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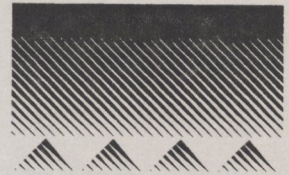
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COLORADO
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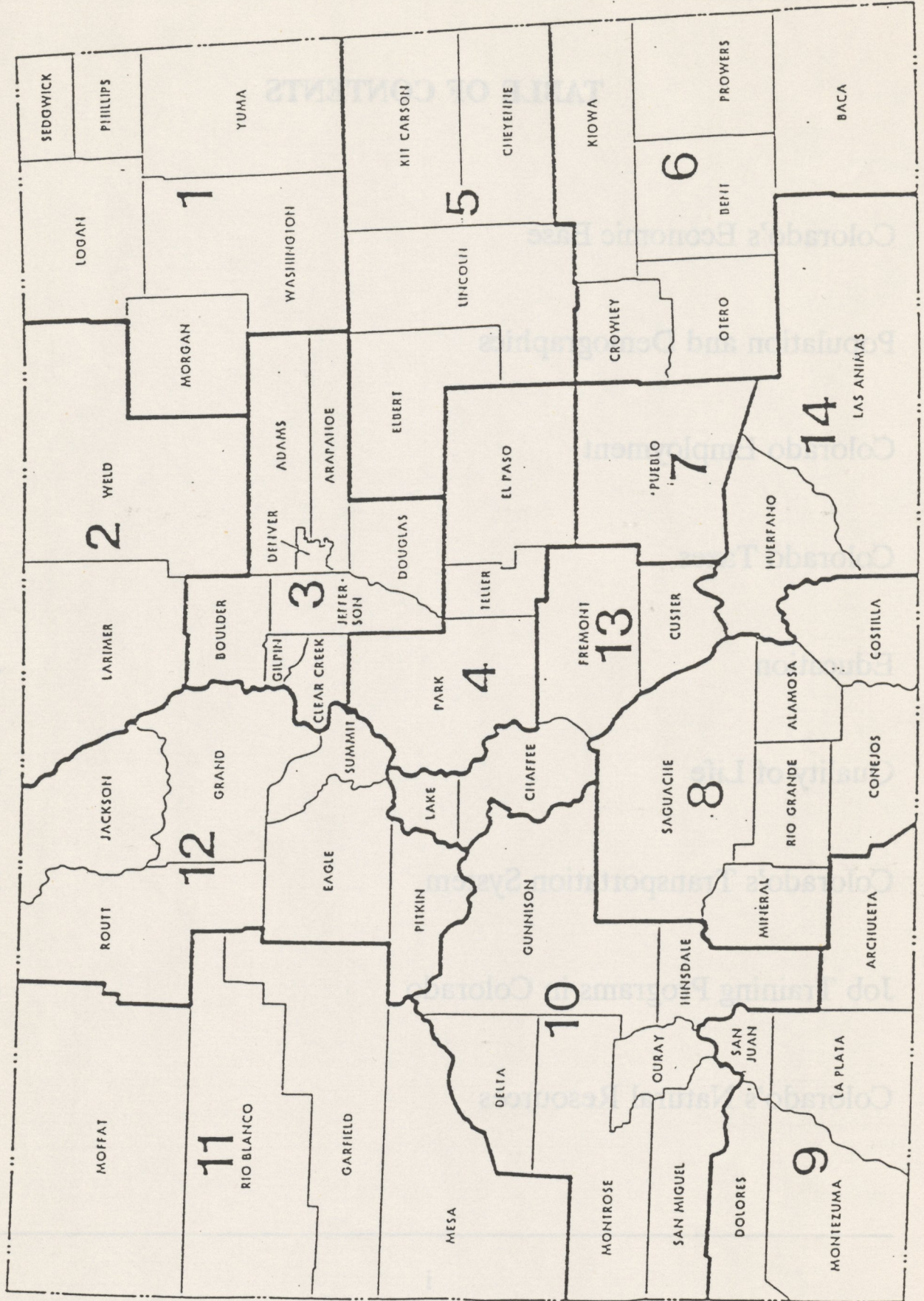
June 1995

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STATE OF COLORADO

Counties and Regions



COLORADO'S ECONOMIC BASE

Colorado's key economic strength going into the 21st century is its diversity. The state is a hub for communications and transportation. It is the headquarters of US WEST, providing telecommunications services to 14 western states. AT&T and MCI also have a major presence in Colorado. Telecommunications, Inc. (TCI), is one of the largest cable companies in the U.S. and is headquartered in Colorado.

Colorado is also a major transportation center. With the opening of Denver International Airport in February 1995, the state is strengthening its position as an air transportation hub. Other forms of transportation are also important contributors to the state's economy -- Southern Pacific Railroad is headquartered here, as is NW Transport Services. Colorado serves as a key distribution center, with both rail and highway components.

Colorado has a strong manufacturing base. Major non-durable goods include food processing, an important link to the state's agricultural production, and printing and publishing. In the durables sector, electrical and non-electrical machinery and instruments are the largest employers, primarily in computers and peripherals.

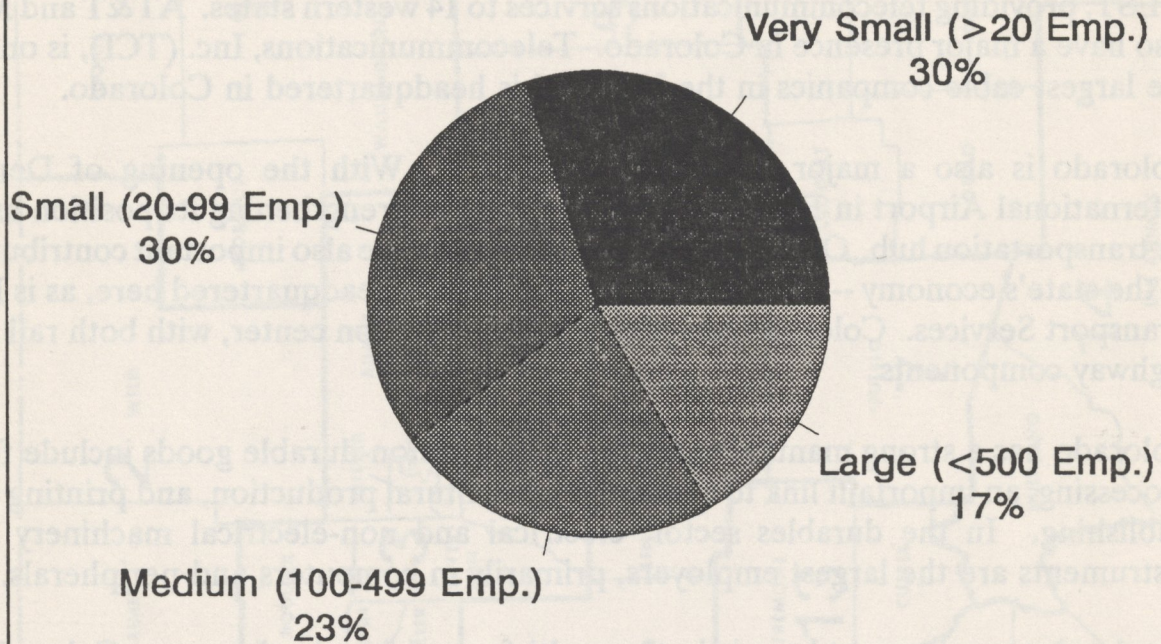
The largest employment base is in the multi-faceted "services" sector. Colorado is a regional medical center, serving neighboring states as well as its own population. The business services and professional service sectors, led by legal, engineering and architectural services, are also expanding.

Agriculture and mining, once the economic strongholds in Colorado, represent a decreasing share of the state's total output, but remain important sectors in the state's economy.

Finally, tourism, though not identifiable as a separate economic sector, is an important industry in Colorado. Visitors are drawn to Colorado year round, but primarily for the world class skiing in winter, and in summer for the myriad of recreational activities and scenery.

For the third straight year, Colorado has received the best grades in the nation for economic performance from the Corporation for Enterprise Development. It is the second year of "Straight A's" earned in this rigorous, objective ranking based on leading economic indicators.

Colorado Employment by Size of Establishment



Source: U.S. Census Bureau, *County Business Patterns, 1992*

Colorado is dominated by small businesses, as shown in the table on page 4. Although very small establishments, (those with employment of less than 20) represent 88% of total establishments, their share of employment is only 30%, as shown in the graphic above. Only 176 establishments have employment greater than 500, but they employ 17% of the state's workforce.

**Colorado Business Establishments by Sector and Employees
1992**

Sector	Number of Employees	Number of Establishments	Average Employees Per Establish.
<i>Total*</i>	1,332,239	103,959	13
Agriculture/Forestry/ Fisheries	8,355	1,685	5
Mining	17,982	1,089	17
Construction	75,362	10,014	8
Manufacturing	184,790	5,357	34
Transportation, Communications & Utilities	89,663	4,000	22
Wholesale Trade	87,497	7,614	11
Retail Trade	298,632	23,530	13
Finance, Insurance & Real Estate	104,910	10,702	10
Services	464,187	38,448	12

* The sectors will not add up to the total due to inclusion of 1,520 "unclassified" establishments in the total.

Source: County Business Patterns, 1992: Colorado, U.S. Department of Commerce, Bureau of the Census, Publication #CBP-92-7.

Manufacturing has the largest average number of employees per establishment, followed by the Transportation/Communication & Public Utilities Sector. Retail and Services, with the largest number of both employees and establishments, are closest to the statewide average. Agriculture/Forestry & Fisheries has the smallest average establishment size.

**Colorado Establishments by Sector and Employees Size Category
1992**

<i>Sector</i>	<i>Total Establishments</i>	<i>Very Small (Less than 20 Employees)</i>	<i>Small (20 - 99 Employees)</i>	<i>Medium (100 - 499 Employees)</i>	<i>Large (500 or more Employees)</i>
Ag/Forest/ Fish	1,685	1,613	70	2	0
Mining	1,089	916	131	39	3
Construction	10,014	9,263	693	54	4
Manufact.	5,357	4,136	922	253	46
Trans/Com. Utilities	4,000	3,356	529	101	14
Wholesale Trade	7,614	6,643	872	94	5
Retail Trade	23,530	19,864	3,273	392	1
Finance/Ins. Real Estate	10,702	9,743	820	119	20
Services	38,448	34,800	2,954	611	83
Unclass.	1,520	1,514	6	0	0
TOTAL	103,959	91,848	10,270	1,665	176

Source: County Business Patterns, 1992

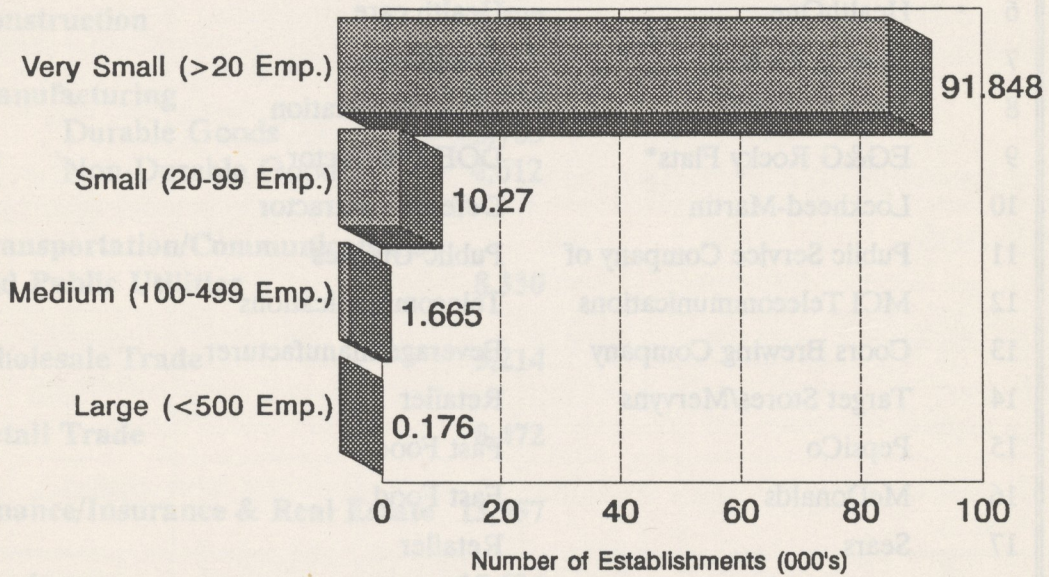
Almost 90% of all Colorado establishments fall into the "very small" category, with less than 20 employees. The sectors with the most large establishments are Services and Manufacturing.

It should be noted that *County Business Patterns* is based on **establishments** rather than companies. Thus, while four of the top ten employers in Colorado are retailers (Wal-Mart, King Soopers, Safeway, and Target Stores), their multiple locations are counted as individual establishments, so only one retailer shows up in the "large" category. The table on page 6 shows the top 25 Colorado private sector employers. Also, the time of year the survey is conducted, the week of March 12, may over- or under- represent employment in

certain sectors. For example, retail will have its highest levels of employment during November and December. Detail on *average annual* employment by sector is included in the section entitled "Colorado Employment."

