

CHANGE HAS COME

THE CSREDC'S RESPONSE TO THE NEW ECONOMIC REALITY



Colorado Springs
Regional Economic
Development Corporation



5-YEAR STRATEGIC PLAN
2011-2015

MISSION STATEMENT

To attract, retain and create quality jobs and investment in the Pikes Peak region.

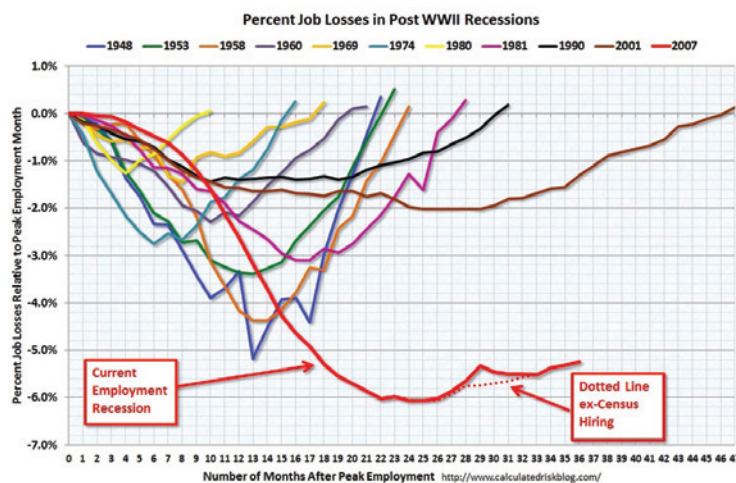
THOUSANDS OF LOST HIGH PAYING TECHNOLOGY JOBS NOT COMING BACK

That was the situation when the Colorado Springs Regional Economic Development Corporation (CSREDC) initiated Operation 60ThirtyFive, the economic development study that lays out a path to the new economy. The study will leverage community strengths and maximize opportunities for quality job attraction, retention and entrepreneurial job creation. 60ThirtyFive laid the foundation and this five-year strategic plan takes the next step.

SO, WHAT IS THE CSREDC DOING DIFFERENTLY?

CSREDC 2011-2015 Strategic Plan is based on the new economic reality

Given the recent economic downturn and its ongoing effects, this recession is different, things will not return to the way they were. (See Job Loss Chart) CSREDC's strategy cannot be a rehash of the way they were done in the past! It's time to shake things up and do things differently, in a better, smarter and more effective way. What won't change is the fact that the region must attract and grow more quality jobs than are lost each year. Quality jobs must be provided for our record number of unemployed and for our young adults just entering the work force.



Entrepreneurial job growth will have a renewed focus. CSREDC must nurture the entrepreneurial ecosystem, the environment affecting local and regional entrepreneurship. Collaborating with CSREDC partners on regional entrepreneurship issues will enable local entrepreneurs to grow their companies right here, adding jobs and growing the economy in the process.

Attraction efforts will expand to include not only high growth companies but also headquarters and companies with significant capital investments such as data centers. Relationship building with executive teams of companies with branch operations in Colorado Springs, but are headquartered elsewhere, will be a priority. CSREDC will explore a strategy for attracting international companies to the region. Strategies will also be developed for aggressively marketing the region's "quality of life" to companies within the target sectors.

Retention efforts will include a "Think Local" initiative and more business-to-business connections that foster growth of existing industries.

Finally, CSREDC will identify key strategic initiatives that will have a positive impact on the region's long-term economic vitality and encourage community involvement in efforts to achieve success on these initiatives.

CSREDC'S PLAN TO GROW

GOAL #1 : JOB ATTRACTION

Will require a more focused, personal and analytical approach in identifying, marketing and closing on key target industries, regional areas and specific companies. Underscored is the need to develop an international marketing program. The ability to attract and retain jobs and the increasing need for a skilled and young professional workforce are important factors.

