



SITE SELECTORS FEEDBACK REPORT



Our Valued Trustee Partnerships



The Competitive Edge: Translating Site Selector Feedback into Regional Strategy

Each year, the Metro Denver Economic Development Corporation convenes leading site selection and location advisory professionals in Colorado to exchange insights, showcase the strength of the region's economy, and gather candid feedback on how we can continue to improve our competitiveness. A cornerstone of this engagement is the moderated panel discussion held during our annual conference dinner, where site selectors offer direct perspectives shaped by their work with companies making location and investment decisions across the country.

This report serves as a synthesis of that discussion. It captures the key themes, opportunities, and concerns raised by participating site selectors, providing a clear and structured summary of their feedback. Importantly, it goes beyond anecdotal insight. Each theme is evaluated against available data, our own research, and market indicators to assess where perceptions align with measurable realities, and where they may diverge. In addition to this analysis, the report outlines the policy perspectives of the Denver Metro Chamber of Commerce. For each major topic area, we articulate our position on the underlying issues, identify implications for regional competitiveness, and highlight ongoing or proposed efforts, including specific policy measures and legislation strategies aimed at sustaining and strengthening Colorado's business climate.

The Metro Denver EDC, a privately funded organization representing 12 counties and nearly 130 communities across Colorado's Front Range, leads regional efforts in business recruitment, retention, and expansion. In partnership with the broader business community, we are committed to ensuring that the region remains one of the most competitive and compelling destinations for investment in the United States. This report reflects our commitment to listening, validating, and acting. By pairing site selector feedback with rigorous analysis and clear policy direction, we aim to provide a transparent and actionable framework that supports continued economic growth and positions Colorado for long-term success.

Regards,



Raymond H. Gonzales

Executive Vice President of the Denver Metro Chamber of Commerce
President of the Metro Denver Economic Development Corporation

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METRO DENVER EDC

The Metro Denver Economic Development Corporation (Metro Denver EDC) is Colorado's largest privately funded economic development organization leading global business recruitment, retention, and expansion efforts.



ABOUT US

The Metro Denver Economic Development Corporation (Metro Denver EDC) is Colorado's largest privately funded economic development organization leading global business recruitment, retention, and expansion efforts.

Nine major industry clusters and two lifestyle verticals drive the regional economy in Metro Denver, representing a diverse combination of business, occupations and opportunities.

Representing 12 counties and more than 100 communities across Colorado's Front Range, the Metro Denver EDC works collaboratively with state, county, and local economic development professionals to lead and support projects that create great-paying jobs and capital investment opportunities for the state. This region represents nearly 85% of Colorado's GDP and almost 80% of its population.

HOW CAN WE HELP?

Metro Denver EDC's team represents years of professional experience in economic development, industry cluster and coalition development, public policy advocacy, investor relations, marketing and brand strategy, and operations.

Our team of professional economic developers and economists is ready to work with our company or clients. From start-ups to Fortune 500 companies, we support a range of businesses in their efforts to invest in our region. Whether your company simply needs data about the Front Range region, wants to schedule a site visit, or requires relocation support, we collaborate with federal, state, county, and local partners to ensure your business needs are met.

SITE SELECTION EXPERTS

Thank you to our six stellar economic development leaders who were part of our 2025 Site Selection Conference.



STEVE BRUNSON

Vice President, Credits & Incentives, DMA

Steve leads a team of C&I professionals serving leading businesses across North America. He partners with clients in the areas of site selection and incentive assessment, procurement, and compliance.

Steve works strategically with clients, often interacting with tax, operations, finance, real estate, government relations, and management teams.

In his role, Steve coordinates with regional C&I experts and collaborates with DMA's property tax and sales tax teams to maximize value for clients.



MIKE FALLERONI

Principal, Ryan, LLC

Mike Falleroni is a Principal – Site Selection and Business Incentives at Ryan, LLC and co-leads Ryan's Data Center Incentives Team. Mr. Falleroni has assisted globally influential companies with securing financial assistance for capital projects as well as minimizing their tax liability in over forty states.