Number of Establishments by Employment Size (Colorado, 1992)

Establishment Size



Source: U.S. Census Bureau, *County Business Patterns, 1992*

Top 25 Private Sector Employers in Colorado

Rank	Company	Type of Business	Colorado Employees
1	US WEST	Telecommunications	16,330
2	King Soopers/City Market	Supermarkets	14,500
3	AT&T	Telecommunications	9,900
4	Wal-Mart/Sam's Club	Discount Stores	8,775
5	Safeway Stores	Supermarkets	8,500
6	HealthOne	Health care	8,000
7	Hewlett Packard	Computers	7,400
8	United Airlines	Air transportation	7,000
9	EG&G Rocky Flats*	DOE Contractor	6,200
10	Lockheed-Martin	Defense contractor	6,000
11	Public Service Company of	Public Utilities	5,800
12	MCI Telecommunications	Telecommunications	5,600
13	Coors Brewing Company	Beverage manufacturer	5,500
14	Target Stores/Mervyns	Retailer	5,175
15	PepsiCo	Fast Food	5,000
16	McDonalds	Fast Food	5,000
17	Sears	Retailer	4,500
18	Albertsons	Supermarkets	4,300
19	Norwest Colorado	Banking, Financial	4,100
20	Provenant Health Partners	Health Care	4,050
21	Monfort, Inc.	Food Processing	3,900
22	Keystone Resort Mgmt.	Ski resort	3,800
23	United Parcel Service	Package delivery	3,700
24	Colorado National	Banking, Financial Services	3,500
25	Digital Equipment Corp.	Computers	3,500

* EG&G was replaced by Kaiser/Hill Partnership in early 1995.

COLORADO GROSS STATE PRODUCT, 1992
(Millions of Dollars)

TOTAL GROSS STATE PRODUCT	\$82,463
<i>PRIVATE INDUSTRIES</i>	<i>\$70,563</i>
Agriculture/Forestry/Fisheries	1,660
Mining	1,185
Construction	3,787
Manufacturing	10,318
Durable Goods	5,705
Non-Durable Goods	4,612
Transportation/Communications and Public Utilities	8,330
Wholesale Trade	5,214
Retail Trade	8,472
Finance/Insurance & Real Estate	13,957
Services	17,634
Business Services	4,052
Health Services	4,608
Other Services	8,974
Government	11,899
Federal Civilian & Military	4,548
State & Local	7,351

Colorado's estimated gross state product per capita in 1992 was \$23,763, slightly higher than the U.S. average of \$23,599 per capita Gross Domestic Product for 1992.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

POPULATION AND DEMOGRAPHICS

Colorado's population has grown more rapidly than the national average since the 1940s. Since the 1990 census, Colorado has grown at an average of almost 2.5% annually. The 1992-1993 growth rate of 2.9% was the third highest in the nation. The July 1, 1993 population estimate for Colorado was 3,566,000.

Population projections for Colorado indicate a growth rate higher than the national average, but considerably lower than the high growth rates experienced in the early 1990s. The high growth rates are largely driven by net in-migration, which is not a smooth, or easily predictable, variable.

The following table shows the population census counts, current estimates and projections for Colorado and major sub-regions, from 1980 through 2010.

COLORADO POPULATION (1980 - 2010)

REGION	1980 Census	1990 Census	1993 Est.	1995 Proj.	2000 Proj.	2010 Proj.
COLORADO	2,889,735	3,294,473	3,566,000	3,720,500	4,018,300	4,548,250
FRONT RANGE*	2,326,479	2,686,341	2,145,250	3,027,600	3,254,600	3,655,100
Denver CMSA	1,741,899	1,980,140	2,145,245	2,233,700	2,394,000	2,677,800
Ft. Collins MSA	149,184	186,136	203,500	213,900	237,200	276,750
Colo. Springs MSA	309,424	397,014	432,750	452,650	491,500	559,300
Pueblo MSA	125,972	123,051	125,500	127,400	131,900	141,200
WESTERN SLOPE	290,331	332,297	362,900	384,900	431,600	517,650
EASTERN MTNS.	96,714	102,995	114,200	119,200	129,300	147,750

REGION	1980 Census	1990 Census	1993 Est.	1995 Proj.	2000 Proj.	2010 Proj.
SAN LUIS VALLEY	37,914	40,207	42,000	43,300	45,800	50,500
EASTERN PLAINS	138,297	132,633	139,850	145,550	157,000	177,300

**Definition of Regions:*

FRONT RANGE includes Adams, Arapahoe, Boulder, Denver, Douglas, El Paso, Jefferson, Larimer, Pueblo and Weld counties.

WESTERN SLOPE includes Archuleta, Delta, Dolores, Eagle, Garfield, Grand, Gunnison, Hinsdale, Jackson, La Plata, Mesa, Moffat, Montezuma, Montrose, Ouray, Pitkin, Rio Blanco, Routt, San Juan, San Miguel and Summit counties.

EASTERN MOUNTAINS includes Chaffee, Clear Creek, Custer, Fremont, Gilpin, Huerfano, Lake, Las Animas, Park and Teller counties.

SAN LUIS VALLEY includes Alamosa, Conejos, Costilla, Mineral, Rio Grande, and Saguache counties.

EASTERN PLAINS includes Baca, Bent, Cheyenne, Crowley, Elbert, Kiowa, Kit Carson, Lincoln, Logan, Morgan, Otero, Phillips, Prowers, Sedgwick, Washington and Yuma counties.

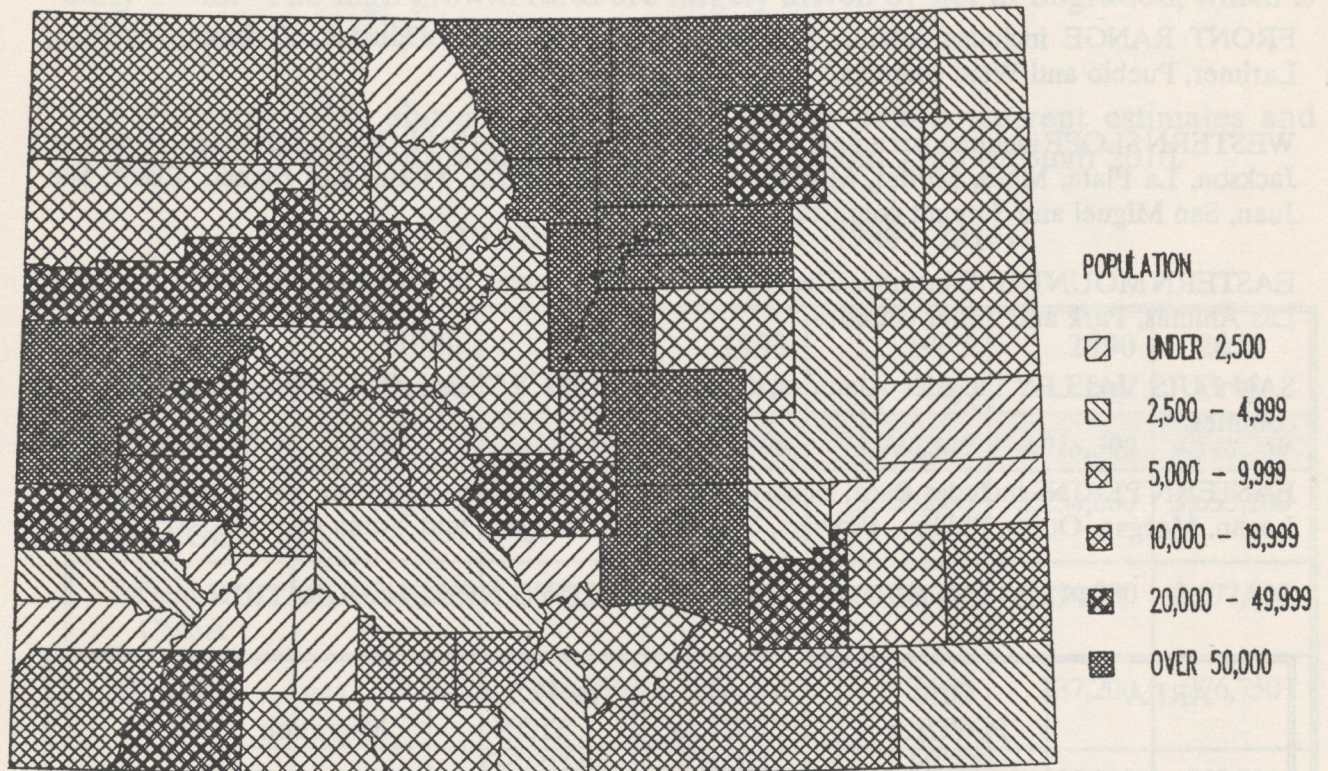
POPULATION GROWTH ATTRIBUTABLE TO NET IN-MIGRATION

AREA	2010 POPULA- TION	1995 POPULA- TION	POPULA- TION ADDED	Net Migration	% Share
COLORADO	4,548,240	3,720,512	827,728	480,000	58%
Front Range	3,655,090	3,027,601	627,489	322,500	51%
Western Slope	517,645	384,920	132,725	103,912	78%
Eastern Mtns.	147,751	119,164	28,587	23,588	83%
San Luis Valley	50,462	43,278	7,184	3,750	52%
Eastern Plains	177,292	145,549	31,743	26,250	83%

Source: Demographics Section, Colorado Division of Local Government, Department of Local Affairs, November 1994.

For the state as a whole, nearly 3/5ths of the total population increase between 1995 and 2010 will come from net in-migration to the state. The remainder will come from natural increase: births minus deaths. In some regions, the percentage from in-migration will be far higher, exceeding 80%. As indicated earlier, this is the most difficult variable to project -- people moving into or out of the state respond to changes in the Colorado and national economies, as well as other factors.

COLORADO POPULATION DENSITY BY COUNTY, 1990



Source: U.S Department of Commerce, Bureau of the Census, 1990. Map prepared by Colorado Department of Local Affairs

BASIC DEMOGRAPHICS

The following table provides a comparison of very basic demographic characteristics for Colorado and the U.S. as a whole. In general, Coloradans are slightly younger, considerably better educated, more likely to be in the labor force, and have incomes above the national average.

VARIABLE	COLORADO	U.S.
Median Age (1993)	33.5 Yrs.	33.7 Yrs.
Percent of Population Under Age 18	26%	26%
Percent of Population Over Age 65	10%	13%
Race/Ethnicity		
Percent White, Non-Hispanic	80%	75%
Percent Black	4%	12%
Percent American Indian	1%	1%
Percent Asian	2%	3%
Percent Hispanic	13%	9%
Labor Force (Population Age 16 and Over)		
Percent in Labor Force	70.3%	65.3%
Males in Labor Force	78.5%	74.4%
Females in Labor Force	62.5%	56.8%
Educational Attainment (Population Age 25 and Over)		
Percent High School Grads	84.4%	75.3%
Percent College Grads	27.0%	20.3%
Income		
Median Household Income (1993)	\$32,716	\$30,786
Per Capita Income (1994)	\$22,333	\$21,809

Source: Colorado State Data Center and U.S. Bureau of the Census press releases.

COLORADO EMPLOYMENT

Colorado is recognized as a major hub for business and industry. This can be attributed in part to the quality of life available to be enjoyed here. The state's employment base is stronger than the national average in mining, construction, transportation/communications/utilities, finance, and services. It is below the national average in manufacturing and approximately equal to the national norms in retail trade, government and agriculture.

Colorado has a highly educated, technically trained workforce. The state is well-positioned in the advanced technology and service industries of the future. Colorado has a strong base of entrepreneurial activity in high-growth, high-tech fields. Most of the net new jobs created are in small and medium sized firms with less than 250 employees.

THE STATE'S EMPLOYMENT BASE

A breakdown of Colorado's average annual employment by major industry sector, as well as sub-sectors of interest within the major categories, for 1994 is shown in the following Colorado Department of Labor and Employment statistics:

<i>SECTOR/SUB-SECTOR</i>	<i>NUMBER</i>	<i>PERCENT</i>
MINING	15,700	.9%
Coal Mining	2,600	.1%
Oil & Gas Extraction	9,900	.6%
Metal Mining & Other	3,200	.2%
CONTRACT CONSTRUCTION	96,800	5.5%
General Building Contractors	20,800	1.1%
Heavy Construction Contractors	13,100	.8%
Special Trade Contractors	62,800	3.6%

<i>SECTOR/SUB-SECTOR</i>	<i>NUMBER</i>	<i>PERCENT</i>
MANUFACTURING	190,800	10.9%
Durable Goods	111,700	6.4%
Non-durable Goods	79,100	4.5%
TRANSP/COMMUNIC/PUB UTILITIES	107,300	6.1%
Transportation	47,400	2.7%
Communications	35,600	2.0%
Utilities & Other	24,300	1.4%
WHOLESALE TRADE	90,800	5.2%
Durable Goods	56,200	3.2%
Non-Durable Goods	34,600	2.0%
RETAIL TRADE	335,600	19.2%
Eating & Drinking Establishments	133,200	7.6%
General Merchandise	35,700	2.0%
Food Stores	46,500	2.7%
Other Retail	120,200	6.9%
FINANCE/INSURANCE & REAL EST.	110,500	6.3%
Depository Institutions	24,800	1.4%
Insurance	32,000	1.8%
Real Estate	28,200	1.6%
Other	25,500	1.5%

COLORADO EMPLOYMENT

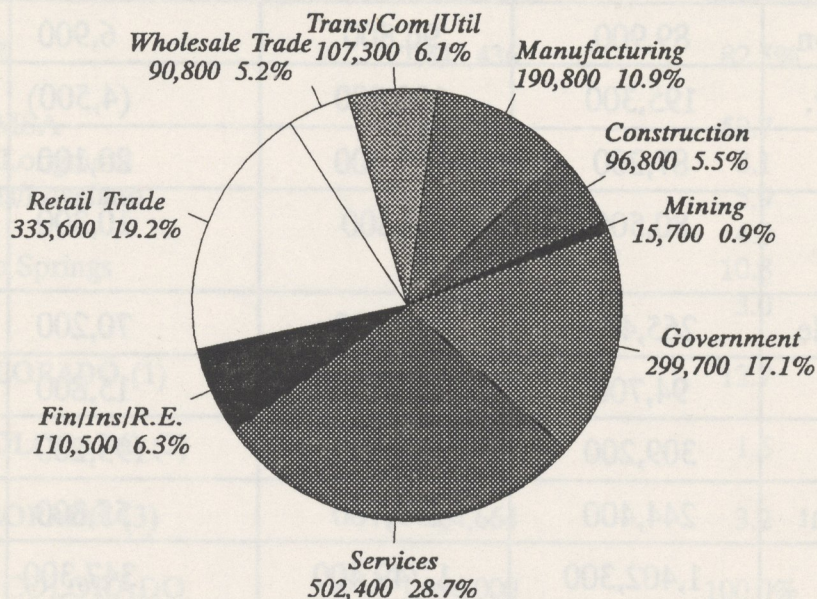
SECTOR/SUB-SECTOR	NUMBER	PERCENT
SERVICES	502,400	28.7%
Hotels and Lodging	34,600	2.0%
Business Services	122,600	7.0%
Health Services & Hospitals	115,000	6.5%
Other Services	230,200	13.2%
GOVERNMENT	299,700	17.1%
Federal	59,100	3.4%
State Government*	71,200	4.0%
Local Government*	169,400	9.7%
TOTAL WAGE & SAL EMPLOYMENT	1,749,600	100 **

* Includes public education.