GOAL #2 : JOB RETENTION

Initiatives are more focused and analytical in identifying, marketing and improving services to existing companies in high growth industry sectors. Gazelle companies with greater potential for moving their headquarters or expanding existing services will be a focus of the CSREDC's retention efforts.

GOAL #3 : ENTREPRENEURIAL JOB CREATION

Will move to the forefront as an area of focus. The CSREDC will lead collaboration with partner organizations to identify all available local resources and address current and future entrepreneurial needs.

GOAL #4 : STRATEGIC INITIATIVES

Generally long-term infrastructure or key local legislative initiatives that make the region more business friendly and competitive for the attraction and retention of quality jobs and employers. CSREDC will take on one or two initiatives at a time, as determined by the Board. Other organizations will be encouraged to assist CSREDC or even lead the charge on any of the identified initiatives.

GOAL #5 : CAPITAL INVESTMENT

Used to be a by-product of attraction efforts but is now a strategic objective. CSREDC will identify and target high capital investment industries, such as data centers and renewable energy, which are most likely to generate capital investment, to bring outside dollars and secondary jobs to the region.

Job Attraction
Job Retention
Entrepreneurial Job Creation
Strategic Initiatives
Capital Investment

CSREDC'S TARGET INDUSTRIES

- Software and Information Technology
- Aerospace, Defense, and Homeland Security
- Clean Tech - Renewable Energy
- Sports, Health and Wellness
- Emerging Industries & Entrepreneurs

5-YEAR STRATEGIC PLAN
2011-2015



GOAL #1 : ATTRACT JOBS

ATTRACT JOBS FROM OUTSIDE THE PIKES PEAK REGION WITH SALARIES ABOVE THE COUNTY AVERAGE WITH 50% OF THE JOBS IN THE TARGETED SECTORS

- Attract high growth companies and headquarters
- Connect with and visit external headquarters of local companies to encourage expansion/consolidation into the Pikes Peak region **
- Develop relationships with key site location consultants and national and local real estate executives
- Strengthen marketing programs for key industry sectors and reevaluate on an ongoing basis
- Highlight superior quality of life/life style strengths **
- Engage the broader community in marketing activities and promoting the region **
- Focus marketing on high cost/poor business climates where the Pikes Peak region offers a competitive and quality of life advantage **
- Develop an international recruitment program **
- Maximize attraction/retention of skilled talent and young professionals **
- Assist in the attraction of government organizations and missions **

[** New or significantly expanded program or initiative]

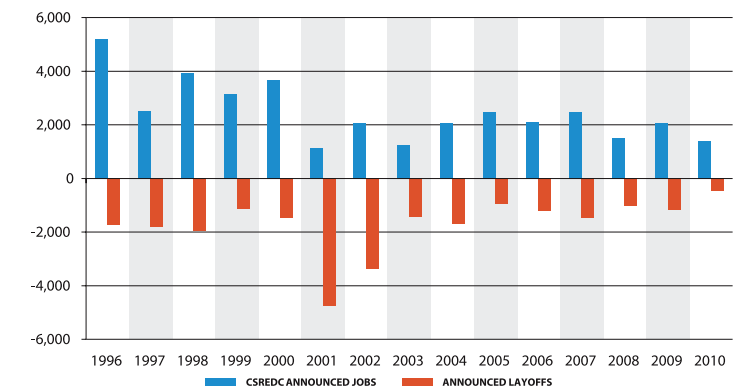
GOAL #2 : RETENTION

RETAIN AND EXPAND EXISTING JOBS: TO MAINTAIN AND SUPPORT THE EXPANSION OF EXISTING PRIMARY JOBS

- Increase primary employer interaction and business-to-business opportunities **
- Project Scout: Increase number of company-to-company introductions
- Project Scout: Develop a company database to capture the primary employer product capabilities and corporate services of local industries **
- Increase and strengthen Visitation Program
- Identify and assist primary employers that may be in an expansion mode or who meet high growth criteria
- Assist with transition of newly relocated primary employers to maximize potential for new jobs and investment **
- Brand CSREDC as the "Go To Organization" for primary employers **
- Assist in retention of government organizations and missions **
- Initiate a community-wide Think Local Initiative **

