

## Denver. April. 2016

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### **Dan Lewis, Executive Director, Denver Metro Chamber Leadership Foundation**

- Denver: 67% of state population.
- Housing prices are very high. Most of the housing stock they have downtown is rental apartments.
  - Millennials want to buy. There is residential downtown. But it's not affordable for my generation.
    - Fast Tracks (new rail lines opening up this year) may save them in terms of giving your professionals places to live because there can be affordable for sale housing near the rail which means access to the city. This is appealing to millennials.

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### **Tyler Elick, Brian Blackburn and Erik Hagevik of Holland Partner Group (Developer of The Platform at Union Station)**

- Sales pitch...
  - Basically lots of new construction. Denver is becoming a core city of America, as they never have been before.
- *Mistake: Too much street out in front. 5/6 lanes. Public Works required it. It makes it weird for some reason*

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Perspective: Denver and Portland – how communities/place matters to business and talent  
(Denver EDC/Chamber, 1445 Market Street, 5<sup>th</sup> floor)

Speakers:  
Ben Wright, Founder & CEO - Atlas Advertising

Julie Curtin, Executive VP & Partner - DCI

Ken Lund, Managing Director - PriceWaterhouse Cooper

- Success in selling and operating long term (30 years) wind energy generating equipment.
    - Employees making \$20+ per hour.
    - Job creation through investing in renewable energy.
      - Renewables are approaching price competitiveness with traditional methods.
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Ben Wright^

- You can't just be thinking about how nice it is to have companies like NIKE. You have to think about the potential for them to leave as well.
- There's competition for our companies. Other cities are marketing to our companies to relocate. We mustn't overlook the importance of retention/expansion so that others don't attract our companies away from us.

Julie Curtin^

- 3 talent attraction take aways for Portland.
  - Promote Jobs, but also promote the place
  - Five traffic to one stop shop website of Portland attractions
  - Facilitate networking between Portland people

**Top 3 influencers of opinions of corporate executives. (a study asked 365 corporate executives)**

- Conversation with peers
- Articles and Newspapers
- Travel experiences

**Most effective Market techniques**

Internet/website

Visits to executives

Media relations

**What features do you look for in an Ec-Dev website?**

Incentive info  
Workforce stats  
Demographic info  
Comparisons to competitor's locations  
Database of available buildings/sites  
Major employer list  
Staff contact info  
Quality of life information  
Target industries  
Maps of the community

## Janet Fritz

*Sell the region first and individual communities second.*

Denver in the 80s was a one industry town. This was their downfall. They were based on oil and gas. They will never do that again because without economic diversity they had nothing to fall back on when the industry tanked with the economy.

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## Housing...

They have it just as bad as us they don't know wtf is going on basically. They're afraid that they won't be able to continue attracting millennials, and therefore the big companies won't come either.

Colorado has a water storage problem. They have a lot water but nowhere to store it.

**On Boulder;** There's not much land left to develop in Boulder. Because there's a lot of open space that needs to stay that way? They're trying to take on supplying their own power. Median home price in Boulder is about \$900,000. Boulder will not increase its capacity for housing and business so it's actually benefiting some other communities.

***What has been the bottom line on innovation in Denver?***

Energy is clearly one of the sectors on which we are focusing. We let the sectors help us drive how we address that....

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### **Mass Transit – April 28<sup>th</sup> David Genova and Kathleen Osher.**

They want to get rid of their “call-and-ride” services and just let **Lyft** handle that so they can focus on “what they’re really good at, the transit infrastructure”. They like the social mission of Lyft and other like services. They say that cities have been one of their biggest allies.

They are contracting out 100% of para-transit.

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### **Anschutz Medical Campus**

The cooperation between the municipalities in the Denver Metro Area is what is letting them fully take advantage of their development opportunities. They said that the chair of their board of mayors cannot be the mayor of Denver or the mayor of Aurora, so that they cannot take control and dominate the developmental environment. They all collaborate in everything. This is also how they got approval for all the new commuter rail lines. Their next big challenge is water management. They don’t want to drill into the aquifers to get water, they want to use the water coming out of the mountains. They just need to figure out how to store all of it to accommodate for the large growth that they are enjoying. 300,000 new people over the last 50 years.

70,000 people here are first generation immigrants or refugees.

### **Scott: Medical School Philanthropy**

“Last year this country gave away 300 billion dollars.” Their first step: We have to stop talking about our needs. That’s what 5 year olds do. Move from need based fundraising to vision based fundraising. Philanthropy plays a roll at attracting and retaining talent.

Stop doing fundraisers. They did 350 free events per year, and no fundraisers. Move from transactional philanthropy to relational philanthropy. It’s about relationships and partnership and sharing a vision. You want a committed relationship with the benefactor that lasts for years to see projects through. “Don’t tell me what the science is. Tell me what it will do.”