** Sub-sectors may not total 100 due to rounding.

Source: Colorado Department of Labor and Employment, April 1995.

Colorado's Employment Base Employment by Sector, 1994



Source: Colorado Department of Labor, 1995

AVERAGE ANNUAL EMPLOYMENT BY SECTOR 1984-1994

The following table shows the change in employment by sector over the decade from 1984-1994. While total wage and salary employment increased by 25%, certain sectors such as mining and services showed much more dramatic increases, or decreases.

COLORADO WAGE & SALARY EMPLOYMENT, 1984-1994

Sector	1984 Employ.	1994 Employ.	# Change	% Change
Mining	35,900	15,700	(20,200)	-56.27%
Construction	89,900	96,800	6,900	7.68%
Manufactur.	195,300	190,800	(4,500)	-2.30%
TCPU	87,200	107,300	20,100	23.05%
Wholesale Trade	80,500	90,800	10,300	12.80%
Retail Trade	265,400	335,600	70,200	26.45%
FIRE	94,700	110,500	15,800	16.68%
Services	309,200	502,400	193,200	62.48%
Government	244,400	299,700	55,300	22.63%
TOTAL	1,402,300	1,749,400	347,300	25%

Source: Colorado Department of Labor and Employment, April 1995. (The numbers in parentheses denote negative percentages).

GEOGRAPHIC DISPERSION OF THE LABOR FORCE

<u>REGION</u>	<u>1994 Average Total Labor Force</u>	<u>Percent of Colorado</u>
FRONT RANGE	1,645,436	82.5%
Denver MSA	1,014,653	50.7
Boulder/Longmont	156,162	8.1
Ft Collins/Loveland	122,314	5.9
Greeley	77,960	4.0
Colorado Springs	219,020	10.8
Pueblo	55,327	3.0
WESTERN COLORADO (1)	254,065	12.7
SOUTHERN COLORADO (2)	31,835	1.6
EASTERN COLORADO (3)	64,664	3.2
TOTAL COLORADO	1,996,000	100.0%

- (1) Western Colorado includes the following counties: Archuleta, Chaffee, Clear Creek, Delta, Dolores, Eagle, Fremont, Garfield, Gilpin, Grand, Gunnison, Hinsdale, Jackson, Lake, La Plata, Mesa, Moffat, Montezuma, Montrose, Ouray, Park, Pitkin, Rio Blanco, Routt, San Juan, San Miguel, Summit, Teller.
- (2) Southern Colorado includes the following counties: Alamosa, Baca, Conejos, Costilla, Custer, Huerfano, Las Animas, Mineral, Rio Grande, Saguache.
- (3) Eastern Colorado includes the following counties: Bent, Cheyenne, Crowley, Elbert, Kiowa, Kit Carson, Lincoln, Logan, Morgan, Otero, Phillips, Prowers, Sedgwick, Washington, Yuma.

Source: Colorado Department of Labor and Employment, Labor Market Information Section, April 1995.

COLORADO'S UNEMPLOYMENT RATE

Colorado's unemployment rate moved in conjunction with the national unemployment rate until 1984, when national unemployment fell slightly while Colorado's increased. In 1987, Colorado's unemployment rate average exceeded the national unemployment rate by slightly over one percentage point. It dropped significantly during 1988. Data through 1994 indicate that the rate continues to fall. Unemployment in the first quarter of 1995 was at its lowest level in eighteen years in Colorado.

The following table indicates the unemployment rate averages of representative labor markets throughout the state since 1990. Additional county-specific labor market information is available from the Labor Market Information Section of the Colorado Department of Labor.

**AVERAGE UNEMPLOYMENT RATE
(Percent of Labor Force)**

Labor Market	1990	1991	1992	1993	1994
<i>U.S. Average</i>	5.5	6.8	7.4	6.8	6.1
Colorado	4.9	5	5.8	5.2	4.2
Denver MSA	4.5	4.6	5.6	4.7	3.9
Boulder/Longmont	3.6	3.5	4	4.5	3.7
Ft. Collins/Loveland	4.4	4.1	4.4	4.8	3.9
Greeley	4.8	4.5	5.1	5.3	4.4
Colorado Springs	6.1	6.1	6.8	5.9	4.7
Pueblo	6.7	7	7.6	7.8	5.5

Source: Colorado Department of Labor and Employment, Labor Market Information Section, April 1995.

COLORADO TAXES

COLORADO BUSINESS TAXES

Income Taxes

The Colorado Legislature mandated a .1% per year decrease in the Corporate Income Tax rate, starting in Fiscal Year 1990, until it reached 5.0%. It has reached that level and will remain at 5.0%.

Unitary Taxation

Colorado has a liberal "water's edge" system of unitary taxation rather than a "worldwide" unitary system. Specifically, foreign corporations, as well as "80-20" corporations, i.e., corporations with 80 percent of their property and payroll outside the U.S., are not included in a Colorado income tax return. Corporations doing business in Colorado as well as other states must apportion to Colorado that portion of their net income derived from sources within Colorado. These corporations may choose to utilize either the Colorado Income Tax Act or the Multi-State Tax Compact. The Tax Act apportions income according to percentages of property owned in Colorado versus nationally, and the gross receipts in Colorado versus nationally. The Tax Compact adds the payroll in Colorado versus nationally as an additional factor.

A Colorado unitary return includes domestic corporations that fall within certain "objective" measures. The Colorado system eliminates the uncertainty that existed under the traditional "subjective" measure used in the past.

The objective tests of allowing or requiring a combined report of unitary business activities are summarized as follows:

Members of an affiliated group or corporation shall be included in a combined report only if they meet three of the following for the current and two preceding tax years:

1. Sales or leases of one member to, or from, another member must exceed 50 percent of gross receipts or gross sales of member.

2. Fifty percent or more of five or more of certain listed services must be provided by other members of the affiliated group. The listed services are advertising, public relations, accounting, legal, personnel, sales, purchasing, research and development, insurance procurement, employee benefit programs and pensions, profit-sharing and stock purchase plans.
3. Twenty percent of long-term debt of one member is owed to another member.
4. One member substantially uses the patents, trademarks, logo, copyrights, etc., of another member.
5. Fifty percent or more of the directors of one member are officers or directors of another member.
6. Twenty-five percent or more of the twenty highest ranking officers of a member are officers or directors of another member.

Colorado has a statutory provision that allows the filing of a consolidated return in lieu of separate returns for those members of an affiliated group that would otherwise be required to file a separate tax return for Colorado purposes.

Sales and Use Taxes

The State of Colorado collects a 3 percent sales or use tax on goods purchased by a business that are not intended for resale. Local municipalities may collect up to an additional 4.1 percent sales tax. Services are not taxed, only sales of non-food items.

Use taxes substitute for sales taxes in cases where an item is purchased for consumption in Colorado from a source outside Colorado or other circumstances where a sales tax was not paid. Sales or use taxes on manufacturing equipment or machine tools are not collected after the first \$500 of such purchases during the calendar year. Sales or use taxes are not collected on component parts, fuels and electricity, ink and newsprint or packaging materials.

Unemployment Taxes

An employer's unemployment insurance tax liability is based on the taxable wage base, which is the first \$10,000 of each worker's wages. If covered for the first time, the tax rate will be 2.9 percent of the wage base or a rate equal to the average rate for the industry, whichever is greater. All employees who are not yet eligible for the computed rate will be assessed with a tax surcharge of 3/10ths of one percent. Beginning with the third or fourth year of coverage (Rate calculations begin on January 1st and three years of data are required), the rate is changed to a computed rate based on the employer's individual experience.

Specific information on the tax rate for a business can be obtained from the Colorado Department of Labor and Employment at (303) 839-4922.

Worker's Compensation

Worker's Compensation Insurance is provided by private companies and the State Compensation Insurance Fund, which carries coverage for the majority of Colorado employers. The fund is a permanent, self-sustaining, non-profit service organization operated for the benefit of its policy holders and their employees.

Major worker's compensation reform legislation in 1991 has resulted in effective cost containment. As a result, Colorado employers have had average premium reductions of 6.3% in 1994 and 9.6% in 1995.

For rate information for a specific business, please contact the Colorado Compensation Authority at (303) 782-4000 or 1-800-FON-CCIA.

Property Taxes

The State of Colorado does not impose property taxes on businesses; local governmental units assess property taxes primarily to fund public school operations and local government services.

Commercial and industrial property is assessed for property tax purposes at 29 percent of market value. Cities or counties in state-designated Enterprise Zones have the option of providing an incentive payment to new companies. This incentive cannot exceed the difference in property taxes after development less the property taxes prior to Zone designation.

The statewide average of local mill levies in 1994 was 84.423 mills.

Personal property (machinery and equipment) used in commercial and industrial operations is also assessed at 29% of actual value, based on replacement cost, expected economic life of the asset and other factors. Local governments, including municipalities, counties and school district, have the option to negotiate up to a 50% rebate or credit on their portion of personal property tax as an economic development incentive.

Inventory Taxes

Inventory taxes are not assessed in Colorado.

Severance Taxes

Colorado levies a tax upon the severance from the earth of metallic minerals and energy resources based upon the gross income of the extraction operation or upon the amount extracted. Only operations exceeding \$11 million in annual gross income are subject to this tax.

TAX CREDIT INCENTIVES FOR INVESTMENT IN THE STATE

Investment Tax Credits

The Colorado Tax Equity Act, signed into law during the 1987 legislative session, reinstates the Colorado Investment Tax Credit, up to \$1,000 per year, for tax years beginning on or after January 1, 1988, based on 10 percent of what the Federal Investment Tax Credit would have been had such credit not been restricted by the Tax Reform Act of 1986. Excess credits may be carried forward up to three years.

Enterprise Zone Tax Credits

Enterprise Zones are geographic areas designated to promote economic development. Sixteen such zones have been designated in Colorado. Enterprise Zones offer the following advantages to businesses locating or expanding within their boundaries:

1. **\$500 job tax credit.** A \$500 credit for each new full-time employee working within the Zone. This credit is available during the first full income tax year in the Zone. The credit may be taken in subsequent years for each additional employee above the maximum number employed in any prior tax year. An expansion of an existing facility may be considered a "new" facility subject to certain conditions.
2. **Double job tax credit for agricultural processing.** A credit of an additional \$500 for each employee employed in a business which adds value through manufacturing or processing to agricultural commodities. The credit applies to the number of employees employed during the year in excess of the maximum number employed in any prior tax year.
3. **\$200 job tax credit for employer health insurance.** A credit of \$200 during the first two years of business operations within the Zone for each new full-time employee covered by a company-provided (company providing greater than 50 percent of the cost) health insurance plan or program.
4. **Local government incentives.** The ability to negotiate for credits or refunds with municipal or county governments on property taxes payable or sales tax charges paid.
5. **Three percent investment tax credit.** Businesses making investments in equipment used exclusively in an Enterprise Zone may claim a credit against their Colorado income taxes equal to three percent of the amount of the investment, subject to limitations on the amount which can be claimed in any one year.
6. **Exemption from state sales and use taxes for manufacturing equipment.** Purchases of manufacturing machines and machine tools are exempt from the three percent state sales and use tax statewide.

7. **R & D tax credit.** Income tax credit of up to three percent of their expenditures on research and development activities (as defined in federal tax laws) in an Enterprise Zone.
8. **Building rehab credit.** A credit of 25 percent of qualified expenditures up to \$50,000 to rehabilitate buildings which are at least 20 years old and which have been vacant at least two years.
9. **Credit for contributions to Zones.** A 50 percent credit up to \$100,000 for private contributions to local Zone administrators for Enterprise Zone development projects, assisting job training and placement for the homeless, and for promoting child care in Zones.

Sales Tax Exemptions

1. A number of business-oriented sales/use tax exemptions related to the formation, transfer and dissolution of corporations and partnerships range from exempting the transfer of assets when forming a corporation to exempting any transfer of assets which would otherwise be taxable if the transferee has already paid a sales/use tax on the transferred asset.
2. Sales or use tax exemptions for purchases over \$500 are granted on machinery and machine tools purchased for use in manufacturing.
3. Sales and purchases of electricity, coal, gas or fuel oil for use in processing, manufacturing, and all industrial uses are deemed to be wholesale sales and are exempt from taxation. The exemption would not apply to office areas, parking lots, cafeterias, etc., within the operation.
4. The sale of tangible personal property for testing, modification, inspection, or similar types of activities in Colorado is exempt from sales tax. Such an exemption is available if the ultimate use of such property in manufacturing or similar types of activities occurs outside Colorado, and if the test, modification, or inspection period does not exceed ninety days.
5. Numerous and varied other special interest and general sales tax exemptions are available. These are found in 1973 C.R.S., Sections 39-26-102 and 39-26-114.