The multinational clients he works with have been able to secure over a billion dollars in financial assistance and tax savings for their capital expansion projects, which enables them to achieve the highest levels of financial and operational efficiency as they expand their footprint across the United States. As a result of his clients' success, Mike is often asked to speak at various tax and industry conferences.

When he is not working, he is spending time with his beautiful wife Vanessa and his baby girl Bryar and aspiring to be the best bogey golfer in the United States.



LARRY GIGERICH

Executive Managing Director, Ginovus

Larry is a nationally recognized economic development leader with more than 30 years of local and state government, not-for-profit and private sector experience. Throughout his career, Larry has worked on approximately 600 economic development projects resulting in over \$12 billion in capital investment, the creation of over 100,000 new jobs, and the retention of over 200,000 existing jobs. Named by Governing Magazine as one of the nation's best economic development officials, he was also named one of Indiana's Top 250 most influential and impactful leaders. Larry is a past Chair of the Site Selectors Guild, an internationally recognized site selection organization, and is a regular speaker and panelist at conferences throughout North America. Prior to founding Ginovus in 2002, Larry worked in a variety of economic development settings, including Deputy Director of Business Development for the Indiana Department of Commerce, Senior Advisor to the Mayor of the City of Indianapolis for Economic and Workforce Development, and President & CEO of the Indianapolis Economic Development Corporation (Develop Indy and Indy Partnership).



JANE HAINES

Senior Associate, EBP

Jane is a consultant with over eight years of experience addressing economic development challenges in the U.S. and abroad. Her work at EBP spans corporate site selection, transportation and freight planning, market analysis, strategy development, and program evaluation. In the past, she has led and supported work with USDA, USAID, municipal and state governments, regional planning agencies, departments of transportation, port authorities, a Fortune 500 company, and community organizations. Jane is particularly interested in group decision-making and consensus-building strategies in both the public and private sector. This interest began during her service as a Community Economic Development Peace Corps Volunteer in Colombia (2018-2020) and deepened through work on U.S. Government-funded development projects in Latin America. Jane continues to draw on this experience in my current work, helping clients navigate complex, multi-stakeholder environments and make data-backed decisions.



SAVANNAH JERMANCE

Director of Credits & Incentives Consulting, Ryan, LLC

Savannah is a Director of Business Incentives & Site Selection at Ryan, LLC, located in Albuquerque, New Mexico. She holds certifications as a Certified Credits and Incentives Professional (CCIP) and a Certified Economic Developer (CeCD), offering a unique dual perspective in her field. Savannah has extensive experience in economic development at both state and local levels, and she has managed business incentive and site selection projects across various industries nationally. Savannah has been a speaker at multiple national events organized by organizations including: SelectUSA, Institute for Professionals in Taxation (IPT) and the International Economic Development Council (IEDC). She is also affiliated with IPT and Commercial Real Estate Women (CREW), where she has served on the Corporate Real Estate Council and the Communications and Editorial Committee. Savannah earned her Masters in Business Administration from The University of New Mexico's Anderson School of Management and holds a Bachelor of Science in Biology from The University of New Mexico.





JIM RENZAS

Senior Director, North America, BCI Global

Jim is one of the world's most respected corporate location consultants. A long-term member of the prestigious Site Selectors Guild, Mr. Renzas has been selected by the United States Senate Finance Committee to act as an expert witness to the U.S. Congress on the use of various federal and state incentive programs to encourage the redevelopment of distressed communities and industry reshoring. He has many years of corporate location experience focusing almost entirely on global footprint strategy, corporate location analysis, site selection, supply chain optimization, labor market studies, incentives negotiation and compliance as well as management of government incentives and credits.

Prior to his affiliation with BCI Global, he was a practice leader for both Arthur Andersen and KPMG, two of the world's largest professional consultancies in the areas of location analysis and incentives negotiations. In addition, he founded a highly successful corporate relocation company which was subsequently sold to Weyerhaeuser Mortgage. Mr. Renzas has over 35 years of experience working with office, manufacturing, and distribution companies in identifying, conducting due diligence on, negotiation of corporate location incentives and compliance throughout North American and, in particular, in the United States.