[** New or significantly expanded program or initiative]

PRIMARY JOB GAINS AND LOSSES 1996 - 2010



“The involvement of the Colorado Springs Regional Economic Development Corporation played a significant role in us coming here...I’m not sure we would be here without CSREDC’s involvement and help...and the general responsiveness put them ahead of others. You need an entity like CSREDC to recruit new businesses because every community has an entity like them.”

Mike Mossman, Regional VP & GM
Everest University Online Service Center

“The CSREDC has been a great partner ... always accessible and attentive to our business needs. Since the CSREDC is so involved with the business community, they save us time by connecting us with other parties and city entities that can address our issues and opportunities.”

Mark E. Rickey, Director
Ford Credit Regional Service Center

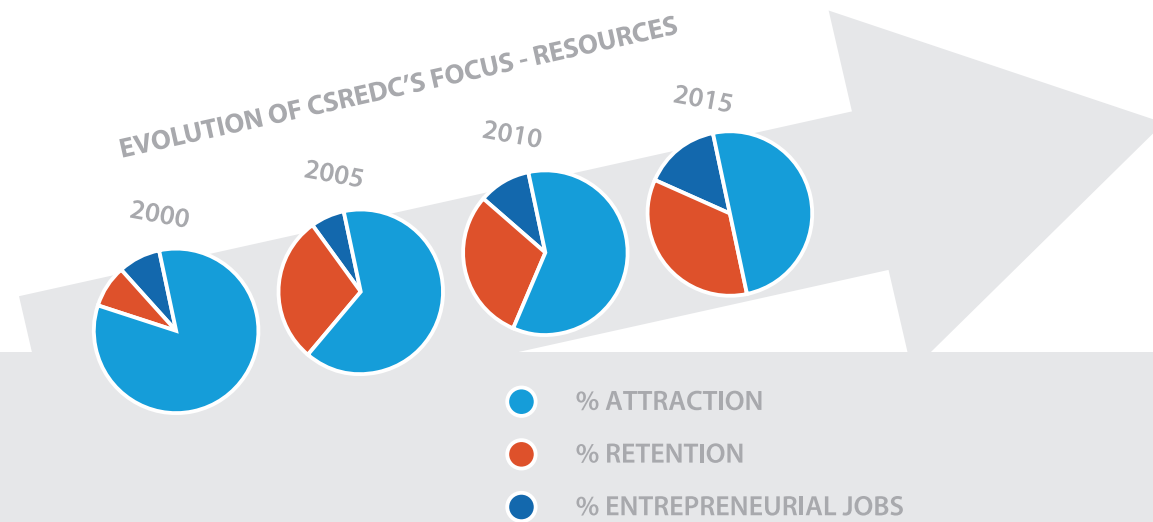


GOAL #3 : CREATE NEW JOBS

CREATE JOBS BY ASSISTING ENTREPRENEURIAL ENDEAVORS THAT RESULT IN JOB CREATION

- Work with partners to develop and implement an entrepreneurial continuum **
- Assist partners to increase capital available to entrepreneurs **
- Support partners in attracting and retaining skilled entrepreneurial talent **
- Promote Research and Development efforts **

[** New or significantly expanded program or initiative]



CSREDC evolves to remain relevant and effective in entrepreneurial job creation. In the 1990's, the tech industry boomed and the CSREDC's main focus was to attract companies, especially rapidly growing technology companies. When the tech bubble burst, many tech companies attracted by the CSREDC were lost to outsourcing and consolidations while attracting new technology companies became increasingly difficult. By 2005 the need to commit resources to retaining existing local industry became apparent, and the CSREDC established a Local Industry Team to focus on that task. In the past several years, a so-called "third leg" of economic development has grown in importance: the need for homegrown entrepreneurial companies and the accompanying job growth, so CSREDC is committing resources to support this effort.