THE STATE'S METHOD OF APPORTIONING INCOME

Colorado is unique among states in that two alternative apportionment formulas have been adopted which allow the taxpayer to choose the method which produces the lesser tax liability. The taxpayer can make a decision annually on whether to use the standard three-factor formula or a special two-factor formula. The three-factor formula averages the corporation's wages, property, and sales in Colorado and compares that average to total wages, property, and sales to determine what proportion of its profits will be taxed.

The two-factor formula averages property and sales in Colorado only, and compares that average to the total property and sales.

The three-factor formula, commonly referred to as the Multi-state Tax Commission formula, was adopted in 1968. At the same time, the legislature determined that the two-factor formula should remain as an option.

The two-factor election is particularly advantageous to corporations with a significant part of their business in Colorado, as it omits the payroll factor and eliminates "throwback sales." For example, the placement of a facility in Colorado which would be labor intensive would not unduly increase tax liability. Conversely, placement of such a facility in another state with a formula averaging wages would have the opposite effect. Moreover, under Colorado's two-factor formula, income that is directly attributable to the State of Colorado and is produced by a corporation whose state of domicile is Colorado, is still apportionable but may go untaxed since none of such income is apportionable (or allocable) to any state using a three-factor formula.

COLORADO PERSONAL TAXES

Income Taxes

Individual income taxes in Colorado are a flat rate of 5 percent of *federally-adjusted taxable income*, with some modifications. Local governments in Colorado do not assess income taxes.

Sales Taxes

The State of Colorado levies a 3.0 percent sales tax on all nonfood retail sales. Cities, counties and special districts are permitted to add up to 4.0 percent additional local sales tax by public referendum. Various special districts may impose additional sales taxes, including the Regional Transportation District in the Denver metro area and Mass Transit districts in Pitkin and Summit counties, the Cultural Facilities District and the Major League Baseball Stadium District, Jefferson County Open Space, and several others. In no case does the cumulative special district sales tax exceed .8 percent.

Property Taxes

Residential property is assessed at approximately 12 percent of market value. The mill levy, which is the tax rate on each dollar of assessed valuation, varies widely within the state. For the 1994 fiscal year, the average total mill levy for the state was 84.423. This figure includes counties, municipalities, school districts and other special district. Mill levies for cities and counties in Colorado can be found in the Colorado Economic and Demographic Information System (CEDIS) maintained by the Department of Local Affairs at (303) 866-2771, or the county assessor for each county.

Occupational Taxes

All persons who work in the City and County of Denver and earn more than \$250 per month are assessed a monthly occupational tax of \$5.75. Their employers pay an additional \$5.00 per month per employee. Anyone working in the cities of Greenwood Village or Aurora, who receives a salary greater than \$250 per month, is assessed \$2 per month, regardless of salary level, which is matched by the employer.

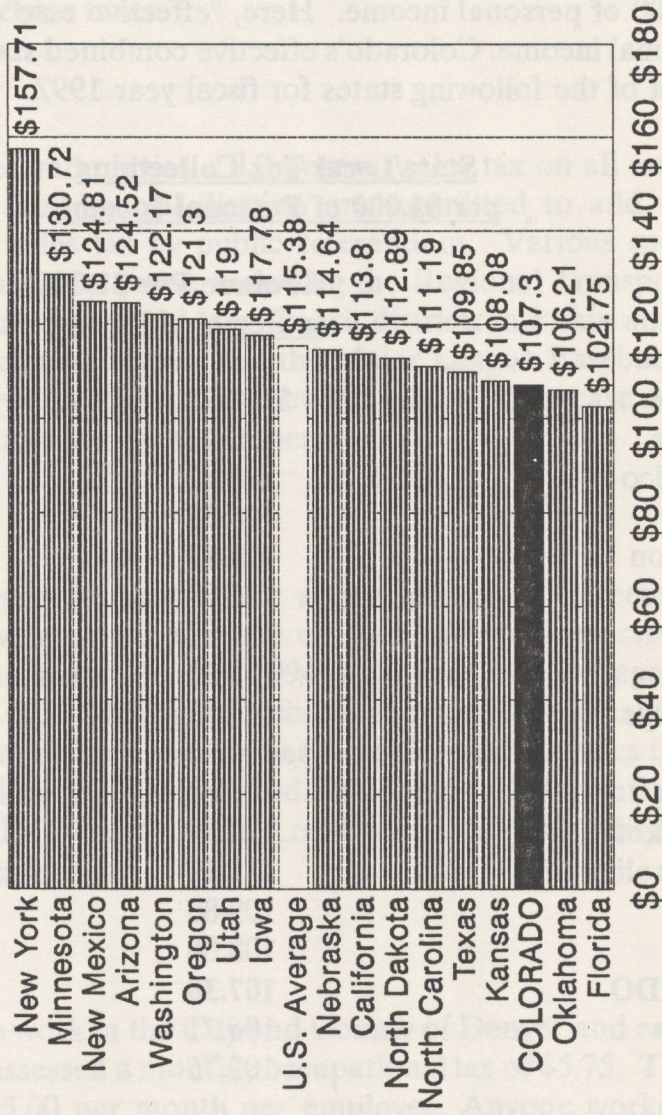
COMPARATIVE DATA AMONG SELECTED STATES

Factors such as sales tax exemptions and graduated rates for income tax are recognized to significantly compromise the use of rates as a method of comparison. As a consequence, nationally and locally recognized public interest research groups have adopted the concept of "effective rate," typically measured by sales or income tax paid per \$100 or \$1,000 of personal income. Here, "effective rate" is measured by tax paid per \$100 of personal income. Colorado's effective combined state and local tax rate was among the lowest of the following states for fiscal year 1992.

<u>State</u>	<u>Revenue Per \$1,000 In Personal Income</u>	<u>National Rank</u>
New York	\$157.71	2
Minnesota	130.72	5
New Mexico	124.81	8
Arizona	124.52	9
Washington	122.17	11
Oregon	121.30	12
Utah	119.00	14
Iowa	117.78	15
<i>U.S. Average</i>	<i>115.38</i>	<i>N/A</i>
Nebraska	114.64	22
California	113.80	24
North Dakota	112.89	27
North Carolina	111.19	28
Texas	109.85	30
Kansas	108.08	33
COLORADO	107.30	34
Oklahoma	106.21	39
Florida	102.75	43

Source: Colorado Public Expenditure Council

State/Local Tax Collections Per \$1,000 of Personal Income



Source: Colorado Public Expenditure Council

Colorado Facts

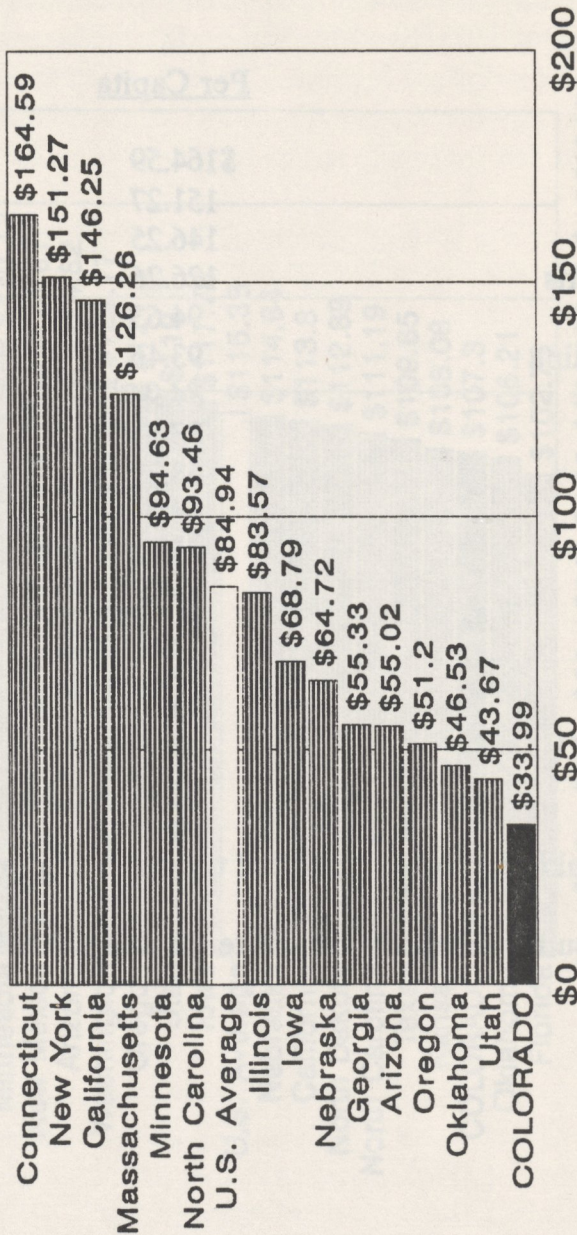
Per Capita State Corporate Net Income Tax Revenue (1992)

<u>State</u>	<u>Per Capita</u>	<u>National Rank</u>
Connecticut	\$164.59	3
New York	151.27	5
California	146.25	6
Massachusetts	126.26	8
Minnesota	94.63	11
North Carolina	93.46	12
<i>U.S. Average</i>	84.94	<i>N/A</i>
Illinois	83.57	15
Iowa	68.79	20
Nebraska	64.72	21
Georgia	55.33	29
Arizona	55.02	30
Oregon	51.20	35
Oklahoma	46.53	38
Utah	43.67	42
COLORADO	33.99	45

Colorado's 45th ranking is the lowest of all the states that have corporate income taxes.

Source: Morgan Quitno Corporation, State Rankings - 1994.

Per Capita State Corporate Net Income Tax Revenue (1992)



Source: Morgan Quitno Corporation, State Rankings - 1994

EDUCATION

Colorado's population is knowledge intensive and well-educated. The educational attainment of the citizens of Colorado has been among the best in the nation for years. In the 1990 Census, Colorado was the third highest in the nation in percent of the population who graduated from college. Colorado ranks above the national average in support for education. Colorado students score higher than national averages on college entrance tests.

Colorado universities have a broad range of scientific, engineering and technical training programs.

All higher education institutions have programs directed at encouraging women and minorities in technical disciplines, as well as programs to assist the handicapped and gifted.

Half of the scientific and technical graduates of Colorado universities remain in the state to pursue their professions. This major resource is augmented by high rates of in-migration of college graduates from other states and nations.

All colleges and universities in Colorado conduct joint research and training programs with corporations, particularly in technical and scientific areas.

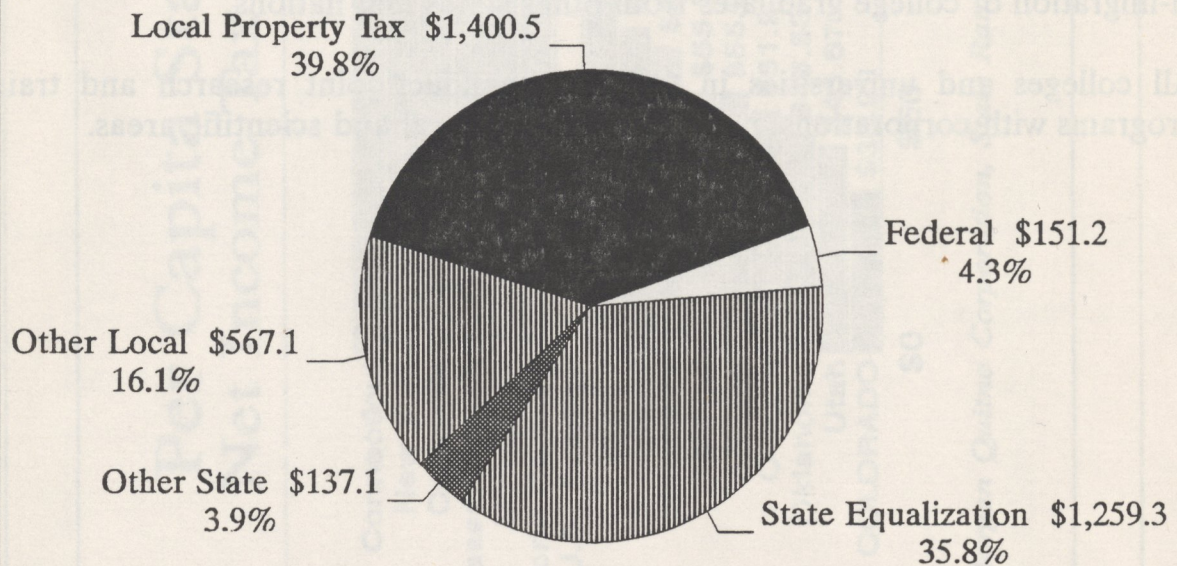
COLORADO EDUCATION FUNDING

State of Colorado K-12 Education Revenues by Sources (1993)

Source	Dollars (Millions)	Percentage of Total
Local Property Tax	\$1,400.5	39.8%
Other Local	567.1	16.2
State Equalization	1,259.3	35.8
Other State	137.1	3.9
Federal	151.2	4.3
TOTAL	\$3,515.2	100.0

Source: Colorado Department of Education. State Report Card, 1994.

