

**CITY MANAGER'S OFFICE
MEMORANDUM 17-40**

DATE: October 23, 2017

TO: Honorable Mayor Joyce Downing and City Council Members

FROM: James A. Hayes, AICP, City Manager
Debbie Tuttle, Economic Development Manager & NURA Executive Director

SUBJECT: **October Economic Development Report**

Marketplace Property Purchased

Hutensky Capital Partners (HCP) from Hartford, Connecticut purchased 439,000 square feet in the 55-acre Marketplace located at I-25 & 104th Avenue. The \$48 Million purchase included all the properties with the exception of Lowe's and the Summit buildings (Woodley/K&G/Tuesday Morning), which are owned by different entities. The City of Northglenn is excited to work with HCP in stabilizing, reenergizing and revitalizing the center. For more information on HCP visit www.hcpfund.com.

Annual Business Appreciation Breakfast on Oct. 27th

The Northglenn business community is invited to the 6th Annual Northglenn Business Appreciation Breakfast at the Ramada Plaza Hotel and Convention Center on Oct. 27 from 7:00 a.m. to 9:00 a.m. Northglenn companies will be honored for their innovation, community involvement, leadership, customer service, business longevity and entrepreneurship. We will be honoring ten businesses and one individual.

Northglenn Commercial Real Estate Update

The table below summarizes the available Northglenn office, industrial and retail space at the end of September 2017 (Q/3) compared to previous quarters. Office vacancy rates increased from 6.2 to **8.4%**, mainly because Colorado Christian University vacated their 14,000 square foot facility. Industrial building vacancy rates decreased from 2.0% to **1.4%**, and retail vacancy rates decreased from 7.5% to **7.3%**.

Property Type	Q/3 2017 # of Properties	Q/3 2017 Total S/F	Q/3 2017 Vacant S/F	Q/3 2017 Avg. S/F Lease Rate	Q/3 2017 % Vacancy	Q/2 2017 % Vacancy	Q/1 2017 % Vacancy	Q/4 2016 % Vacancy
Office	35	680,014	61,146	\$18.42/fs	8.4 %	6.2%	5.9%	6.7%
Industrial	46	1,085,202	14,853	\$8.34/nnn	1.4%	2.0%	2.2%	2.4%
Retail	125	1,841,777	134,789	\$13.44 nnn	7.3%	7.5%	7.4%	7.7%

Source: Historical data can vary based on revised Costar reporting methods and reclassification of properties. Sublease properties are included in the figures.

Office Depot Retention Project

Office Depot at the Marketplace is relocating to a portion of the former Marshall's building at the Marketplace. With the changing retail market impacted by online shopping, Office Depot wanted to downsize from their existing 30,163 square foot space. Instead of relocating from the center, they were able to retrofit existing space, and lease 17,958 square feet at the Marketplace. Their estimated opening for the new store is scheduled for late December or early Q/1 2018.

2017 New Business Announcements

At the end of **September**, Northglenn had a total of **935** businesses. Of that total, **727** are storefronts and **208** are home-based businesses. This year Northglenn has announced **37** new storefront businesses, reporting **300** jobs, and absorbing **123,249** square feet of office, industrial and retail space. The net business totals are listed below. Go to www.shopnorthglenn.org for a list of all Northglenn businesses.

YTD 2017 New Storefront* Business Licenses

Month Announced	New Storefront Businesses	New Employees	S/F Absorption
January	2	39	35,260
February	2	122	7,900
March	5	9	10,500
April	12	52	26,907
May	2	11	8,832
June	1	5	1,680
July	3	15	10,697
August	7	43	16,529
September	3	4	2,287
TOTALS	37	300	123,249
Closed Businesses**	9	94	37,349
NET NEW TOTALS	28	206	85,900

* Seasonal, temporary, storage facilities, and home-based businesses are not included in the total new business figures. Businesses that change their name, but not new ownership, or new owners that do not change the name of the business are also not included in this report.

** See full list of closed businesses in Attachment A.

New Storefront Businesses

Pinnacle Insurance and Tax, LLC purchased the 1,667 square foot commercial building located at 725 Malley Drive. This insurance and tax service company employs one person. For more information call 303-931-6996.

Skin Secrets & Threading, LLC leased 2,657 square feet at 11150 Huron Street, Suite 100B. They provide facial, cosmetic and other related services and employs one person. For more information call 307-365-0185 or visit www.skinsecretsandthreading.com.

