

ADMINISTRATION MEMORANDUM
12-35

DATE: December 10, 2012
TO: Honorable Mayor Joyce Downing and City Council Members
FROM: William A. Simmons, City Manager *WAS*
Debbie Tuttle, Economic Development Manager *DT*
SUBJECT: December Economic Development Update

New Business Announcements

Fantastic Beauty Salon leased 1,280 square feet at 988 W. 104th Avenue in the Huron Center. The hair salon employs one person and will be open Monday – Sunday from 9 AM – 7 PM. For more information call 720-885-5312.

Lee Myles Complete Autocare purchased the 2,400 square foot building at 501 Malley Drive and will employ three people. Lee Myles is a national chain of independently operated franchise automotive service centers with locations throughout the United States. The Colorado franchise is currently located in Lakewood, and will move its operations to Northglenn in January. The company provides automotive repair services and will be open Monday - Friday from 7 AM – 6 PM, and Saturday from 7 AM – 5 PM. For more information call 303.975.6505.

New Energy Tech Co. leased 3,229 square feet at 425 W. 115th Avenue, Unit 3. The company employs three people and provides retail and online sales, and repair for infrared space heaters. The company is open Monday – Friday from 9 AM – 6 PM, and on Saturday from 10 AM – 4 PM. For more information visit www.newenergytechco.com or call 303-225-8020.

New Storefront Business Summary

At the end of November, Northglenn had **870** total businesses. Of that total, **651** are storefronts and **221** are home occupations. Below is a year-to-date summary of new storefront businesses.

2012 YTD - New Storefront Businesses

Month Announced	New Storefront Businesses	New Employees	S/F Absorption
January	7	120	76,598
February	9	65	22,653
March	6	29	8,945
April	7	14	4,859
May	3	8	21,220
June	7	7	8,160
July	5	12	13,494
August	2	12	5,500
September	3	14	4,980
October	4	6	10,294
November	3	7	6,909
Totals	56	294	183,612

Note: Totals do not include temporary businesses.

Northglenn Commercial Real Estate

Listed below is a summary of the available Northglenn office, industrial and retail space as of December. The chart depicts that both office and industrial vacancies have remained relatively stable throughout the year. However, we have seen an increase in the retail vacancies in 2012. Besides Big Lots and Borders that closed earlier this year, there have been three new major vacancies reported since third quarter. That includes the closure of Old Navy with 34,382 square feet, a new 7,200 square foot sub-lease in the Office Depot building, and the addition of two new retail buildings which include Karl's Farm Dairy building with 6,000 square feet, and 30,000 square feet at 6950 W. 106th Avenue (former Northglenn Dodge Collision Center). The current 17.3% vacancy rate is almost 80 percent higher than it was in the first quarter of 2010 (9.6%).

Property Type	Dec. 2012 # of Prop.	Dec. 2012 Total S/F	Dec. 2012 Vacant S/F	Dec. 2012 Avg. S.F Lease	Dec. 2012 % Vacancy	Q/3 2012 % Vacancy	Q/2 2012 % Vacancy	Q/1 2012 % Vacancy
Office	28	574,500	67,620	\$15.29./fs	11.8%	11.7%	12.3%	11.4%
Industrial	32	940,405	52,758	\$4.95/nnn	5.6 %	6.2%	5.2%	5.8%
Retail	77	1,285,335	222,271	\$10.43/nnn	17.3%	15.3%	14.6%	15.2%

Source: Costar Database- 12/2012 (includes sub-leases).

Unemployment

The table below reflects the estimated labor force, employment, and unemployment information for October 2012. It reflects an **8.9%** unemployment rate which is a .1% increase from the previous month (8.8%). The state and county unemployment rates in October also increased by .1%.

October 2012 Employment Numbers

Area	# Labor Force	# Employed	# Unemployed	Oct. % Unemployment Rate	Sept. % Unemployment Rate
Northglenn	20,150	18,363	1,787	8.9	8.8
Adams	233,839	213,681	20,158	8.6	8.5
Colorado	2,746,787	2,540,729	206,058	7.5	7.4

Source: Labor Market Statistics, Local Area Unemployment Statistics Program - Not Seasonally Adjusted.

Urban Renewal Plan Update

Staff worked with the consultant to finalize the URA condition study, county impact reports, proposed amendment to URA Plan 1, and proposed URA Plan 2. All tenants, property owners, county, and districts were notified by mail. A study session with council was held on November 19th to provide an update on the process. Additionally, staff and the consultant met with the Planning Commission on November 20th to update them on the proposed Plans and conformity with the Master Plan.

The December 17th public hearing will be held at 7 PM in the city council chambers. The purpose of the hearing will be to have City Council consider the recommendations from the Northglenn Urban Renewal Authority to:

- Determine that certain real property within the City of Northglenn constitutes a “blighted area”;
- Approval of a substantial modification to the current Northglenn Urban Renewal Plan (#1) by the removal of certain property from the current Northglenn urban renewal area; and
- Approval of a new Urban Renewal Plan (#2)

Northglenn Becoming a Leader in STEM Education

Staff has been meeting over the past month with members and staff from the Northglenn STEM (Science, Technology, Engineering, and Mathematics) teams. A committee has been developed to help build stronger partnerships within the business community to enhance the student’s learning experience by working with companies in real world situations.

Adams 12 Five Star school district has the only comprehensive K-12 STEM (Science, Technology, Engineering and Mathematics) continuum in the state that allows students to attend a STEM school from K-12. Northglenn students can begin their STEM education as early as kindergarten, and follow the program through high school graduation. Students from K-8 can apply to attend the STEM Magnet Lab school located at 117th and Irma Drive, or the STEM Launch school at 94th Avenue and Pecos Street for grades 6-8. These are both feeder schools into the Northglenn High School (NHS) STEM programs.

NHS’s curriculum includes pathway classes in engineering, biomedical, college preparatory (CP), advanced placement (AP), and advanced elective (AE) classes. Classes include engineering principals in aerospace, biotechnical, civil and architecture, computer integrated manufacturing, digital electronics, and design and development. Within the biomedical program they include biomedical sciences, human body systems, medical interventions, and biomedical innovation. Students can customize their programs to include the AP, AE and CP classes to maximize their college opportunities and individual interests.

Next month NHS will open its new 16,000 square foot state-of-the-art STEM facility. The new space is uniquely designed to accommodate 75 students within each classroom. The facility includes a 3D printer that can be used to produce engineered design prototypes, two clean rooms and a large presentation area. NHS has approximately 1,750 students, and within the next year all the students will be enrolled in STEM-related programs. During this transition NHS will change its name to Northglenn High School STEM. These programs uniquely position Northglenn as an incubator for future STEM-related workforce leaders of tomorrow. Northglenn students are being educated and prepared for college, as well as groomed to be successful in future STEM-related careers. To learn more about the NHS STEM programs visit www.northglennstem.weebly.com.

If you have any comments or questions, please contact Debbie Tuttle at 303.450.8743 or dtuttle@northglenn.org.