**Colorado Education Revenues
by Source, 1993 (Millions of \$)**



Source: Colorado Department of Education, 1994

Per Student Expenditures on K-12 Education

The following table presents estimated current expenditures for public elementary and secondary schools per pupil in average daily attendance for school year 1993-94:

State	Per Student Expenditure	National Rank	Dropout Rate*
Minnesota	\$5,610	16	6.1 %
Washington	\$5,537	19	10.2 %
Nebraska	\$5,410	21	6.6 %
<i>U.S.AVERAGE</i>	<i>\$5,314</i>	--	<i>11.2 %</i>
Oregon	\$5,246	23	11 %
Texas	\$4,926	28	12.5 %
California	\$4,623	32	14.3 %
COLORADO	\$4,584	33	9.6 %
Arizona	\$4,182	39	14.3 %
New Mexico	\$4,150	41	10.8 %
Oklahoma	\$3,930	44	9.9 %
Utah	\$3,158	50	7.9 %

* Dropout rate is percent of persons age 16-19 who had not completed high school and were not enrolled in school (data for 1990).

Source: U.S. Department of Education, National Center for Educational Statistics, 1994.

COLORADO STUDENT TEST SCORES

Colorado Average SAT Scores
(Taken by 28% of High School Seniors in 1994)

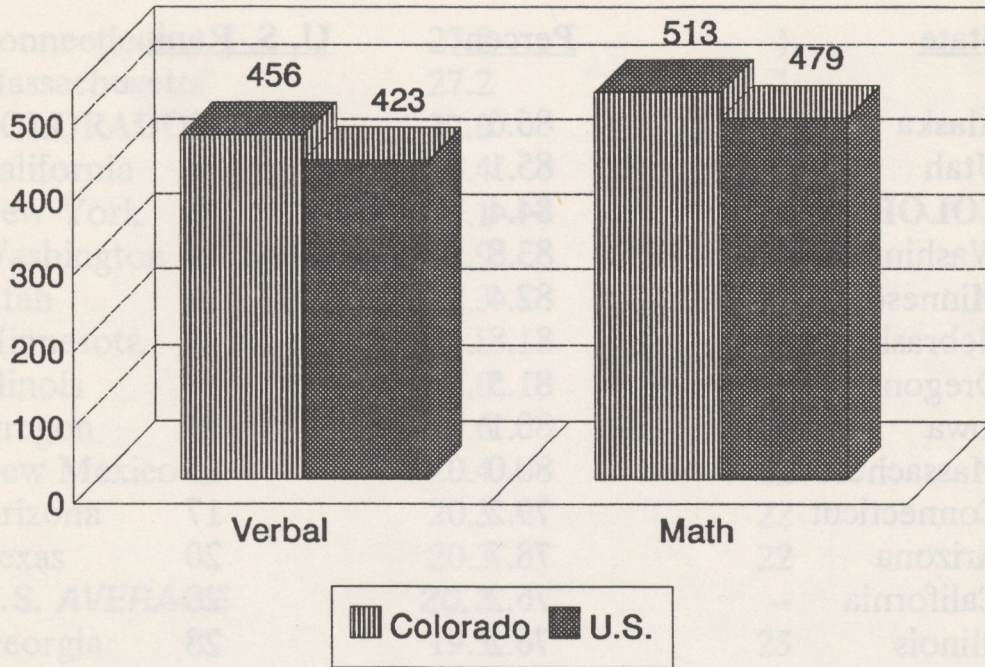
	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>
Overall	971	966	969	959	960	963	969
Verbal	460	458	456	453	453	454	456
Math	511	508	513	506	507	509	513

Colorado ACT Scores
(Taken by 63% of High School Seniors in 1994)

	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>
Colorado	21.6	21.4	21.4	21.3	21.3	21.3	21.4
National Average	20.8	20.6	20.6	20.6	20.6	20.7	20.8

Source: Colorado Department of Education, 1995.

Colorado SAT Scores Compared to National Scores



Source: Colorado Department of Education, 1994

COLORADO EDUCATIONAL PERFORMANCE**Percent of Population Graduated From High School (1990)***

<u>State</u>	<u>Percent</u>	<u>U. S. Rank</u>
Alaska	86.6	1
Utah	85.1	2
COLORADO	84.4	3
Washington	83.8	4
Minnesota	82.4	6
Nebraska	81.8	8
Oregon	81.5	9
Iowa	80.1	13
Massachusetts	80.0	15
Connecticut	79.2	17
Arizona	78.7	20
California	76.2	28
Illinois	76.2	28
U.S. AVERAGE	75.2	--
New Mexico	75.1	33
New York	74.8	34
Oklahoma	74.6	36
Texas	72.1	39
Georgia	70.9	41
North Carolina	70.0	42

* Persons age 25 and older

Source: U.S. Bureau of the Census, 1990

Percent of Population With a Bachelor's Degree (1990)*

<u>State</u>	<u>Percent</u>	<u>U. S. Rank</u>
Connecticut	27.2	1
Massachusetts	27.2	1
COLORADO	27.0	3
California	23.4	9
New York	23.1	10
Washington	22.9	12
Utah	22.3	14
Minnesota	21.8	15
Illinois	21.0	19
Oregon	20.6	20
New Mexico	20.4	21
Arizona	20.3	22
Texas	20.3	22
U.S. AVERAGE	20.3	--
Georgia	19.3	25
Nebraska	18.9	26
Oklahoma	17.8	32
North Carolina	17.4	36
Iowa	16.9	40

* Persons age 25 and older

Source: U.S. Bureau of the Census, 1990

COLORADO HIGHER EDUCATION ENROLLMENT

	<u>Fall 1992</u>	<u>Fall 1994</u>	<u>% Change 1992-1994</u>
<u>Four-Year State-Supported Colleges and Universities</u>			
Adams State College - Alamosa	2,391	2,284	(4.5%)
Colorado School of Mines - Golden	2,901	3,092	6.6%
Colorado State U. - Ft. Collins	21,110	21,461	1.7%
Fort Lewis College - Durango	4,096	4,110	0.3%
Mesa College - Grand Junction	4,267	4,626	8.4%
Metropolitan State College - Denver	17,020	16,976	(0.3%)
University of Colorado - Boulder	25,091	24,548	(2.1%)
University of Colorado - Colo. Springs	5,750	5,801	0.9%
University of Colorado - Denver	11,089	10,538	(5.0%)
University of Colorado Health Sciences Center - Denver	2,120	2,286	7.8%
University of Northern Colorado - Greeley	10,328	10,594	2.6%
University of Southern Colorado - Pueblo	4,488	4,500	0.3%
Western State College - Gunnison	2,670	2,442	(8.5%)
Total Enrollment (Four-Year State Supported Schools)	113,421	113,258	(0.2%)
<u>Private Four-Year Colleges and Universities</u>			
Chapman College - Denver	277	300	8.3%
Colorado Christian University - Denver	1,361	1,236	(9.3)%
Colorado College - Colorado Springs	1,957	1,952	(0.3)%
Colorado Tech - Colorado Springs	1,562	1,847	18.2%
Columbia University - Aurora	475	500	5.3%
Denver Seminary - Englewood	611	598	(2.1)%
Iliff School of Theology - Denver	353	310	(13.8)%
Lesley College - Denver, Colorado Springs, Pueblo	257	140	(45.5)%
Regis University - Denver	6,255	6,626	5.7%
U.S. Air Force Academy - Colorado Springs	4,357	4,034	(7.4)%

Colorado Facts

Private Four-Year Colleges (Continued)

	<u>Fall 1992</u>	<u>Fall 1994</u>	<u>% Change 92-94</u>
University of Denver - Denver	8,213	8,492	3.4%
University of Phoenix - Aurora	1,500	1,864	24.3%
Total Enrollment (Four Year Private Schools)	27,178	27,899	1.3%
TOTAL ENROLLMENT (Four-Year Colleges & Universities)	140,588	141,157	0.4%

Two-Year Colleges

Aims Community College - Greeley	8,185	6,062	(26.0%)
Arapahoe Community College - Littleton	7,392	7,433	(0.6)
Colorado Mt.College - Glenwood Springs	8,081	7,538	(7.2)
Colorado Northwestern College - Rangely	1,525	1,648	8.0
Community College of Aurora	4,920	4,543	(7.7)
Community College of Denver	6,251	5,842	(6.5)
Front Range Comm. College - Westminster	10,595	10,258	(3.2)
Lamar Community College - Lamar	803	722	(10.0)
Morgan Community College - Ft. Morgan	782	778	(0.5)
Northeastern Junior College - Sterling	1,849	1,923	4.0
Otero Junior College - La Junta	770	1,064	38.2
Pikes Peak Community College-Colo.Springs	6,695	6,781	1.3
Pueblo Community College -Pueblo	3,342	3,841	15.0
Red Rocks Community College - Lakewood	6,427	6,333	(1.5)
Trinidad State Junior College - Trinidad	1,239	1,116	(4.3)
Total Enrollment (Two-Year Colleges)	68,856	65,882	(4.3%)
TOTAL ENROLLMENT (All Colleges and Universities)	214,649	207,039	(3.7%)

Note: These are headcount enrollments. The full-time equivalent (FTE) enrollment increased by 22% overall over the period from 1985-1994. Community colleges' FTE was

up 52% while research institutions' (CU-Boulder, CSU and CSM) FTE was up 11%. Remaining state colleges and institutions had a 12% increase in both headcount and FTE enrollment over the decade.

Private two-year institutions and vocational schools reported Fall 1994 total enrollments of 24,234.

Source: Colorado Commission on Higher Education, "Fall Enrollment Report", October, 1994.

[The table content is extremely faint and largely illegible. It appears to be a list of institutions with associated enrollment figures, organized into sections such as 'TOTAL ENROLLMENT' and 'Two-Year Colleges'. The text is mirrored and difficult to read.]

QUALITY OF LIFE

Excellent quality of life is critical to the attraction and motivation of those uniquely talented people essential to the success of a growing business.

Colorado's state taxation is one of the lowest in the nation. Combined with local taxation, the rate still ranks below the national average. The public services purchased with these tax revenues provide an excellent value in public education, parks and recreation at both the state and local levels, public safety, roads and highways and other public services.

Generally, air and water quality in Colorado are excellent. In the cities, domestic water quality is of the highest standards.

Colorado is a regional center for culture and the arts, with broad support from public and private sources. Colorado is a national leader in funding for the arts, much of the support coming from the private and non-profit sectors. Also, the state has vast national forests and parks in addition to urban and regional parks in the metro areas, world-class ski areas, golfing, fishing, boating, biking, major league sports facilities and much more.

COLORADO'S COST OF LIVING

The American Chamber of Commerce Research Association (ACCRA) measures relative price levels for consumer goods and services in participating cities. Cost data from these cities are used to derive a relative ranking. The average value for each category is assigned a value of 100.0. A value of greater than 100.0 indicates a cost of living higher than the average, with a value lower than 100.0 indicating a lower than average cost. The table below contains relative cost of living information for those Colorado cities for which ACCRA gathers data.

Third Quarter, 1994 (301 cities participating nationwide)

	<u>Denver</u>	<u>Boulder</u>	<u>Colo. Springs</u>	<u>Fort Collins</u>
Groceries	100.0	104.5	98.2	102.8
Housing	116.3	136.3	103.0	130.3
Utilities	92.7	93.3	75.7	77.1
Transportation	106.1	102.3	100.5	110.6
Health care	124.0	121.7	123.6	117.4
Miscellaneous goods and services	95.5	99.8	90.0	106.1
All items index	104.5	111.8	96.8	111.1
	<u>Grand Junction</u>	<u>Gunnison</u>	<u>Glenwood Springs</u>	<u>Pueblo</u>
Groceries	105.9	110.5	102.7	108.9
Housing	84.3	107.8	141.7	81.9
Utilities	73.4	112.3	110.7	77.1
Transportation	105.0	105.7	109.8	94.7
Health care	99.0	91.3	106.6	115.1
Miscellaneous goods and services	100.4	94.2	109.0	89.3
All items index	94.9	102.9	117.2	91.4

Source: American Chamber of Commerce Researchers Association Inter-City Cost of Living Index, Fourth Quarter, 1994.