Jim has worked in all regions of the United States on some of the most successful corporate location projects and gained an international reputation for his expertise. He is comfortable working with Senior Management, corporate Steering Committees, and C-suite executives on highly confidential, time sensitive, and high value projects.



COLORADO'S COMPETITIVE EDGE

**Insights from the 2025 Site
Selection Feedback Panel**

EXECUTIVE SUMMARY

Colorado continues to emerge as a national model for collaboration, connectivity, talent quality, and a forward-thinking approach to economic development. During the 2025 Site Selection Conference, the Metro Denver EDC convened top national site selection experts to assess Colorado's economic competitiveness and identify where Colorado excels and where opportunities for improvement exist.

The panel's assessment was clear: Colorado must move faster, build smarter, and stay united to maintain its national leadership position. This year's experts identified several key themes that define Colorado's position today and noted that the state faces mounting challenges that could erode its competitive advantage. The state's skilled and talented workforce and culture of collaboration remain differentiators, but in an increasingly fast-paced national economy, speed-to-market and predictability now outweigh traditional incentives. Workforce housing and energy infrastructure emerged as major challenges to Colorado's competitiveness, while regulatory consistency and manageable risk were cited as increasingly crucial factors for investment decisions.

COLORADO'S COMPETITIVE STRENGTHS

Colorado's competitive edge lies in the strength of its collaboration and cohesion, workforce and education ecosystem, and connectivity and access. Across the region, communities operate along a unified front that continually delivers both depth and agility, fueled by a nationally recognized talent pipeline and unmatched coordination.

REGIONAL COLLABORATION AND COHESION

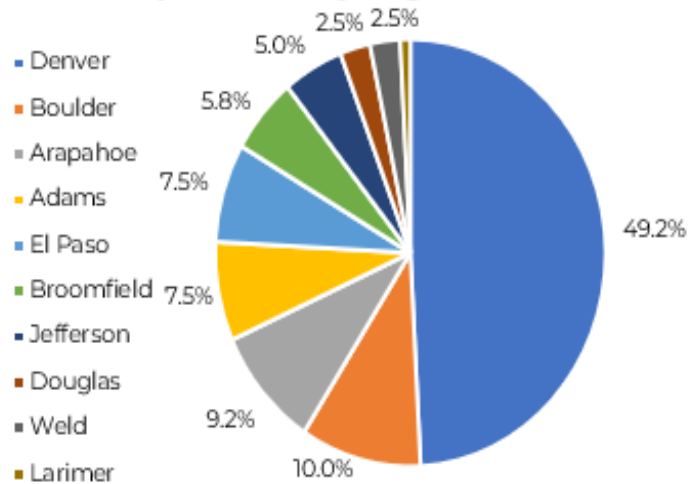
"I do not think I have ever seen this level of turnout and collaboration anywhere in my 35 or 40 years of site selection experience." – Jim Renzas, Site Selector

The Metro Denver region is distinguished by its focus on regionalism and unparalleled cooperation across local, county, state, and private partners. Site selectors repeatedly emphasized that the level of coordination across the Front Range is unparalleled throughout the nation. This regional cohesion now defines the Colorado brand – it is no longer perceived as "Denver-centric", but rather as an integrated economic powerhouse that extends across the Front Range.

The panel praised how even outer counties presented strong infrastructure, talent pipelines, and site readiness, highlighting the true depth of regional capacity. The region, they observed, feels simultaneously large and intimate, offering the ease of connectivity of a small ecosystem within a broad geographic footprint.

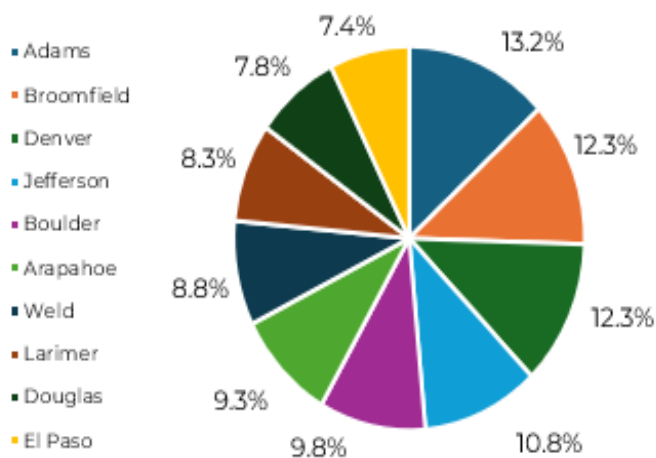
However, panelists were clear that regional collaboration, while notable, is not itself a deciding factor in the current site selection environment. Investors heavily weigh the fundamentals, including cost, risk, and speed-to-market. Colorado's cooperative culture elevates its communities and sites for consideration by investors, but projects are ultimately won by regions that can deliver competitive opportunities and timely project execution.