They staff differently now. They have internal development offices that in charge of development areas. External development officers who speak to the donors. Donors' passions change. Officers should be able to change with them. Use the passions of donors to accomplish change. Don't pitch things like "we want chairs, we want a new machine, we want this and that." Try "we want a cure for blindness, we want a cure for cancer". Appeal to their passions and they will be more willing to team up with you.

95% of revenue comes from grateful patients.

### **How do you identify philanthropic resources?**

Mostly by knowing who's coming through the door. Most of those who choose to donate are grateful patients. Or when someone comes and says they'd be interested in building something like a manufacturing facility; they ask "What is the real cost of that?" It comes from knowing what people's resources are before they even ask for a donation or show interest. Using the positive relationships, they've built through professional interactions and appealing to the interests and passions of those who have the resources to make significant philanthropic donations.

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### **Metropolitan State University of Denver**

The region has an 80,000-unit housing shortage.

**Denver TOD Fund:** Lower income households spend 60% of income on housing and transportation.

The fund will... \$15M, 10-year fund, 3.38% fixed rate to

- Revolving line of credit
- 3.5 year sub-loans for acquisition
- Rental up 60% AMI
- For sale 90% AMI

In three years preserved or created 600 units.

Sana Fe acquisition and rehab: 2.3M for 16 affordable apartments and 7,500 sf of commercial space in the Arts District. **143,000 per unit – commercial space.**

36 for 2M = **55,555 per unit – commercial space**

80 units & 10,000 sf commercial space for 37.75M = **471,875 per unit – commercial space.**

50 units & 8,000 sf commercial space for 12M = **240,000 – commercial space**

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Portland wants to securitize the revenue from air BnB. We may be the first nationally to do so.

- Ashley paid for her trip through revenue generated through her Air BnB.
- We need to demonstrate that we've done everything else first before we ask the public for money.

**Speaker: Wendy Nkomo, COO, Colorado Technology Association**

- There is bad congestion in the area. People can use a traffic tracking application to determine the drive time from point to point, if traffic is really bad, the app will tell them "Your drive is however long, but if you delay your departure time by half an hour, you will be rewarded with x amount of points" which they can then use at retailers for discounts.
- 55% of Denver area students don't complete their computer technology programs in college.
  - They're focusing on supporting students through their college years. They support them from K-12 as well.
- Colleges don't require/desire computer science, lacking incentive for HS to add accesses to prep for that.
- STEM Programs
  - Goal: identify quality extended learning programs for students and to make it easy for companies to know where to invest for impact.
  - Application period open
  - Reviewers identified and trained to review programs
  - Selected programs will be announced in July
  - Desire to see increased corporate investment in these programs. The school identifies which programs are going to be really impactful and they let the donors know where they should send their money.
- **Devin:** I own a Portland tech Co. We're a bunch of young white guys. Finding female employees?
  - **Wendy:** If it's a 'nice to have' kind of thing, it might not happen. Women are leaving tech faster than their joining. It's largely ethics and culture. These are things that can change. You must make it a 'must' in order to see it happen in your company. "We think that change is going to have to happen in middle school." Women need to be leaders to girls so that in the future they can have

the tools and mindset to be a part of the industry. It's a leadership change. We need to reach out and bring these women into the field and enable them.

- **Duane:** There are actually quite a few qualified female candidates in Portland. It's about creating the support before you need it. I can connect you to some of these groups.
  - \*\*\*\*: The gaming world might be better for women because it's less corporate?
  - **Wendy:** You can't have technology embraced by girls if it's not girl-like. It's not going to be Minecraft.
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## Reflection Session

**John Desmond:** Downtown Denver Partnership; non profit business association; 60 years old.

- Event planning
- Downtown policy/advocacy/etc.

**CHARLIE:** How is the Denver region dealing with availability of land to redevelop?

**Answerer:** We focus on TOD. On the perimeter there's a lot of space open for development.

We have identified areas of change where we want to focus development and we want to keep them away from already developed neighborhoods as best as possible. Denver has been over-zoned a bit. We are scaling that back now.

\*\*: Homelessness is our biggest challenge. The 16<sup>th</sup> street mall not only focusses on pedestrian activities and retail, but that's where we most of the panhandlers and homeless people do their thing. I think homelessness and people coming here who call themselves "travelers" the legalization of marijuana has send the signal that this place is the wild west or the place for them and it's a major problem.

- There's been a lot of thoughtful effort that's been put into regulating marijuana. To my way of thinking we're accepting a reality that's happening across the country. We need to get ahead of that and manage it. Think about if alcohol had been legalized in one state ahead of all the others, what that would have done. It's a perceptual issue. It draws a lot of marginal folks into the city who don't have other means of doing it and they think this is their nirvana. The regulatory process takes a long time. There are ongoing battles about how to license and how much you allow people to do.
- What happens when the Phillip Morris's and the Coors's come out and start mass marketing this stuff? That's what we're worried about. People say it's cool because we have all these small businesses right now. But we're afraid that it's going to get out of hand.