Metropolitan Cost of Living Index Comparisons

While Denver is slightly higher than the average in terms of cost of living, a comparison with some of the largest cities in the survey shows that Denver and other cities in Colorado enjoy a competitive cost-of-living. Denver is significantly lower than many of the largest cities in the nation, and generally comparable to major cities in the Western U.S. The ranking for some larger participating cities on the all items index is as follows:

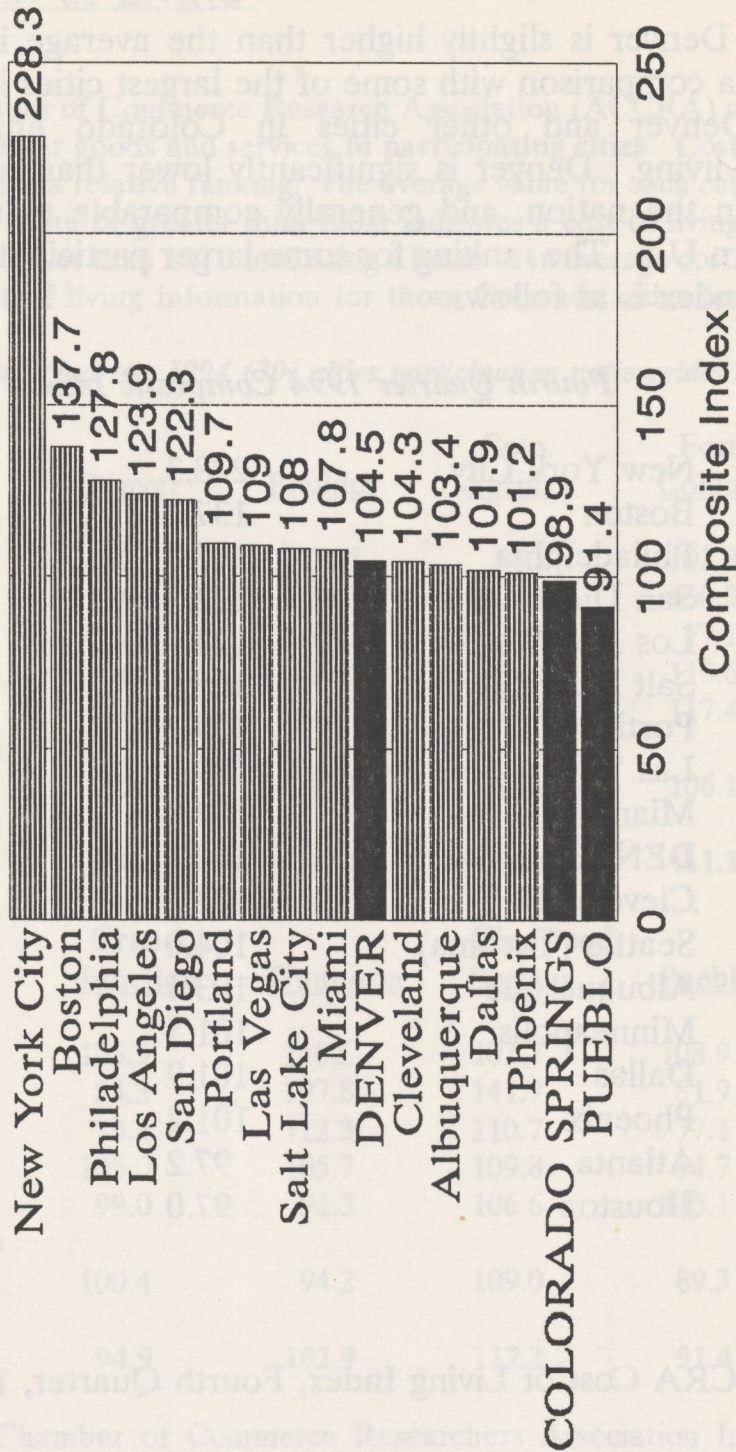
Fourth Quarter 1994 Composite Index

New York City	228.3
Boston	137.7
Philadelphia	127.8
San Diego	122.3
Los Angeles	123.9
Salt Lake City	108.0
Portland	109.7
Las Vegas	109.9
Miami	107.8
DENVER	104.5
Cleveland	104.3
Seattle (Tacoma)	104.0
Albuquerque	103.4
Minneapolis	101.5
Dallas	101.9
Phoenix	101.2
Atlanta	97.2
Houston	97.0

Source: ACCRA Cost of Living Index, Fourth Quarter, 1994.

Metropolitan Cost of Living Comparisons

U.S. Average = 100



Source: ACCRA, 4th Quarter 1994

COLORADO HOUSING COSTS

Cost data for those Colorado communities included in the ACCRA cost of living survey are presented below:

<u>City</u>	<u>Average Monthly Rent (1)</u>	<u>Average New Home Price (2)</u>	<u>Average Residential Utility Cost (3)</u>
Boulder	\$710.00	\$170,734	\$101.91
Colorado Springs	532.00	127,580	79.99
Denver	670.00	144,359	101.91
Fort Collins	651.00	161,386	81.09
Grand Junction	N/A	103,780	77.49
Gunnison	594.00	125,200	127.17
Loveland	503.00	130,850	82.17
Pueblo	419.00	101,472	84.41
Glenwood Springs	637.00	183,500	125.06
U.S. AVERAGE	524.00	123,892	112.33

- (1) Based on an unfurnished, two bedroom, one bathroom apartment (approximately 950 square feet).
- (2) Based on a newly constructed three bedroom, two bath, single-family detached house (approximately 1,800 square feet).
- (3) Monthly utility cost for a newly constructed three bedroom, two bathroom single-family detached house (approximately 1,800 square feet).

Source: American Chamber of Commerce Researchers Association Inter-City Cost of Living Index, Fourth Quarter, 1994.

METROPOLITAN AREA RENT, HOME PRICE AND UTILITY COST COMPARISON

Data for some of the larger cities surveyed by ACCRA are presented below:

<u>City</u>	<u>Average Monthly Rent (1)</u>	<u>Average Home Price (2)</u>	<u>Average Residential Utility Cost (3)</u>
Albuquerque	\$645.00	\$130,450	\$105.50
Atlanta	544.00	105,500	123.30
Boston	1,051.00	199,600	228.19
Cleveland	556.00	135,716	150.78
Dallas	647.00	106,820	146.71
DENVER	670.00	143,359	101.91
Houston	608.00	107,561	113.82
Las Vegas	606.00	143,913	115.09
Los Angeles	723.00	187,490	95.24
Miami	676.00	121,829	141.66
Minneapolis	571.00	118,987	97.42
Philadelphia	717.00	185,974	225.74
Phoenix	578.00	112,885	116.76
Portland	700.00	153,000	81.99
Salt Lake City	529.00	175,775	103.49
San Diego	875.00	204,900	83.38
Seattle (Tacoma)	550.00	128,000	68.50
St. Louis	611.00	111,500	129.91

- (1) Based on an unfurnished, two bedroom, one bathroom apartment (approximately 950 square feet).
- (2) Based on a newly constructed three bedroom, two bath, single-family detached house (approximately 1,800 square feet).
- (3) Monthly utility cost for a newly constructed three bedroom, two bathroom single-family detached house (approximately 1,800 square feet).

Source: ACCRA Cost of Living Index, Fourth Quarter, 1994.

CRIME RATE COMPARISONS

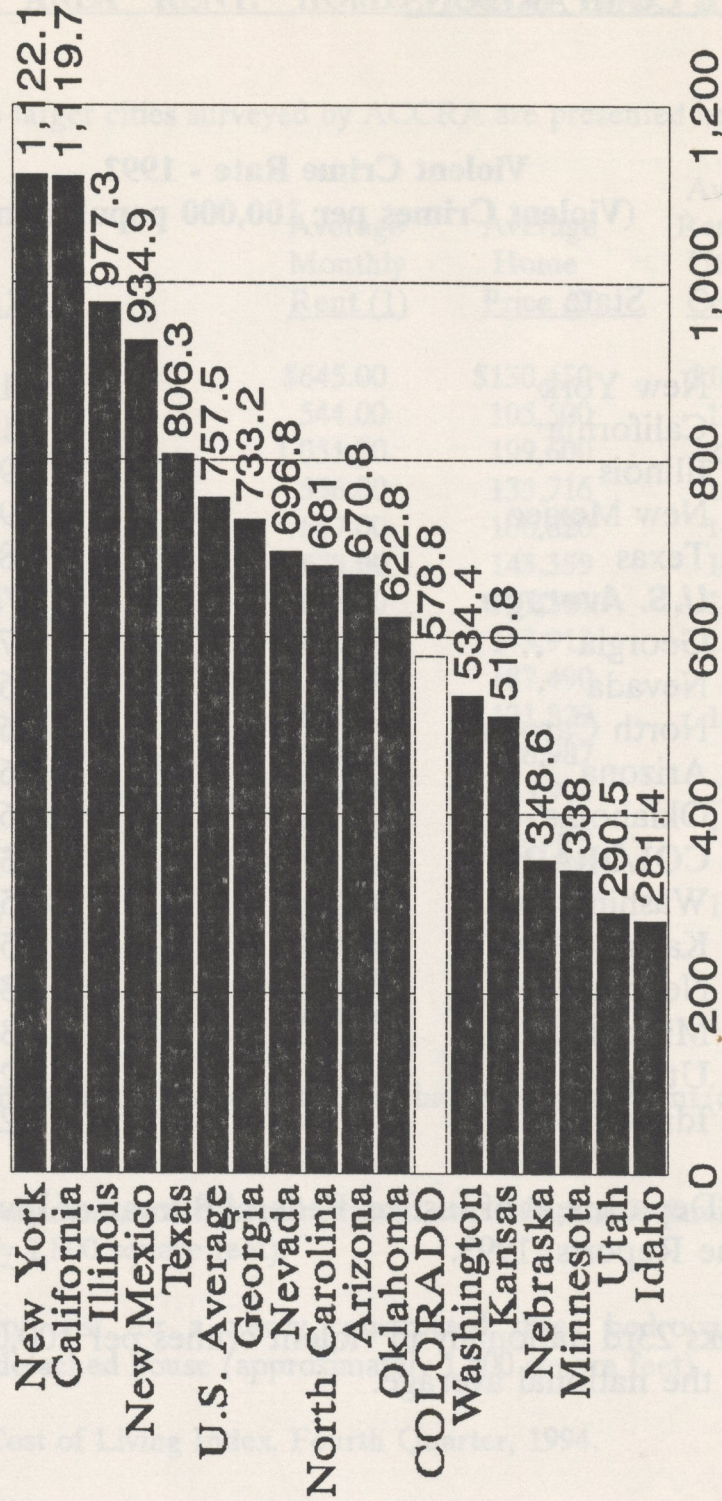
**Violent Crime Rate - 1992
(Violent Crimes per 100,000 population)**

<u>State</u>	<u>Rate</u>
New York	1,122.1
California	1,119.7
Illinois	977.3
New Mexico	934.9
Texas	806.3
U.S. Average	757.5
Georgia	733.2
Nevada	696.8
North Carolina	681.0
Arizona	670.8
Oklahoma	622.8
COLORADO	578.8
Washington	534.5
Kansas	510.8
Nebraska	348.6
Minnesota	338.0
Utah	290.5
Idaho	281.4

Source: U.S. Department of Justice, Federal Bureau of Investigation, Uniform Crime Reports, 1993.

Colorado ranks 23rd nationally in violent crimes per 100,000 population, and is well below the national average.

Violent Crime Rate - 1992 (Violent Crimes per 100,000 Population)



Source: U.S. Department of Justice, 1993

AIR AND WATER QUALITY IN COLORADO

Air quality in Colorado varies greatly from region to region. Population, geography and meteorology all contribute to an area's air quality conditions. Due in part to frequent temperature inversions, historically air quality along Colorado's Front Range has been poor during certain times of the year. The major air pollution source is carbon monoxide. Particulates trapped in low-lying areas produce a "brown cloud" during the colder months when temperature inversions are common. A State Implementation Plan was recently forwarded to EPA which will ensure reductions in carbon monoxide to below federal standards by 2000.

The State of Colorado and numerous public and private groups have launched aggressive campaigns to improve air quality through a broad range of measures. For example:

- The State Air Quality Control Commission mandated that oxygenated fuels must be used during the high pollution season (November through March) in Front Range communities from Colorado Springs to Fort Collins. Oxygenated fuels have added ether or ethanol to burn more efficiently.
- Tougher vehicle emission controls have also been enacted by the state. The emission control program now is tied to vehicle registration, so that vehicles not in compliance with standards cannot be registered.
- The Better Air Campaign promotes **voluntary** community involvement in air quality improvement. The campaign encourages citizens to avoid driving on high pollution days and to plan not to use their cars one day a week during the winter months.
- Several communities in Colorado, including the City and County of Denver and several suburban communities, have enacted woodburning controls. Under Denver's ordinance, wood fires are illegal on high pollution days.

These measures have significantly improved air quality in the region. Community efforts to improve air quality are widespread and aggressive. For example, the Regional Transportation District has added methanol powered vehicles to its fleet. Several other buses are being fitted with new, lower polluting diesel engines. A program to reduce diesel fuel emissions is under study by the State. Private groups sponsor ridesharing services to reduce driving. On Colorado's Western Slope, a proactive community-based program in Grand Junction, organized by the Colorado Air Pollution Control Division and Mesa County Health Department, is designed to "head air pollution problems off at the pass."

Water Quality

The quality of Colorado's water resources is generally high, and the state has undertaken aggressive efforts to ensure it remains so.

Over 98 percent of Colorado's drinking water fully complies with all federal and state standards. Federal clean water standards mandate increasingly more stringent treatment of local water supplies. In order to assure the highest levels of compliance, the Colorado Department of Health works closely with local water providers. The task is made more difficult in that Federal funds for construction of new water treatment facilities are no longer available.

Colorado continuously monitors its many mountain streams and lakes to ensure they are clean and safe for wildlife as well as for fishermen and other users.

Colorado's ground water quality is generally high, though there are several isolated aquifers with problems. This is a difficult area to control, but Colorado recently has set regulations for ground water, and the Department of Health is developing a comprehensive plan to ensure high-quality ground water for domestic and agricultural use.

MAJOR FORMS OF RECREATION WITHIN THE STATE

Colorado's semi-arid climate, coupled with the splendor of the mountains and wide open plains, provides an extraordinary diversity of recreational activities. A sampling of the variety of activities available in Colorado includes the following:

- **National Parks and Monuments:** Twelve national forests, five national monuments and two national parks provide a variety of attractions. Rocky Mountain National Park has 65 mountain peaks over 10,000 feet high, while Mesa Verde National Park contains some 350 cliff dwellings dating back to the twelfth century. The Great Sand Dunes National Monument is ten miles long, with the highest dunes in America. Dinosaur National Monument, 60 miles west of Craig, is one of America's richest sites for fossils.
- **State Parks:** Colorado's 40 state parks and outdoor recreation areas provide opportunities for boating, hiking and nature interpretive activities such as wildlife and bird watching, camping, swimming, picnicking and fishing, to name a few. Facilities are located throughout the state, and range from metropolitan areas to remote wilderness. Almost 12 million visitor days were counted in 1994.
- **Skiing:** More than 35 winter recreation areas in Colorado offer some of the best downhill skiing in the world, along with Nordic skiing, ice skating, snowmobiling, sleigh rides, and dog sledding. Colorado's ski areas are continually initiating new capital improvements to improve the quality of their product.