Projects Won by Region 2018-2025



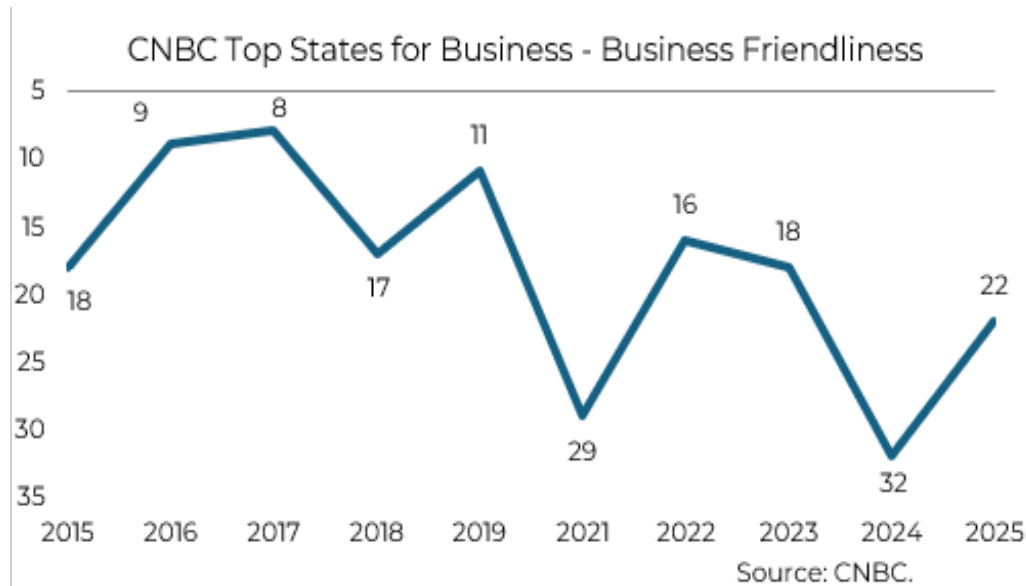
The panelist's assessments are reinforced by recent project outcomes across the Metro Denver region. Between 2018 and 2025, the region secured over 120 economic development projects representing more than 41,000 new jobs. While Denver remained the primary economic anchor, capturing just under half of all projects, the remaining activity was broadly distributed across surrounding counties, demonstrating that investment success has not been confined to the urban core. Further, prior to the COVID-19 pandemic, headquarters and office-using projects dominated the project pipeline and commonly landed in Denver, a trend that has shifted in recent years. The pattern of recent wins reflects a regionally integrated economy in which coordinated infrastructure, workforce assets, and site readiness across the Front Range have translated into tangible project placements throughout the region.

Current Project Pipeline, March 2026



This regional orientation is also evident in the current project pipeline, which includes more than 30 active projects that are largely site-agnostic and capable of landing anywhere across the Front Range region, with prospective locations distributed broadly across counties. It should be noted that within the last two years, the Metro Denver EDC partnered with local organizations representing El Paso, Teller, and Pueblo counties to expand its Front Range Economic Collaborative to 12 counties. It is anticipated that over time, new projects in these territories will increase in frequency due to the new partnerships as these counties reap the benefits of regionalism.

While the site selector feedback recognizing the strength of regional collaboration is notable, it is important to highlight that the view of Colorado as a business-friendly state has generally declined since 2016. As reported in CNBC's Top States for Business 2025 ranking, the state ranked as high as 8th during the past decade but fell as low as 32nd in 2024 before bouncing back to 22nd in 2025.



