

2015 Colorado Planning & Management Region Report

Region 2 – Larimer and Weld counties

INTRODUCTION

The North Central portion of the State, consisting of Larimer and Weld counties, is a combination of expansive rural, agricultural and concentrated urban areas. There is a transition from rural to urban at the fringe of many municipalities, a trend which is placing increasing demands on current infrastructure.

Two factors have influenced the growth in Region 2: 1) the September 2013 flood and 2) the increasing impact of the oil and gas industry. The flood destroyed homes and businesses, as well as roads and bridges. This flood changed connections between communities and temporarily displaced many people. The movement of people, goods, and services on the region's roads was significantly impacted. Temporary repairs were made to major roads quickly; however, long-term repairs will continue through at least 2016.

The increasing presence of the oil and gas industry impacts the availability of housing, demand for goods and services as well as increased demand on the region's transportation infrastructure.

Population:

County	Census 2010	July 2014	% Change
Larimer	299,630	323,863	8.09%
Weld	252,825	276,079	9.20%
Colorado	5,029,196	5,353,471	6.45%

Source: State Demography Office

JOBS & THE ECONOMY

The unemployment rate for the Fort Collins-Loveland MSA and the Greeley MSA continues to be below the National and State unemployment rates. For 2014, the annual unemployment rate for the Fort Collins-Loveland MSA was 4.3 percent and 4.5 percent for the Greeley MSA, compared to the State of Colorado at 5.0 percent.

Firms with 1,000 or more employees include: Banner Health Medical Centers; Center Partners, Inc.; Colorado State University; City of Fort Collins; City of Greeley; Conagra Beef; U.S. Department of Agriculture; Greeley School District 6; Hewlett Packard Company; JBS USA & Affiliates; Larimer County; Lutheran Health Systems; Poudre School District RE-1; Poudre Valley Health System; State Farm Insurance Company; Thompson Valley School District; University of Northern Colorado; Walmart Stores; Weld County; and Woodward, Inc.

The majority of oil and gas production in Region 2 occurs in Weld County. According to the Colorado Oil and Gas Commission, 85 percent of all oil produced in Colorado in 2014 came from Weld County. Oil production in the region continued to increase, with a 52.4 percent increase between from 2013 to 2014, while natural gas production increased by 26.9 percent.

HOUSING

The housing industry in Larimer and Weld counties continues to improve at a steady pace. In 2014, single family house prices averaged \$258,000 in Larimer County and \$202,000 in Weld County. The

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region's single-family home inventory has seen a modest increase. Rents in the same area have increased faster than home prices in part due to the displacements caused by the 2013 flood.

Between 2013 and 2014, the number of building permits in the Fort Collins-Loveland MSA increased by five percent and by 39.9 percent in the Greeley MSA. The majority of building permits for multiple units were located in Fort Collins and Greeley. The Fort Collins-Loveland MSA issued 916 multiple family building permits and 1,627 single family building permits. The Greeley MSA issued 713 multiple family building permits and 1,995 single family building permits. The increase in oil and gas employees looking for housing in conjunction with a low supply of homes and apartments is one reason for the increase in multiple unit building permits.

Availability of housing choices is also important. In the 4th quarter of 2014, apartment vacancy rates were 1.2 percent in the Fort Collins-Loveland MSA and 1.3 percent in the Greeley MSA.

AGRICULTURE

Weld County's primary crops are wheat and corn, with a large poultry and cattle output as well. The 2012 growing season was a challenging year for the region's farmers. It was a hot, dry summer preceded by a winter with low snow pack in the mountains, which is necessary for irrigation. At the same time, the number of farms in the County fell by 10 percent between 2007 and 2012. Corn and wheat production was down from 2011. In 2013, there was adequate water, but farmers in portions of Weld County were hit hard by hail storms.

Larimer County produces corn and wheat at a smaller scale than Weld County, while producing smaller numbers of cattle and milk from cows. The number of farms in Larimer County decreased eight percent between 2007 and 2012.

NEW PROJECTS

In Fort Collins, Woodward, Inc., formerly Woodward Governor, continues construction on a new global headquarters. A 275,000-square-foot Industrial Turbo Machinery Systems building and 60,000-square-foot corporate headquarters are scheduled to be completed by the end of 2015. Upon completion the new facility will add an additional 1,000 employees.

The MAX bus rapid transit line opened along the Mason Corridor in May 2014. Multiple transit-oriented developments (TOD) are occurring along the route. Fort Collins is beginning to study potential MAX extensions for future implementation.

Costco Wholesale Club, including a food store, tire center, liquor store and gas station, opened on October 2, 2014 in Timnath adjacent to Fort Collins.

Multiple solar projects are being completed in Northern Colorado, expanding alternative energy options. In 2015, the Poudre Valley Rural Electric Association (PVREA) opened a solar farm along Riverside Avenue in Fort Collins. PVREA will also develop two solar projects in Weld County with up to 35,000 solar panels, both of which should be operational by the end of 2015. Additionally, Platte River Power Authority will build a solar energy facility at the Rawhide Energy Station north of Wellington, which will produce enough electricity to power 7,000 homes.