In little more than an hour, Denver area residents can go from their door to some of the world's greatest ski resorts. Driving distances from Denver to some of the state's principal ski recreation spots are as follows:

Aspen	162 miles
Breckenridge	81 miles
Steamboat Springs	166 miles
Telluride	327 miles
Vail	98 miles
Winter Park	64 miles

- **Professional Sports:** Colorado offers a variety of professional sporting activities. Denver is home to the NFL's Broncos and the NBA's Nuggets. The National League Colorado Rockies professional baseball team began operations in 1993, breaking attendance records in its first two seasons. In April 1995, the Rockies' new baseball park, Coors Field, opened in downtown Denver. The NHL's Nordiques will move to Denver for the 1995-96 season, making Denver one of only 10 cities in the nation with major league teams in all four sports. Colorado Springs is home to the Sky Sox, the Rockies' AAA baseball franchise.
- **Golf:** Colorado has over 160 public and private golf courses. The number of new courses being designed or under construction places Colorado in the top three states nationwide in terms of growth.
- **Summer Recreation:** Summer recreation choices abound in Colorado. Colorado's rivers offer premiere rafting and kayaking. Bicycling is a growing sport, mountain and trail biking, as well as organized rides, are popular activities. Summer music festivals in Aspen, Telluride, and Breckenridge are major attractions. Many summer festivals are held throughout the state, including Taste of Colorado, and the Renaissance Festival.
- **Rodeo:** Colorado's western heritage and the fact that the state is in the heart of America's cattle country makes rodeo a leading spectator sport. In 1995, an attendance record of 585,685 spectators was set at the 89th National Western Stock Show and Rodeo in Denver.

- **Museums and Zoos:** Colorado's towns and cities provide over 110 museums and zoos. Many museums have an Old West theme featuring pioneer life, mining, railroad and military history. The most popular museum in the state is the Denver Museum of Natural History. Both Denver and Colorado Springs have nationally recognized zoos.
- **Denver Attractions:** Recreational opportunities abound within Colorado's major city. In addition to museums and the zoo, two amusement parks, Lakeside and Elitch Gardens, provide family entertainment. Elitch Gardens has been a Denver tradition for over 100 years. It opened a new 60-acre park in May 1995, in the Platte Valley near downtown Denver. The famous "twister" roller coaster was reconstructed, with the Denver skyline as the backdrop. Red Rocks Amphitheater is a spectacular outdoor concert venue, noted both for its scenic and acoustic qualities. The U.S. Mint in Denver is a major supplier of coinage and provides interesting insight into the U.S. Treasury. Denver also boasts a magnificent park system which invites jogging and cycling along the established greenways and bike paths.
- **Colorado State Fair:** The Colorado State Fair and Exposition in Pueblo, Colorado, has been a Colorado tradition for over 120 years. Attendance in recent years has surpassed the 1,000,000 mark, making it the 6th largest state fair in the nation. This seventeen-day event runs from late August through Labor Day weekend and offers top name entertainment, carnival, rodeo and numerous exhibits.
- **Dude Ranches:** Colorado offers 40 dude ranches located throughout the state. Each has a unique style of activities, including horseback riding, fishing, hiking, mountain climbing, tubing on nearby streams, and golfing.

COLORADO'S TRANSPORTATION SYSTEM

To support its operations, a firm needs to be part of a transportation system that can move people and materials both locally and throughout the world. Colorado's transportation network can meet these needs with ease. Moreover, current expansions and improvements in the transportation system, combined with planned projects, assure forward-looking business leaders ample capacity and modern design throughout the state.

Colorado is a regional, national and international transportation hub. The new Denver International Airport, opened on February 28, 1995. It will allow Denver to continue as one of the major air traffic facilities in the nation.

A number of other Colorado cities and towns have regularly scheduled commercial air service. All areas of the state are accessible to air travelers.

Colorado's state highway system has over 9,000 miles, of which 950 miles are interstate highways. The convergence of I-25, a major north-south interstate, and I-70, a major east-west interstate, makes Colorado's front range a transportation hub. Colorado also has almost 3,300 miles of Class 1 railroad tracks, as well as intermodal train/truck transfer facilities.

The state's transportation infrastructure is modern, convenient and continually developing to respond to demand.

AIR SERVICE

Nineteen airlines offer regularly scheduled passenger service through the new Denver International Airport which opened in February 1995. There are also a variety of cargo carriers offering service at the airport. Approximately 33 million passengers passed through Stapleton International Airport in 1994, its last full year of operation. This represents a 7% increase in passenger traffic between 1992 and 1994.

As the first all new major airport to be constructed in the U.S. in over two decades, Denver International Airport will allow Denver to remain as one of the most important air traffic hubs in the nation, and will improve the efficiency of the entire national air transportation network, with a landing capacity of 99 aircraft per hour. With 84 gates (plus 57 commuter positions) and five 12,000 foot runways, it is the only facility in the world designed to accommodate three streams of aircraft simultaneously during all types of weather. DIA also features three concourses, and an underground "people mover" subway system. DIA was designed to serve the region well into the 21st century, with capacity to expand to 200 gates, capable of serving 110 million passengers per year.

- (1) An aircraft operation is either a landing or takeoff or contact with the control tower (as reported by the FAA).
- (2) Includes all operations reported by the individual airlines.

Source: Stapleton International Airport Monthly Operations and Traffic Report

Year	In	Out	Total
1992	1,214,042	1,244,042	2,458,084
1993	1,214,042	1,244,042	2,458,084
1994	1,298,042	1,274,042	2,572,084
1995	1,298,042	1,274,042	2,572,084
1996	1,298,042	1,274,042	2,572,084
1997	1,298,042	1,274,042	2,572,084
1998	1,298,042	1,274,042	2,572,084
1999	1,298,042	1,274,042	2,572,084
2000	1,298,042	1,274,042	2,572,084
2001	1,298,042	1,274,042	2,572,084
2002	1,298,042	1,274,042	2,572,084
2003	1,298,042	1,274,042	2,572,084
2004	1,298,042	1,274,042	2,572,084
2005	1,298,042	1,274,042	2,572,084
2006	1,298,042	1,274,042	2,572,084
2007	1,298,042	1,274,042	2,572,084
2008	1,298,042	1,274,042	2,572,084
2009	1,298,042	1,274,042	2,572,084
2010	1,298,042	1,274,042	2,572,084
2011	1,298,042	1,274,042	2,572,084
2012	1,298,042	1,274,042	2,572,084
2013	1,298,042	1,274,042	2,572,084
2014	1,298,042	1,274,042	2,572,084
2015	1,298,042	1,274,042	2,572,084
2016	1,298,042	1,274,042	2,572,084
2017	1,298,042	1,274,042	2,572,084
2018	1,298,042	1,274,042	2,572,084
2019	1,298,042	1,274,042	2,572,084
2020	1,298,042	1,274,042	2,572,084
2021	1,298,042	1,274,042	2,572,084
2022	1,298,042	1,274,042	2,572,084
2023	1,298,042	1,274,042	2,572,084
2024	1,298,042	1,274,042	2,572,084
2025	1,298,042	1,274,042	2,572,084
2026	1,298,042	1,274,042	2,572,084
2027	1,298,042	1,274,042	2,572,084
2028	1,298,042	1,274,042	2,572,084
2029	1,298,042	1,274,042	2,572,084
2030	1,298,042	1,274,042	2,572,084

Operations and Traffic

STAPLETON INTERNATIONAL AIRPORT
OPERATIONS AND TRAFFIC DATA

	<u>1992</u>	<u>1994</u>	1992-94 Increase/ (Decrease)	Percent Increase/ (Decrease)
AIRCRAFT OPERATIONS (1)				
Air Carrier	323,007	322,500	(507)	(.1%)
Air Taxi	151,840	177,082	25,242	17%
Military	1,451	1,556	105	7%
General Aviation	<u>30,408</u>	<u>29,701</u>	<u>(707)</u>	<u>(2%)</u>
Total	506,706	530,839	24,133	5%
PASSENGERS (2)				
<i>Internationals</i>				
In	101,690	134,350	32,660	32%
Out	<u>102,838</u>	<u>135,764</u>	<u>32,926</u>	<u>32%</u>
Total	204,528	270,114	65,586	32%
<i>Majors</i>				
In	14,202,640	14,477,789	275,149	2.0%
Out	<u>14,150,538</u>	<u>14,476,313</u>	<u>325,775</u>	<u>2.3%</u>
Total	28,353,178	28,954,102	600,924	2.1%
<i>Nationals</i>				
In	17,081	779,187	762,106	4460%
Out	<u>15,525</u>	<u>767,461</u>	<u>751,936</u>	<u>4843%</u>
Total	32,606	1,546,648	1,514,042	4643%
<i>Regionals</i>				
In	957,492	865,618	(91,874)	(10%)
Out	<u>1,066,272</u>	<u>923,473</u>	<u>(82,799)</u>	<u>(8%)</u>
Total	1,963,764	1,789,091	(174,673)	(9%)
<i>Supplementals</i>				
In	160,566	287,316	126,750	79%
Out	<u>162,538</u>	<u>286,157</u>	<u>123,619</u>	<u>76%</u>
Total	323,104	573,473	250,369	77%
TOTAL PASSENGERS	30,877,180	33,133,428	2,256,248	7%

Stapleton International Airport Air Mail and Air Freight

	<u>1992</u>	<u>1994</u>	<u>1992-94</u> <u>Increase/</u> <u>Decrease</u>	<u>Percent</u> <u>Increase/</u> <u>Decrease</u>
AIR MAIL (Pounds)				
In	101,466,978	123,885,382	22,418,404	22
Out	<u>96,075,455</u>	<u>123,322,907</u>	<u>27,247,452</u>	28
Total	197,542,433	247,208,289	49,665,856	25
FREIGHT & EXPRESS (Pounds)				
In	267,130,816	304,904,495	37,773,679	14
Out	<u>256,942,990</u>	<u>288,366,187</u>	<u>31,423,197</u>	12
Total	524,073,806	593,270,682	69,196,876	13

- (1) An aircraft operation is either a landing or takeoff or contact with the control tower (as reported by the FAA).
- (2) Revenue and nonrevenue passengers as reported by the individual airlines.

Source: Stapleton International Airport Monthly Operations and Traffic Report, December, 1994.

Flights to Major Metropolitan Areas Within the United States Originating and Terminating Daily at Denver International Airport

Denver International Airport provides daily air service to over 100 major U.S. metropolitan areas. The following table lists number of nonstop flights to several major cities:

CITY/STATE NONSTOP TO/FROM

Albuquerque, NM	12/12
Atlanta, GA	9/9
Baltimore, MD	4/4
Boston, MA	5/5
Chicago, IL	23/23
Cleveland, OH	5/5
Dallas/Ft.	
Worth, TX	24/24
Houston, TX	14/16
Kansas City, MO	15/15
Las Vegas, NV	14/15
Los Angeles/	
Burbank/Long	
Beach, CA	19/18
Miami, FL	3/3
Minneapolis, MN	14/14
New Orleans, LA	4/3
New York, NY	17/17
Okla. City, OK	5/5
Philadelphia, PA	7/8
Phoenix, AZ	16/16
Portland, OR	6/6
St. Louis, MO	12/13
Salt Lake City, UT	18/18
San Diego, CA	6/5
San Francisco/	
Oakland, CA	18/18
Seattle/Tacoma, WA	11/11
Washington, D.C.	8/7

Statewide Air Service

Direct service to several Colorado communities is offered through Denver International Airport. The following table summarizes available service:

COLORADO
CITIES FLIGHTS TO/FROM*

Alamosa**	4/4
Aspen	5/5
Colorado Springs	14/14
Cortez	4/3
Durango	13/14
Fort Collins	9/9
Grand Junction	16/15
Gunnison	5/4
Lamar	2/2
Montrose	8/8
Pueblo	5/5
Steamboat Springs	6/6
Telluride	6/4

* Some flights are weekdays only.

** One-stop

Source: Based on Denver International Airport Flight Guide, April, 1995.

Colorado Facts

Several Colorado airports outside the Denver area are served by commercial air service. The following list includes airports throughout the state that have commercial service available:

ALAMOSA

San Luis Valley Regional Airport
425 Fourth Street
Alamosa, CO 81101

ASPEN

Aspen-Pitkin County Airport
0233 Airport Rd. - Suite A
Aspen, CO 81611

COLORADO SPRINGS

Colorado Springs Municipal Airport
5750 E. Fountain Blvd.
Colorado Springs, CO 80916

CORTEZ

Cortez-Montezuma County Airport
210 E. Main St.
Cortez, CO 81321

DURANGO

Durango-La Plata County Airport
1300 County Road 309
Durango, CO 81301

EAGLE

Eagle County Regional Airport
Box 850
Eagle, CO 81631

FT. COLLINS-LOVELAND

Ft. Collins-Loveland Airport
4824 E. 57th Street
Loveland, CO 80538

GRAND JUNCTION

Walker Field
2828 Walker Field Road
Grand Junction, CO 81501

GUNNISON

Gunnison County Airport
711 Rio Grande
Gunnison, CO 81230

HAYDEN

Yampa Valley Regional Airport
Hayden, CO 81639

LAMAR

Lamar Municipal Airport
Lamar, CO 81052

MONTROSE

Montrose County Airport
Montrose, CO 81401

PUEBLO

Pueblo Memorial Airport
31211 Bryan Circle
Pueblo, CO 81001

STEAMBOAT SPRINGS

Steamboat Springs Municipal Airport
P.O. Box 775088
Steamboat Springs, CO 81477

TELLURIDE

Telluride Regional Airport
P.O. Box 1807
Telluride, CO 81435

THE COLORADO HIGHWAY SYSTEM

The Colorado Department of Transportation maintains the 9,100+ mile state highway system. These highways contain 22,522 lane miles. The state has 953 miles of Interstate Highways. Each year the department measures the condition of this system according to stringent internal standards. This information is fed into the Maintenance Management System, which keeps an inventory of maintainable roadway, roadside and structure components of the highway system by location. Managers at the Department of Highways use the system to analyze, evaluate, and improve the maintenance program, including snow and ice removal, traffic services, landscaping, and rest area maintenance.

