

The Denver Metropolitan Region



The Region

Metro Denver is an excellent example of a region that has adapted to the new realities of the knowledge economy. In the 1970s and 1980s, Denver was known as an energy hub of the West, but oil and gas now represent a very small percentage of total employment in the metropolitan area. The area now ranks second in knowledge jobs and fifth in high-tech jobs. The region has adapted by taking advantage of its central location, becoming one of the country's most important transportation hubs. All modes of transport, with the exception of water, converge in Denver, providing excellent access to the rest of the U.S.

Denver is also a national center for the telecommunications industry, with companies like Qwest and EchoStar maintaining national headquarters there. Not surprisingly, the region ranks second in broadband telecommunications capacity.

The region's shift to a knowledge-based economy has had its downside. The national economic downturn in the early 2000s was more severe in metro Denver. The region suffered from heavy job losses within the telecommunications, high-technology, and tourism sectors. Following 14 years of consecutive job growth, metro Denver lost 40,300 jobs in 2002 and 28,700 jobs in 2003.

Currently, regional issues of concern include managing the impact of the area's growth on traffic and water resources, regaining lost jobs, and maintaining suburban-city cooperation.

The Business-Led Organizations

The Denver Metro Chamber of Commerce is the only chamber of commerce to span the seven-county metro area. Roughly 85 percent of its 2,700 members are small companies, 12 percent are mid-sized companies, and three percent are large companies. The Chamber's mission is to advocate for its members on issues of economic vitality and quality of life within the region. Currently, the organization is focusing its regional efforts on economic development, transportation and water storage.

The Metro Denver Economic Development Corporation (EDC) is an affiliate of the Denver Metro Chamber of Commerce. Metro Denver EDC, which was known as the Metro Denver Network until late 2003, was a program under the Chamber for 28 years. Today, Metro Denver EDC is a separate nonprofit 501(c)3 and the region's leading economic development organization. The affiliation between the Chamber and Metro Denver EDC continues to be strong. The President and CEO of the Chamber serves as CEO of the EDC. The Chamber is also the EDC's largest investor, contributing \$1 million annually. Over 58

cities, counties, and economic development agencies make up the Board of Directors for the EDC. The Metro Denver EDC's current mission is to create 100,000 jobs for the metro area within the next five years. In March 2004 the Chamber launched a \$12.5 fundraising campaign to support its national marketing and regional retention efforts. Additional regional priorities include the Denver International Airport and transit mobility.

The Denver region has several other smaller business-led organizations, though none operate on a truly regional basis. The Downtown Denver Partnership represents businesses and property owners in downtown Denver. Its important issues include marketing the center city for jobs, creating a clean and safe environment for visitors, advocating for better transportation access and promoting downtown housing. There are at least two sub-regional chambers, the Metro North Chamber and South Metro Chamber, in addition to many city-based chambers of commerce. Statewide, the Colorado Forum is a CEO-leadership group. Its 58 CEO members present a strong core of individuals who are based in the Denver area. They work on statewide policy issues, such as higher education and state fiscal policy.

The Regional Business-Civic Landscape

The Denver Metro Chamber and its affiliate, the Metro Denver EDC, are the chief voice of business on regional issues. In fact, the Denver Metro Chamber of Commerce is the only business-led organization that spans the seven-county region. The region's many smaller business-led groups work primarily through the Denver Metro Chamber and EDC for an organized, regional voice.

This coordination makes Denver's regional business-civic landscape fairly simple. The Denver Metro Chamber presents the region's collective business voice on metropolitan transportation and water issues. The EDC leads on economic development issues, such as regional marketing and retention. The two regional organizations have made an effort to work with the smaller organizations on these issues as well.

The Metro Denver EDC and its predecessors, the Greater Denver Corporation and Metro Denver Network, have faced their ups and downs over the years. During the region's recession in the mid to late 1980s, business leaders pulled together to create the Greater Denver Corporation. In the first years after its creation in 1987, the organization carried out an aggressive program of economic recovery. It oversaw the creation of 200,000 new jobs and supported the development of a new convention center and international airport.

Success soon led to complacency, as the organization's influence waned. The Metro Denver Network was spawned by the Greater Denver Corporation in 1995 and, with it a new burst of energy, rekindled regional economic development efforts. This time the boom and prosperity of the 1990s contributed to contentment and the Metro Denver Network's programs were supported half-heartedly.

In 2002, with another economic crisis underway, economic development officials and business leaders criticized the Chamber for letting the Metro Denver Network falter. The Chamber responded by hiring one of its chief critics, Tom Clark, a former Director of the Greater Denver Network, and creating the Metro Denver Economic Development Corporation in 2003.

Business and local government officials have developed a very strong working relationship within the region. The mayors of the 31 municipalities formed the Metro Mayors Caucus in 1993 to work collaboratively on regional issues ranging from growth management to workforce housing and transportation. In 1999, business, local government, and citizen group leaders formed the Transit Alliance, which is housed at the Denver Metro Chamber, supported by the Metro Mayors Caucus and staffed by two environmental leaders. The Metro Mayors Caucus meetings are hosted by the Denver Metro Chamber, which formed a Local Affairs Committee in 2004 to focus on supporting collaborative initiatives with local governments.

Business Leadership

Business leaders in the region have come together in the last year, partly spurred by concerns over the floundering of the Metro Denver Network. Yet, it is still hard to get consistent cooperation and a unified voice on a common regional agenda from the business community. Some blame the lack of Fortune 500 companies and big-CEO types in Denver. Mergers and acquisitions have also cut at metro Denver's leadership core. The same trend has increased the turnover of chief executives and brought top leadership from outside the Denver area to run the companies. These new leaders from outside the state have fewer connections to the region and may be less inclined to participate in civic efforts.

"This is a transient community," said Clark. "Executives come and go and many are consumed by their own business or have left their jobs. The job now is to reconnect the business community that's in place in the region now."

The good news is that the region's business leaders, no matter how transient, are paying more attention to regional civic issues. The downturn in the economy has heightened the concerns of business leaders — a crisis awakening latent leadership. Regional economic development issues, in particular, are a hot topic among many business leaders. "They all know that the fastest way to get economic development is to build infrastructure," said Clark. "In tough times, they tend to realize that economic development is really their business because it means whether or not they survive, and they'll dig deep to make sure things work out."