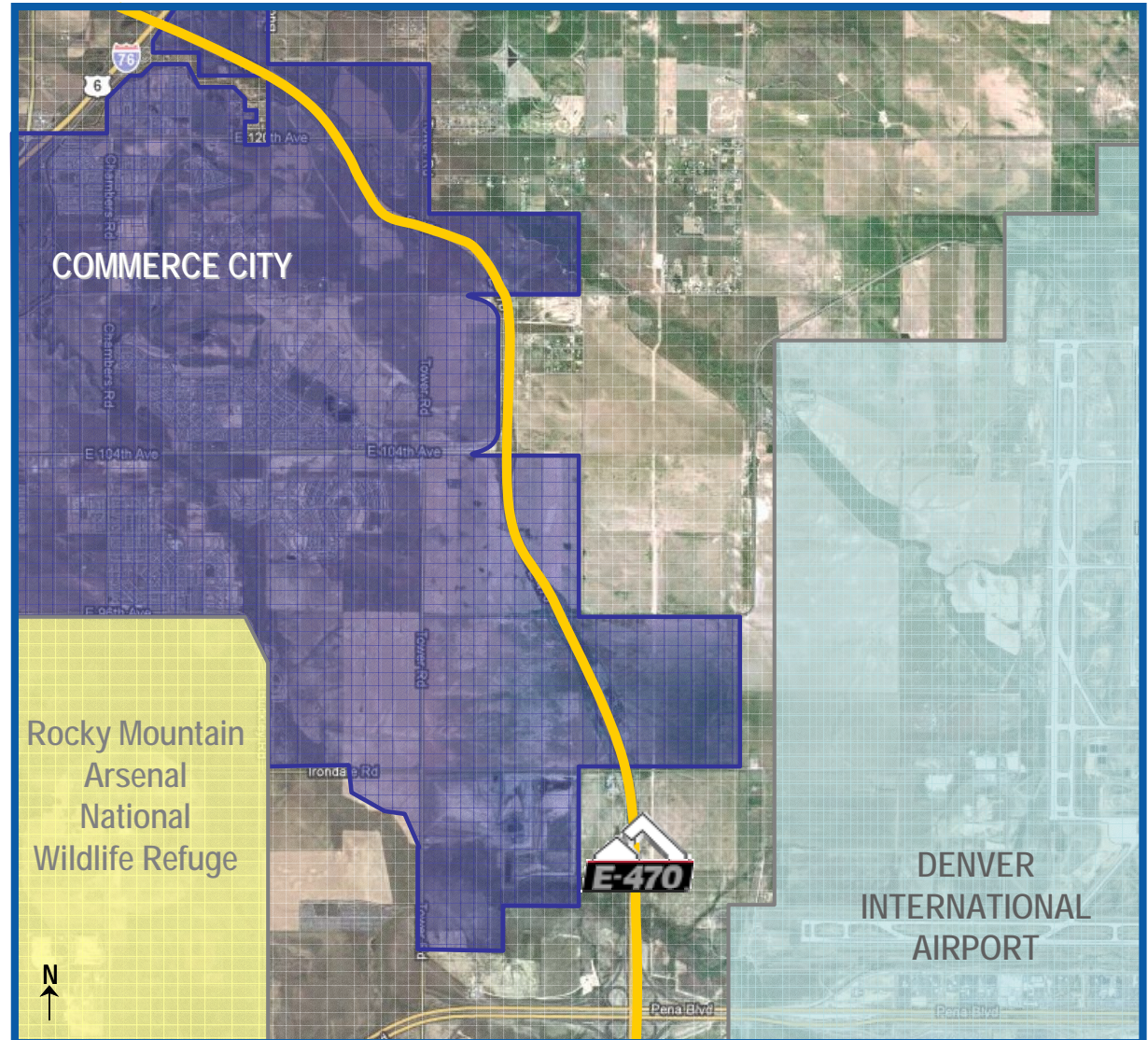
Target Industry Recommendations



Target One: DIA Technology

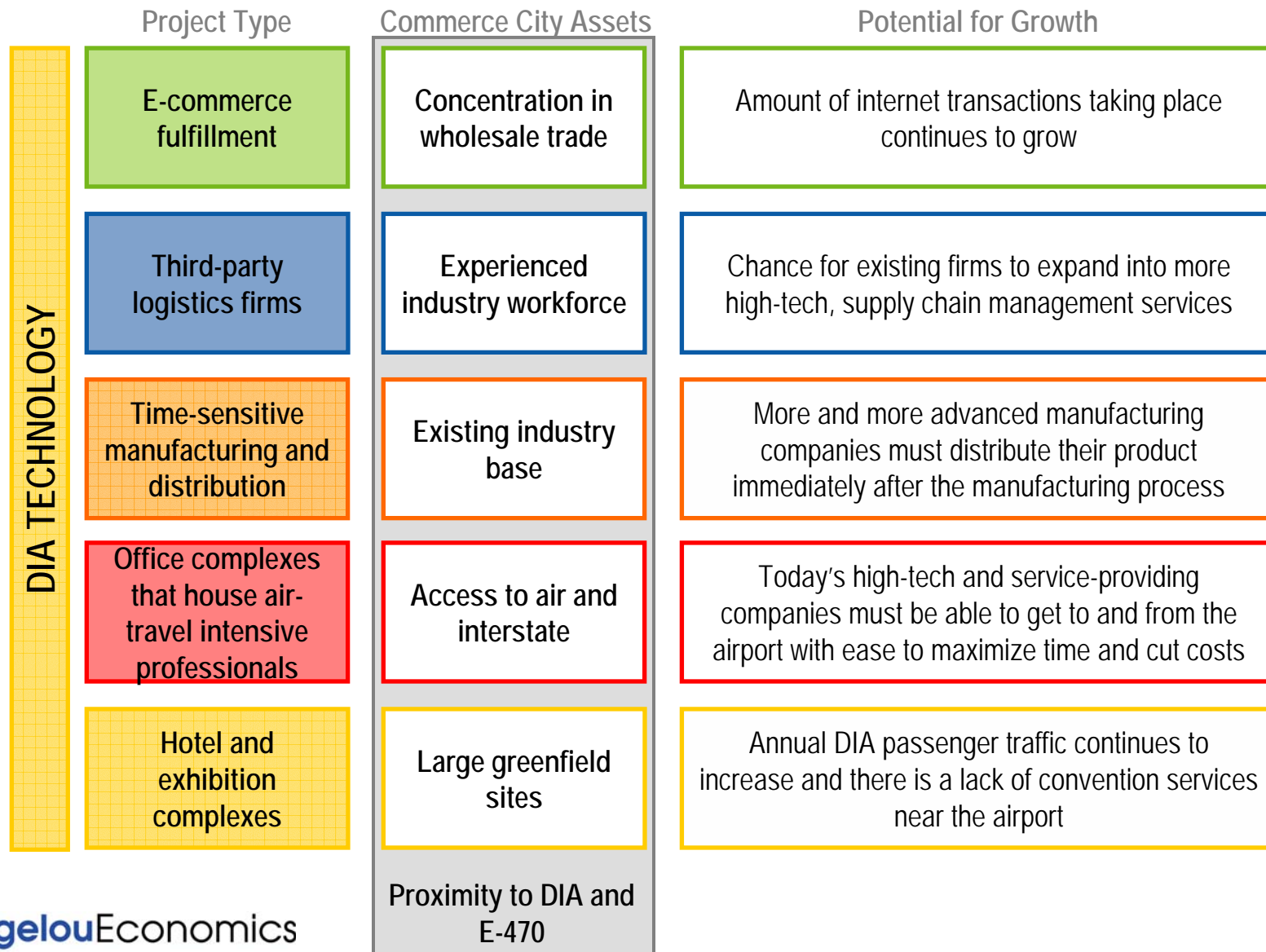
Why DIA Technology?

- Airports as economic generators
- Potential of E-470 Corridor
- Congruence with comprehensive plan
- Commerce City growth boundary extends north of DIA



Conceptual map – not to scale; not legal boundaries

Target One: DIA Technology (Multi-Industry)