The Level of Funding the State Currently Uses and Plans for Highway Improvements

In the 1994-95 budget year, the Colorado Department of Highways budgeted approximately \$522.9 million on highway construction and maintenance. This amount includes:

- \$252.7 million - Maintenance and Operations
- \$290.4 million - Construction
- \$60.8 million - Other

The State of Colorado Highway User's Tax Fund is estimated at \$560.9 million, of which \$311.9 million will go to CDOT. Federal receipts this fiscal year will be \$196.7 million, with those funds included in the construction budget.

The table below presents expenditures per mile highway for Colorado and its neighboring states. Controlled highways include state, federal and interstate highways. State funds include state-budgeted funds for highway maintenance and construction.

The Governor and the Legislature have made a commitment to maintaining and improving the highway system in the state. Colorado recognizes the importance of highway infrastructure to the economic vitality of the state.

STATE EXPENDITURES ON STATE-CONTROLLED HIGHWAYS IN SELECTED STATES

<u>State</u>	<u>1993 Highway Expenditures(1)</u>	<u>Highway Miles</u>	<u>Dollars Per Highway Mile</u>
Arizona	1,194,325	6,142	194,450
Colorado	568,826	9,137	62,260
Utah	330,382	5,777	57,190
Kansas	825,411	10,669	77,370
Oklahoma	512,888	12,527	40,940
Idaho	224,731	4,972	45,200
Wyoming	232,985	6,688	34,840
Texas	3,374,192	76,759	43,960
New Mexico	451,719	11,523	39,200
Nebraska	361,590	9,938	36,380
South Dakota	255,693	7,836	32,600
Montana	415,787	7,819	53,180

(1) Figures have been rounded and are in thousands of dollars.

Source: "Highway Statistics," Federal Highway Administration, 1993

AVAILABILITY OF MASS TRANSIT

Mass transit is provided in all of Colorado's metropolitan areas, and in some rural areas of the state. Currently, all mass transit is provided by buses. The Colorado Department of Transportation estimates over 1,500 buses are in operation through the state.

The Regional Transportation District (RTD) is the largest transit provider, serving 35 cities and towns, covering 2,298 square miles in the Denver Metro area. In addition, Colorado Springs, Fort Collins, Grand Junction, Pueblo and Greeley all have transit services that receive federal funding.

RTD offers bus service throughout the Denver metro region, including special services for the handicapped and elderly, special event transportation (e.g., for major sporting events). Peak hour commuters are served by express and regional busses, park-n-ride facilities and the new light rail Metro Area Connection (MAC).

In 1982, RTD in partnership with the private sector, built the 16th Street Mall, turning downtown Denver into an attractive transit and pedestrian location. A fleet of 27 shuttle buses run the length of the mile-long mall, with a peak-hour schedule of one free shuttle every 70 seconds. At both ends of the mall, modern, indoor transit stations allow passengers to connect with regular RTD routes in comfort.

RTD has completed several projects to address Metro Denver's long-range mass transit needs. These include:

- Completion of a bus/high occupancy vehicle lane to facilitate movement on the region's interstates and major arterials.
- Completion of first phase of the Metro Area Connection (MAC) light rail project. This 5.3 mile first phase connects a park-n-ride just southwest of downtown Denver, the Auraria Campus, Downtown Denver and the Colorado Convention Center, Five Points, and then continue on to a point at 30th and Downing, northeast of downtown.
- The next phase will be an 8.7 mile extension of the light rail to the southwest suburbs, ending at a park-n-ride at Santa Fe Drive and Mineral Avenue near the Arapahoe/Douglas county line in the south metro area. This \$127.5 million project will be completed by late 1999.
- Express bus service is available to the new Denver International Airport. Various options, including an "airport train" from Denver's Union Station, are being considered to provide alternative means of transportation to Denver International Airport.

An extensive private ground transportation network connects Denver International Airport with the entire state. A number of van companies service Boulder, Longmont, Loveland, Fort Collins and Colorado Springs. Two additional companies serve the Denver Tech Center exclusively. Scheduled van and bus service to ski areas from Denver run as frequently as every half hour during peak times.

The State of Colorado does not provide direct funds to the various transit operators. However, several state programs, such as services for the elderly, target mass transit use. The primary sources of funding for each transit system are the farebox, local sales tax, local property tax and federal grants.

AVAILABILITY OF RAIL AND MOTOR CARRIER SHIPPING IN THE STATE

Colorado has an extensive rail system serving the entire state. The four Class One rail lines are:

- Santa Fe Railway
- Burlington Northern Railroad
- Southern Pacific Railway
- Union Pacific Railroad

Almost 3,300 miles of Class One tracks are maintained throughout the state. Intermodal train/truck transfer facilities are located in the Denver metro area to efficiently move goods to their ultimate destinations without reloading from one form of transportation to another.

Burlington Northern recently opened a "team track" facility in Commerce City, CO (Denver metro). The four-acre site is fully graded to accommodate heavy loads. It provides shippers or receivers a place to load or unload cars without having to invest in their own private industrial siding.

The Transportation Test Center near Pueblo, Colorado, is a world class intermodal research and test center. The 52 square-mile facility includes 48 miles of test tracks, laboratories and support services.

Colorado is well served by many motor carriers. Most of the nation's major carriers have facilities in the state. They provide service to all major metropolitan areas of the state. Colorado's central location and interstate highway system have made the Front Range a growing distribution point for many wholesalers and retailers.

JOB TRAINING PROGRAMS IN COLORADO

Colorado is proud of its highly trained and hard-working labor force. There are excellent training programs in place to provide the skills demanded by employers. These programs, Colorado FIRST and the Governor's Job Training Office, are designed to have the flexibility to offer any type of training required by either existing employers or new firms coming to the state.

Colorado FIRST Customized Training Program

The purpose of the Colorado FIRST Program is to encourage quality economic development by providing training assistance as an incentive for the location of new or expanding firms in Colorado. Since the start of the program in 1984, over 22,000 local workers have been trained for newly created jobs in 325 firms.

Recent Colorado FIRST recipients run the gamut of economic sectors, from telecommunications to manufacturing to service industries. Particularly notable successes include Evolving Systems, Inc., a software design firm located in Denver, employing 200; Pacific Telecom, Inc., a telecommunications company in La Junta with 80 employees, which recently acquired 44 local telephone exchanges in Colorado; Bechtel, a mining company, Kan-Build, Inc., a modular housing manufacturer in Loveland, and Maryland Insurance Group, which recently moved a division with 300 employees to Colorado Springs.

The program will receive \$3.1 million in funding for the 1995-96 program year.

The Colorado FIRST job training program is intended for:

- Permanent, non-seasonal, primary jobs created by non-retail companies newly locating or undertaking a significant expansion in Colorado;
- Job-specific and short-term training, lasting until the start-up or expansion training needs of the participating company are satisfied. Training programs are not designed to assist companies with normal, on-going training requirements;

- Jobs which pay well above minimum wage and provide a health plan for their employees, to generate an adequate return on the tax dollars invested;
- Companies which coordinate their training through local community college or vocational/technical institutions. The same institutions can also administer the paperwork on behalf of the business;
- Companies willing to contribute technical expertise, machinery, training space, money and other appropriate resources to improve program effectiveness;
- Company sponsorships, in some cases requiring a percentage of the training costs of in-kind contributions to be provided by the company. Colorado FIRST funds cannot be used to pay wages or stipends to trainees during a training session;
- Companies that make conservative projections of new job and wage creation; funds may be recovered by the state if stated goals are not met.

Governor's Job Training Office

The Governor's Job Training Office (GJTO) administers the Colorado allocation of Federal Job Training Partnership Act (JTPA) funds for training and development of economically-disadvantaged youth and adults and the state's dislocated workers.

The majority of the nearly \$16.5 million in JTPA funds available for Colorado's 1994-95 program year are forwarded directly to the state's 9 Service Delivery Areas (SDAs) to facilitate responsive, locally-directed youth and adult training programs. A Private Industry Council oversees program development in each SDA that is tailored to local needs.

Of the above-referenced amount, \$455,465 was used for employment and training programs for economically disadvantaged individuals aged 55 and older.

Additional JTPA funds totaling \$8.0 million were directed to the SDAs for the 1994 Summer Youth and Training Program. This program provides basic and remedial education, pre-employment skills, on-the-job training and work experience to eligible youth 14 to 21 years of age.

A third JTPA program, totalling \$7.2 million, provides funds to the SDAs for "dislocated workers" training and job search assistance. Rapid Response to large scale layoffs is coordinated through GJTO.

The coordinated and professional approach of the Job Training Partnership System with the Colorado Training Network provides Colorado businesses with excellent access to publicly-funded worker training programs for JTPA eligible persons.

The Governor's Job Training Office, working in conjunction with the Colorado Department of Labor and Employment, Colorado Community College and Occupational Education System, and the local Service Delivery Areas, can assist new or expanding businesses by providing customized training programs, on-the-job training, federal tax credits, and a labor brokerage service to assure that employers have an available and trained workforce.

COLORADO'S NATURAL RESOURCES

One of Colorado's greatest assets is its natural resources. Mountains, rivers, forests, wildlife, and spectacular geography provide a beautiful backdrop for residents. Colorado has:

- 54 mountains over 14,000 feet in elevation;
- More than 1,000 peaks two miles high;
- Total land area of 103,730 square miles.

CLIMATE

Colorado's climate is one of its best features. With nearly 300 days of sunshine (more accurately, 70 percent of possible sunshine), and low humidity, averaging 33 percent, the state's moderate climate contributes to quality of life and its productivity. Precipitation averages 16.5 inches and ranges from a low of as little as eight inches in some arid lower elevations, to over 23 inches in the mountains.

LAND

The land is a major natural resource. Over one-third of Colorado is publicly owned and managed by federal, state and local agencies. These lands include 14.4 million acres of national forest land, of which 2.6 million acres are magnificent wilderness areas. State parks total over 160,000 acres; and another several hundred thousand acres are in local parks and open space.

AGRICULTURE

Colorado's crop and grazing lands are major natural resources that support the state's agricultural industry. Colorado has 34 million acres of agricultural land, 51% of the state's total land base of 66.3 million acres. Of this, almost 11 million acres is in cropland, and 3.2 million acres are irrigated. Colorado ranks 17th nationally in cash receipts from agriculture. There are 25,500 farms and ranches in the state,

averaging 1,286 acres each. Major agricultural outputs include cattle, wheat, hay, corn and fruit and vegetable crops.

WATER

Water is another major resource. While located in the semi-arid West, the mountains of Colorado form the headwaters for four major American rivers: the Colorado, the Rio Grande, the Arkansas, and the Platte. Under Colorado law, water is owned by the people. An intricate system of water rights has developed since the 1880s to ensure that the consumptive, agricultural and industrial needs of the public are met, while at the same time recognizing that the lakes, rivers and streams are an important resource in their own right and must be protected for the enjoyment of all. In addition to serving the state's needs, Colorado's rivers provide over ten million acre feet of water to other western states every year.

MINERALS

Colorado is a state rich in mineral resources. Its major mineral resources are coal, gold, oil, gas and CO₂. Production for 1993 (the latest yearly period for which data are generally available) Colorado produced:

- 26 million tons of coal (1994) production;
- 31,357,448 barrels of oil;
- 299,525,820 mcf of gas;
- 269,427,188 mcf of CO₂;
- \$440 million in minerals; including gold, silver, zinc, molybdenum, and gypsum.

WILDLIFE

Wildlife is another valuable natural resource. Hunting and fishing contributes over \$1 billion to the state's economy every year. Fishing is a major source of recreation to resident and nonresident alike. There are over 11,000 miles of unposted trout streams and 2,300 trout lakes in Colorado, and over two million warm-water fish are

caught annually. Big game hunting is an important activity. Colorado is considered the best state for elk hunting, and has one of the highest nonresident big game success ratios in the nation. But hunting and fishing form only a part of the wildlife picture; one-half million acres of state wildlife areas also provide unique opportunities for wildlife study and observation.

Recreational Use of Resources

Such diverse natural resources allow Coloradans to take advantage of a variety of recreation opportunities. Mountains draw people to hike and climb, to ski, to hunt, and to sightsee. Plains and deserts attract the hunter, the 4-wheeler, snowmobiler, and the bird watcher. Rivers beckon to fishermen, rafters, kayakers. Everywhere you go there are bicyclists, joggers and walkers on trails and roads, picnickers all around with balloonists and hang-gliders overhead. Recreation and tourism brings in over \$7 billion per year to the state's economy. over \$17 million per year -- making tourism one of the state's largest industries employing over 115,000 people. Colorado's natural base for outdoor recreation is a magnet for in-state, national and international visitors.

Among varied recreational opportunities, Colorado offers:

- 11,000 miles of national, state and local trails;
- More than 35 ski areas, featuring excellent snow conditions, varied terrain and spectacular scenery;
- Some of the best white water rafting in the U.S. on the Arkansas, Green, Colorado, and other rivers, and;
- 500 square miles of water surface in rivers and lakes suitable for recreational use.