Theresa Chatman Agency LLC leased 620 square feet at 10190 Bannock Street, Suite 238. This insurance agency employs two people. For more information, call 720-949-1650 or visit www.facebook.com/TheresaChatmanAgency.

New Home-Based Businesses

5280 Green Clean is a home-based cleaning service that employs one person. For more information, call 720-577-9173.

Rodriquez Construction, Inc. is a home-based tire installation business that employs one person. For more information, call 303-280-5888.

Pixel Laundry is a home-based photo retouching business that employs one person. For more information, call 818-919-0472.

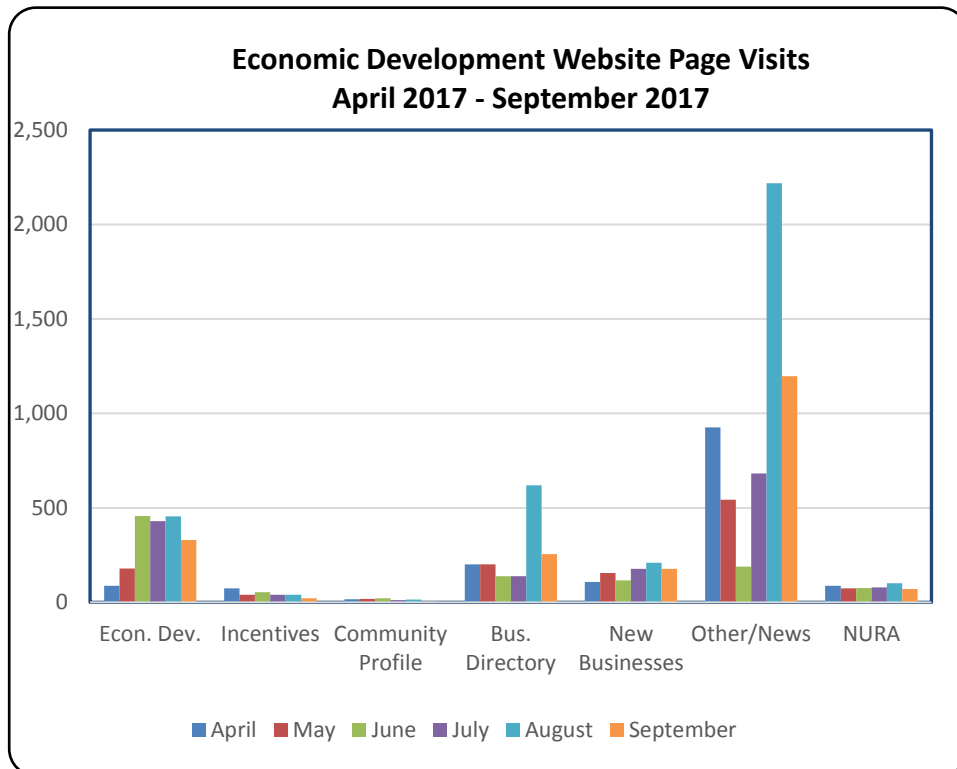
TweetReach Snapshot

If you have not already followed the Northglenn economic development twitter account, this is the time to do it. Please follow us @NorthglennBiz. Below is a snapshot of the Twitter activity in September.

Total Followers	New Followers	Total # of Tweets	Impressions	Engagements	Engagement Rate
122 ↑	7 ↑	7 ↓	1,961 ↓	21 ↓	1.0% ↓