In this sense, the stakeholders who interact with the organizations that support regional economic development come away from these interactions with a positive view of the collaborative ethos of the Front Range. However, this message may not translate as well outside of the group of professionals that regularly work with site selection partners and public-private development networks.

DMCC Policy Perspective: Actively promoting regional collaboration and cohesion, the Chamber convenes business leaders and economic development organizations across the Front Range to align shared priorities. Through initiatives like the Metro Denver Economic Development Corporation's Code of Ethics and multi-community partnerships, the Chamber encourages communities to work collectively rather than competitively, strengthening the region's overall economic competitiveness. By coordinating policy advocacy on key labor issues, such as maintaining Colorado's Labor Peace Act, workforce development, tax policy, and infrastructure planning, DMCC ensures business interests are represented cohesively, fostering a more unified and resilient regional economy.

WORKFORCE AND EDUCATION ECOSYSTEM

“Colorado stacks up very well in the areas that you’re trying to lead, the areas that you’re trying to grow, the education system here, the level of the workforce here at a high level, the education level of that workforce is incredible.” – Steve Brunson, Site Selector

Panelists highlighted the competitive advantage of Colorado's workforce and education systems as a compounding advantage. Beyond technical training, Colorado's quality of life and inclusive culture help attract and retain a diverse workforce. The state's emerging quantum computing ecosystem, including the NSF ASCEND Engine and growing synergies between bioscience, tech, and AI, was cited as a promising and unexpected strength that demonstrates how Colorado's cross-disciplinary innovation ecosystem is maturing into a globally recognized hub for advanced industry.

Colorado's depth of education-to-career pipelines was cited as a national blueprint for workforce sustainability. Site selectors emphasized how the seamless integration of K-12 STEM programs with community colleges and universities creates continuity that few regions can match. Employers are able to tap into a workforce that is both highly educated and adaptable, supported by innovation and the push for continuous learning.

The feedback from site selectors is consistent with workforce and education metrics that are tracked closely by MDEDCC and with other more recent rankings. Overall, Colorado boasts the nation's second-most highly educated workforce, as measured by the percentage of the population with a bachelor's degree or higher, and has maintained a top-five ranking among U.S. states for 23 consecutive years.



From a workforce perspective, Colorado has a consistently above-average labor force participation rate, ranking 6th in the nation at 68.0% in 2024, and lags only Utah among our competitor states. In the past year, our labor shortage shifted substantially to 0.8 open jobs per unemployed worker, ranking 3rd in the nation. The state also ranks third among all states for tech job creation (8.3%), trailing only Washington (9.3%) and Virginia (8.7%). Taking account of more recent trends, Colorado currently ranks among the top 15 states and Denver among the top 20 largest metropolitan areas for Artificial Intelligence (AI) hiring in 2025, according to estimates from the University of Maryland. The state also ranks among the top 15 in AI jobs as a share of total employment, with Denver ranking 21st nationally for AI job creation.

While Colorado has maintained a track record of high performance in key education and workforce metrics, the state continues to face challenges related to K-12 spending, high school completions, and local talent pipeline development. The state has ranked 20th or below for per-student expenditures for public K-12 schools for the past 22 years, with the exception of 2004. This middle-of-the-pack support for K-12 education is likely a contributing factor to our rankings for high school graduation rates, which have hovered around 40th since 2011. Combined, these factors explain much of the Colorado Paradox, where the state imports most of its talent, leading to a highly educated workforce that is largely trained elsewhere. In fact, Colorado has ranked 44th or below for homegrown talent since 2004. These lagging indicators signal an avenue for policy to support the full spectrum of education and workforce development in the state.

DMCC Policy Perspective: The chamber actively supports funding for both higher education and K-12 as part of its “Building an Educated Workforce” policy pillar. While recent state budgets have increased K-12 spending, cuts to higher education have widened the gap, contributing to the aforementioned Colorado Paradox. The DMCC continues to advocate for higher education funding that incentivizes talent and workforce development, supporting recent bills such as HB 24-1340 (Incentives for Post Secondary Education) and HB 22-1350 (Regional Talent Development Grant Program). DMCC emphasizes that

increasing investment in education, paired with policies to stabilize the workforce housing crisis, is essential to making Colorado more competitive and attractive for workers. Strengthening these funding avenues will help the state generate a highly educated local workforce, improve long-term economic stability, and reduce reliance on outsourced talent.