Target Two: Advanced Manufacturing

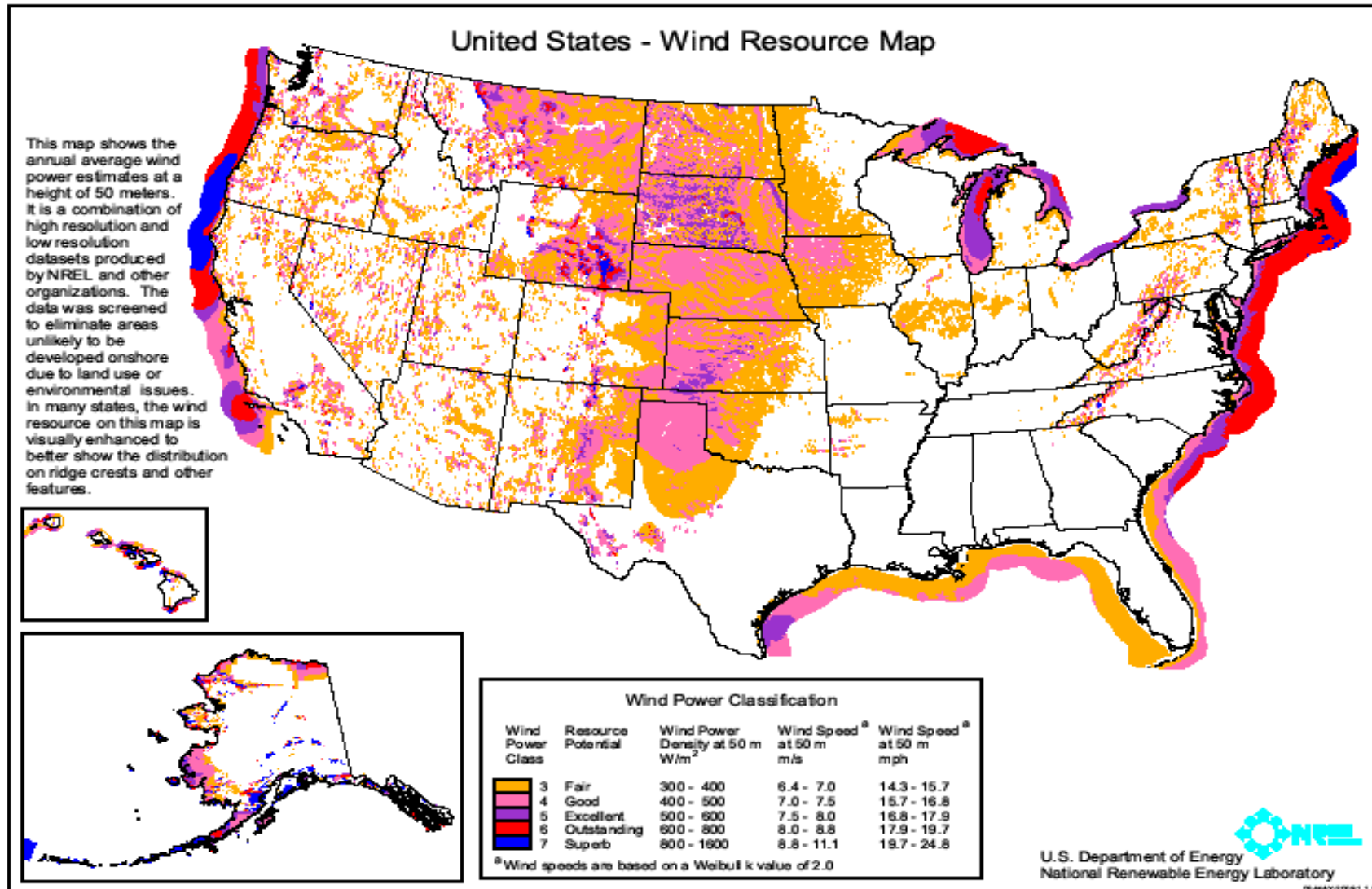
Description – The advanced manufacturing industry is defined by a set of activities that focus on the design, manufacturing and assembly of complex products utilized in a range of modern industries, including telecommunications, farm equipment, health care, and energy supply.

Market Opportunities:

- Renewable component manufacturing
 - Wind and solar
- Aerospace manufacturing
- Fabricated metal product manufacturing
- Medical device manufacturing



Manufacturing Niche: Renewable Energy



Target Two: Advanced Manufacturing

Local Assets

- Heavy industrial use zoning designation
- Proximity to DIA
- Excellent interstate and rail access

Constraints and Opportunities

- Need for specialized training programs
- Opportunity for collaboration with R&D institutions

Target Three: Business and Professional Services

Description – The business and professional services sector is comprised of primary services including legal, architectural, engineering and consulting and real estate firms, as well as secondary services such as back-office support operations, accounting and payroll services, and processing facilities.

Market Opportunities:

- Regional offices
- Back-office support functions
- Technical support centers
 - Bilingual tech support



Target Three: Business and Professional Services

Local Assets

- Increasing levels of educational attainment
- Residents are already working in this field
- Large bilingual population
- Available greenfield sites along E-470 Corridor

Constraints and Opportunities

- Limited existing office facilities
- Perception of city
- Need to expand telecommunications infrastructure

Target Four: Retail / Hospitality / Leisure

Description – The Retail/Hospitality/Leisure industry is defined as both the sale of goods directly to consumers as well as the accommodations, entertainment, and recreation opportunities to tourists, visitors, as well as residents.