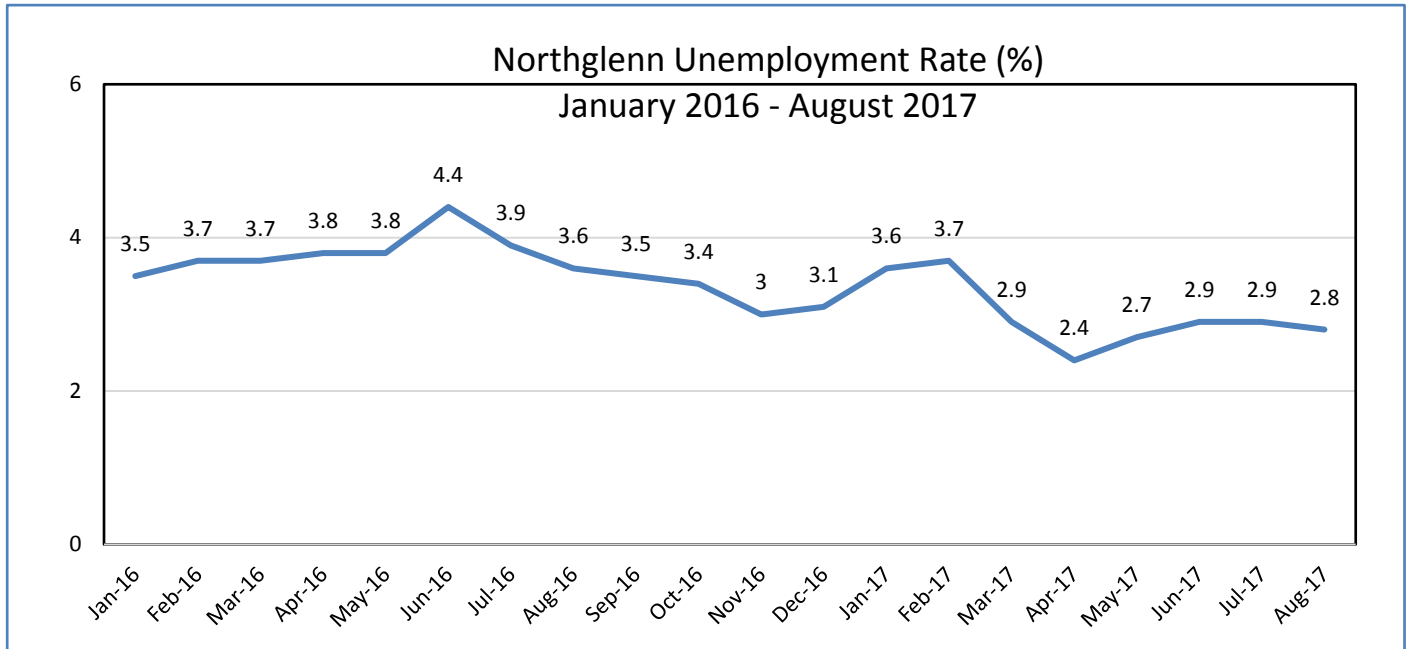
ED Website Visits

In September, there were **2,056** Economic Development/Business website page visits.



Northglenn Unemployment Rate

The chart below indicates that Northglenn's unemployment rate was at **2.8%** at the end of August 2017. This rate is lower than last year at this time (3.5%). This rate is slightly down from 2.9% in July, but is higher than the state average at 2.2%, and the county average at 2.4%.



NURA Updates

The following resolutions were approved by the NURA board at the October 11th regular board meeting:



- a. Resolution N/17-41 – Wadsworth Development Group – Business Improvement Grant (Starbucks @ 107th & Washington)
- b. Resolution N/17-42 – Wadsworth Development Group – Business Utility Assistance Grant (Starbucks @ 107th & Washington)
- c. Resolution N/17-43 – Harman Management Group – Business Improvement Grant (KFC @ 10790 Washington)
- d. Resolution N/17-44 – Harman Management Group – Business Utility Assistance Grant (KFC @ 10790 Washington)

Staff Reference

If you have any comments or questions, please contact Debbie Tuttle, Economic Development Manager and NURA Executive Director, at dtuttle@northglenn.org or call 303-450-8743.

**2017 Northglenn
Close Storefront Businesses**

Business Name	Street#	Street Name	Start Date	Closed Date	# of Employees	S/F
Farmers Insurance - Alan Carpenter	11160	Huron Street, Suite 201A	1/1/2016	1/26/2017	2	1,535
Timothy Brown Insurance Agency Inc.	10465	Melody Drive, Suite 200	7/5/2015	3/30/2017	3	900
Summit Funding	11990	Grant Street, Suite 200	1/1/2016	3/30/2017	7	2,554
ToyTec Lifts	10650	Irma Drive, Suite 23	12/17/2007	3/31/2017	12	7,500
Kindercare Learning Centers LLC	701	W. 114th Avenue	2/8/1988	5/31/17	20	5,880
Hannah's Liquor	11215	Washington Street, Unit B	7/11/2016	7/26/2017	1	1,100
Colorado Christian University	10190	Bannock Street, Suite 200	1/2/2008	6/30/2017	44	14,000
Payless Shoesource #5731	10620	Melody Drive, Unit B	11/19/1999	7/31/2017	3	2,380
Holy Donuts Dot Coffee	980	W. 104 th Avenue	10/8/2015	8/29/2017	2	1,500
YEAR END TOTALS		9 Companies			94	37,349

*Note: This information is based on businesses that have formally closed their business with the Northglenn tax department or reported to the Economic Development staff. Therefore, these numbers can change during the year based on when businesses report this information.