GOAL #4 : STRATEGIC INITIATIVES

STRATEGIC INITIATIVES ARE LONG-TERM INFRASTRUCTURE OR KEY LOCAL LEGISLATION THAT HELP MAKE THE REGION MORE COMPETITIVE

Throughout the plan are strategic initiatives that will improve the region's economy. Strategic initiatives are generally long-term infrastructure or key local legislative initiatives that help to make the region more business friendly and competitive for the attraction and retention of quality jobs and employers. CSREDC will take on one or two initiatives at a time, as determined by the Board. Other organizations are encouraged to assist CSREDC or even lead the charge on any of the identified initiatives.

CSREDC has recently been involved in several strategic initiatives such as the voter approved Regional Transportation Authority (RTA), which directly addressed the region's traffic congestion issues. CSREDC also led the initiative to protect Fort Carson from residential housing encroachment by establishing a buffer zone around the installation. Most recently the CSREDC led the strategic initiative to keep the Space Foundation in the community. In exchange for a free building for their headquarters operations, the Space Foundation made the commitment to remain in the community for 15 years.

PROPOSED INITIATIVES

INFRASTRUCTURE INVESTMENTS:

- Rail Yard Business Park
- Community (public/private) Venture Fund
- Federal Court House
- Downtown Revitalization Plan - based on abundant public investment
- Expansion of Peterson AFB - To entice federal growth opportunities
- High Speed Transit Link to Denver - Start the process
- Branch Medical Campus of the CU Medical School

LEGISLATIVE INITIATIVES:

- Renewal of the RTA - 10 more years of Essential Capital projects
- Phase out the Business Personal Property Tax
- TABOR Time out/Fix the Local Ratchet



GOAL #5 : CAPITAL INVESTMENT

IDENTIFY AND TARGET HIGH CAPITAL INVESTMENT INDUSTRIES TO BRING OUTSIDE DOLLARS AND SECONDARY JOBS TO THE REGION

This goal is now an important component of the attraction and retention efforts as CSREDC will identify and target high capital investment industries, such as data centers and renewable energy, which are most likely to generate capital investment, to bring outside dollars and secondary jobs

to the region. CSREDC will also specifically identify and put additional emphasis on the retention of the existing heavily capitalized companies to ensure their continued success in our region.

THE CSREDC NEEDS YOUR HELP!

CSREDC, a private not-for-profit corporation, depends on private investor and public support for funding. Tough economic times meant that the private sector, including the housing and building industry, was unable to maintain its level of support making it necessary for the CSREDC to reduce programs and do more with less.

CSREDC creates 25% of all jobs in the MSA

According to a recently released Summit Economics report: "CSREDC job creating activity since 1990 accounted for about one in four (25%) of all jobs in the MSA ... local employment would likely be about 25% smaller than in 2009 without CSREDC's efforts."

The report finds that "the total metro area and state sales, use and property taxes collected over the 20 year period

(1990 thru 2009) resulting from CSREDC's job creating activity is estimated to be \$2.4 billion." From 1990 through 2009, CSREDC received less than \$4 million in public support, mostly from Colorado Springs Utilities, reflecting a Return On the Tax Payer Investment (ROI) of more than \$600 in taxes paid for every dollar of support received.

Taxpayers provide less than 7% of CSREDC's revenue, the Utilities an additional 17% and the private sector the rest. Please consider investing in the CSREDC to help create just one job – which costs about \$1,000. Companies that are able are asked to consider a major investment of \$10,000, which nets out at \$4,500 after tax credits. The CSREDC can't do it alone - Quality of life begins with a job!

CSREDC IS PROUD TO HAVE PROVIDED 40 YEARS OF SERVICE TO THE PIKES PEAK REGION



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