Market Opportunities:

- Venues for dining and entertainment
- Hotels
- Sports and health related retail



Target Four: Retail / Hospitality / Leisure

Local Assets

- Proximity to DIA
- Growing population means larger customer base
- Dick's Sporting Goods Park
- Outdoor amenities
 - Rocky Mountain Arsenal National Wildlife Refuge
 - Barr Lake State Park
- Derby revitalization

Constraints and Opportunities

- Limited existing commercial space
- Retail centers in adjacent communities
- Opportunity to cultivate and support local retail and dining
- Proving market viability to regional and national chains

Target Five: Logistics & Distribution

Description – Logistics is the process of planning, implementing, and controlling the efficient flow of goods and services through the supply chain from producer to consumer.

Market Opportunities:

- Freight forwarding
- Supply chain management
- Warehousing



Target Five: Logistics & Distribution

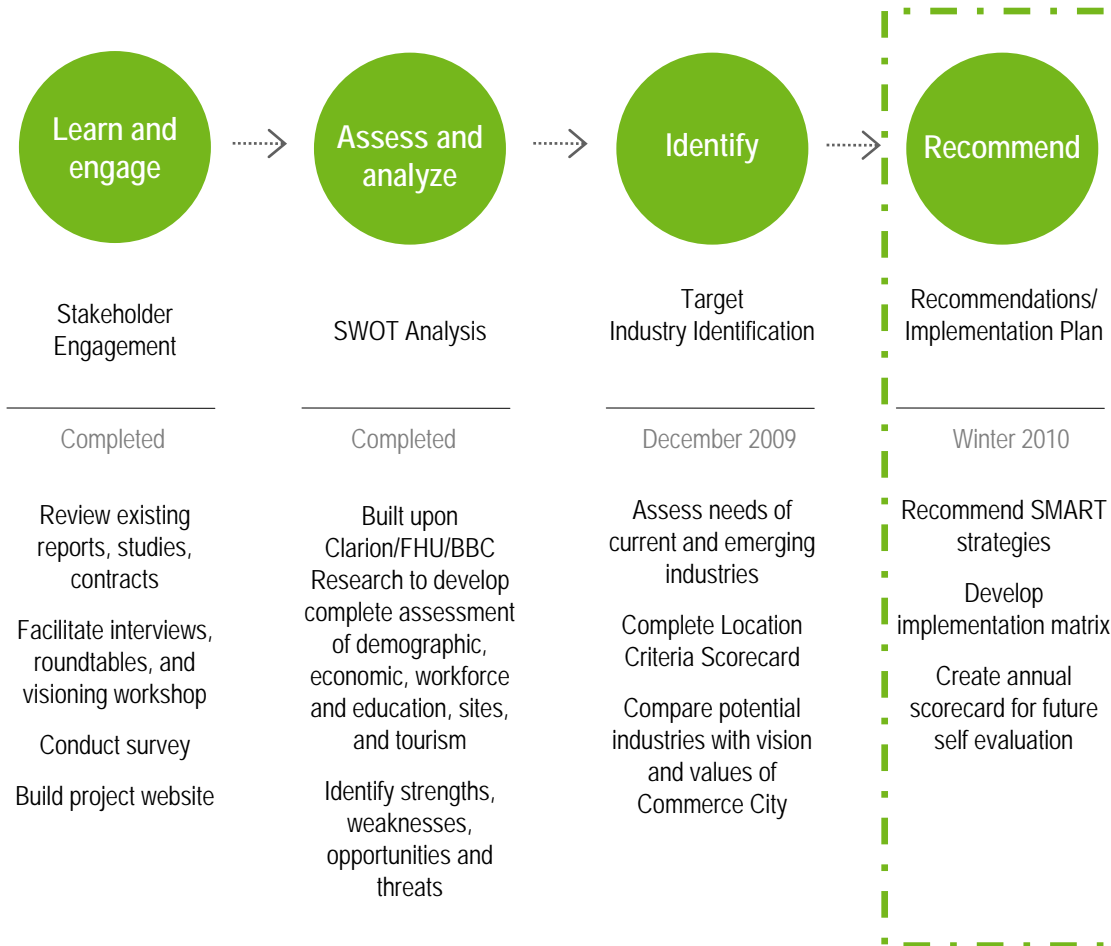
Local Assets

- Proximity to the Denver International Airport
- Excellent interstate and rail access
- Existing employment base
- Land availability

Constraints and Opportunities

- No through-the-fence access to DIA
- Road connectivity within the city can be improved

Project Next Steps



Discussion

- Q&A and feedback...
- For more information, please log on to www.operationcommerce.com

Thank you!

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