CONNECTIVITY AND ACCESS

“Companies are doing business globally, and nobody likes to connect. They like to get to where they’re going as soon as they possibly can. And having a strong airport is key to attracting headquarters and regional headquarters.” – Jim Renzas, Site Selector

Nonstop domestic and international connectivity enhances Colorado’s ability to attract headquarters and high-value investments. As one panelist put it, “Nobody likes to connect—they want to get where they’re going as soon as possible.” Another stated that “One of the most important things is the ability to fly non-stop to international destinations,” signaling the importance of global connections to the executives who make relocation and expansion decisions. The value of connectivity also extends to cargo as “shipping product by aviation is becoming more and more prevalent these days,” and is a “key driver of how we get the product from A to B in the quickest way possible.”

Improvements at DEN were noted as a visible sign of Colorado’s global ambition and a key metric for decision-making in site selection. One panelist said simply, “those executives need to go, they need to be able to get in and out very quickly.” For site selectors and investors, airport improvements are an indication that Colorado continues to prioritize investment in infrastructure to meet the needs of a global economy. The verdict of the site selectors on the changes at DEN can be neatly summed up by Mike Falleroni, who said, “my experience recently has been awesome,” and that the end product was “beautiful.”



Denver International Airport (DEN) remains one of the state's most significant assets. As a major hub for both domestic and international travel and logistics, DEN served 231 nonstop destinations, of which 197 were domestic and 34 international, for the full year 2025. In 2025, DEN set multiple new records with nearly 4.9 million international travelers and over 82.4 million passengers overall, ranking as the 4th-busiest airport in the U.S. and the 10th-busiest airport in the world based on preliminary 2025 data. July 2025 was DEN's busiest month ever, serving over 8 million passengers. DEN also handles significant cargo volume, transporting 733 million pounds in 2025 compared to 732 million in 2024 and 682 million in 2023. In addition to serving as a major economic development anchor, DEN is a key economic driver for Colorado, generating \$47.2 billion in annual economic impact for the state and supporting over 244,000 jobs.

DEN will continue to grow in 2026 with a seven-year, \$70 million project to support a 400,000-square-foot expansion of Concourse C-West. This project will add 11 new gates and help DEN reach its goal of serving 100 million passengers annually. Additionally, DEN completed a 38,000-square-foot Center for Excellence and Equity in Aviation, which has already reached 8,700 people and will open this summer as part of DEN's \$2.1 billion Great Hall transformation.

DMCC Policy Perspective: The Chamber strongly supports the expansion of DEN and Peña Boulevard as a critical investment in Colorado's business infrastructure. Essential for maintaining the state's position as a gateway for commerce, the Peña expansion will ease traffic and create a smoother transition into Colorado for executives, businesses, and goods. However, the federal NEPA review process, with its environmental standards and city compliance requirements, implies a bureaucratic burden for the project. Furthermore, the FAA has indicated it will not fund lane-widening on Peña. Therefore, the DMCC believes we should consider state/local implementation of SB21-260 dollars to close pavement and safety gaps, and look to other enterprise dollars, federal highway grants/credits, and other regional resources. These steps mirror our statewide stance: invest in roads, urban and rural, to power Colorado's economy.

Additionally, Denver Metro Chamber adamantly supports and collaborates with DEN and the City and County of Denver on the development of new international direct, nonstop flights. These new international connections enhance trade relationships, business travel, and tourism, as well as foreign direct investment into Colorado via economic development projects.

STRUCTURAL CHALLENGES

COST AND INCENTIVES

“While the strengths are incredible, Colorado must constantly identify and mitigate emerging threats, including cost pressures, so you are not in a weaker position five or ten years from now.” – Steve Brunson, Site Selector

Colorado's rising cost structure was one of the concerns most consistently expressed by the site selection experts. Site selectors noted that while the state earns a seat at the table for its talent, Colorado risks losing projects to lower-cost, fast-moving competitors. As one panelist summarized, “strong talent and collaboration only win when paired with monetizable incentives and speed to market.”