## Talk a little about the environmental action, cap and trade, so on.

- We obviously issue with wild lands and water around here. Water is the number one issue. Where the environmental issues are coming up are much more in mobility. How do we harness the car, how do we reduce it's impact... Other than in a place like Boulder and some of the mining towns, it hasn't really been the focus.
- **Jim:** In Portland we don't have a lot of fortune 500 companies. Our business core is mostly 2<sup>nd</sup> tier business. How do you engage them in these bigger dialogs?
  - We've diversified our economy in the last 30 years. We're thrilled to get F500 companies, we don't have that many. I think that's forced us to be more collaborative. We try to talk to everybody. Denver's public process is like a cows digestive system. So we've got the chamber that focusses on regional issues, metro mayors that focus on regional and municipal issues. It's our effort to engage our small businesses as much as possible. They build a lot of support for things like Fast Tracks. I think it's been effective.
- **Dave:** We went to Cleveland. It was apparent that the philanthropic community was the base of economic activity in the city. That was based on a lot of old money. We're similar to you. A lot of foundations were listed yesterday, how robust are they?
  - WE don't have a dominant foundation(s) that does everything. It's more of an organic, bootstrap process. I look at Houston, they have these traditions of philanthropy from the private sector and their own foundations. We don't have that here. I'm envious of that.
- **Derrick:** You say you don't have many F500 cos, you have 9, we have 2. So compared to Atlanta or something you're relatively small. But we're really small. It's interesting to hear you talk about so many of the same issues of us while your economy is so much bigger.
- **Nick:** I learned that Google was bring a big facility to their city and the city offered them no incentive. We've tried offering a King's ransom and to no avail. What's your experience in attracting and retaining large companies like that?
  - We've lived off the kindness of strangers. Historically we haven't provided good incentives. We believe that you create a great place, you have a good culture and environment and you attract the millennials, and then you don't have to do these crazy incentives. The big companies see the environment and the talent and they just come. It's place based economic development. That's the best method for attracting people.
- **Devin:** We've heard a lot about gentrification and development. I haven't heard anything about dealing with homelessness, gangs, drug trafficking, violence..... give me the run down.

- We've seen a large increase in heroin use. It's growing and it's a cause for concern. I don't think that it's reached crisis... 2005 we created a plan to end homelessness. It was built on a comprehensive plan to do deal with it. It was based on philanthropy, in 2008 that pretty much stopped. Public and private money declined. We've been trying to recover from that and come up with another approach. We're woefully inadequate in terms of housing units for them and mental health care for drug abuse. We're good as a city and a state about approving voting based initiatives... we're not so good about the ongoing funding of things. In dealing with homelessness we're not in the position we were in 10 or 12 years ago to deal with it.
- **Jackie:** I haven't heard anything about dealing with the needs of the aging population.
  - The millennials get a lot of our attention because they're the change makers and because they've been immigrating in large numbers. A lot of our old people have emigrated. To Florida Arizona, etc.
- **Rob**
  - One of the things we're most famous for. The Colorado trail. Our core identity is being outdoors, recreating. What I've been pushing for is separating is the idea that you gotta be in spandex with a 2000-dollar bike out on the weekends. We pushed for the city to do a comprehensive protective bike plan for riding in the city. Bike is something yo do every day, it's not just something you do on the weekend.
- **What's the future of your 16<sup>th</sup> street mall?**
  - We've spending over a million dollars a year just resetting the granite pavers in the street. We're trying to determine, if we're spending all this money we do we stick with the original staple design, or do we try other things. And all of the sudden we have a 70M dollar price tag. We're trying to figure out how do we make it more of a place that people stop and gather. It's more of a corridor now, it's not a place people go to be. We haven't had a major anchor tenant. From a restaurant point of view, business is awesome. Aside from that, business is flat.
- **Rob: I'm impressed by the regional approach to housing, how is that going to develop?**
  - We don't think that it's regional enough. We have struggles with making equitable distribution of resources.
    - Nick, in Portland we aren't actually very regional. Cities 50 of the population and the same for goods and services. We want them to more that just by name only part of the regional consortium.
      - Right now we call the metro region a very regional place but the city really foots the bill for most of it and it holds the majority of the assets.

- **Duane:** I'd like to hear more about the job creation and the economic creation. We hear a lot about housing but I wanna hear about the access to jobs and kinds of jobs those people will be working in?
  - We've gone out of our way to foster the creation of start ups. There are so many ways to get the words out especially with millennials. There are a disproportionately high amount of people who live within 5 miles of the core who are driving. It illustrates the last mile problem.
- **To Tim:** No one running for council or mayoral office runs as a democrat or republican. Everyone is non-partisan. I think that really helps.
  - *How is that even possible...*