Colorado's incentive approach can be summarized as follows:

- Incentives at the state and local levels are performance-based, with the exception of small grant opportunities.
- In most cases, the business invests, pays taxes, satisfies the agreed-upon requirements, and then has portions of those taxes rebated or credits applied to incurred liabilities.
- Some local jurisdictions, such as Jefferson County, have eliminated business personal property tax altogether, where there is no need for a rebate.

- At the state level, credits are non-refundable and are applied as deductions to the company's state income tax liability.
- Applications for State incentives like the (Job Growth Incentive Tax Credit) JGITC are independent of local matches; however, some county incentives are dependent upon local matches.
- Incentive applications at the state and local levels can be done concurrently, and the process can also run concurrently with real estate searches and land use considerations.

Simultaneously, the state's incentive toolkit lacks broadly accessible refundable or transferable tax credits, creating late-stage disadvantages. States with no corporate income tax, such as North Carolina, are able to deploy incentives to close competitive gaps in the final stages of dealmaking, widening their advantage. Furthermore, states like Pennsylvania, North Carolina, and Maryland offer refundable, transferable, or sellable tax credits.

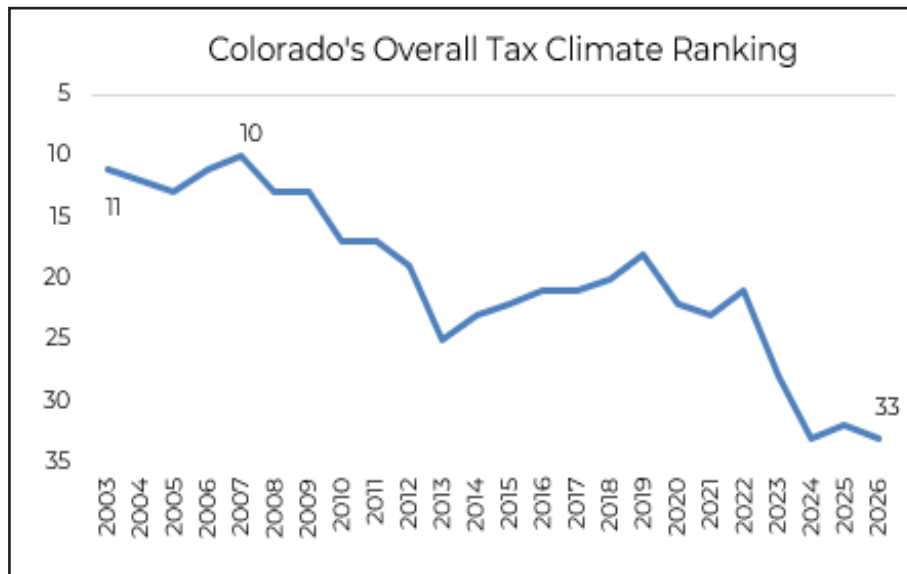
From a wage perspective, Colorado's annual average wages (\$81,640) were the third highest among competitor states as of Q3 2025, lagging only Washington (\$99,996) and California (\$94,380). Further, Colorado also ranked third for the greatest year-over-year change in wages among competitor states at 5.7%, lagging only the same two states.

AVERAGE ANNUAL WAGES — COMPETITOR STATES

	Q3 2024	Q3 2025	% Change
Arizona	\$68,016	\$70,720	4.0%
California	\$88,036	\$94,380	7.2%
Colorado	\$77,272	\$81,640	5.7%
Florida	\$66,404	\$69,784	5.1%
Georgia	\$67,808	\$70,148	3.5%
Indiana	\$60,528	\$63,128	4.3%
North Carolina	\$66,248	\$69,056	4.2%
Oregon	\$70,304	\$73,268	4.2%
Texas	\$72,488	\$75,088	3.6%
Utah	\$64,948	\$67,444	3.8%
Virginia	\$75,036	\$78,208	4.2%
Washington	\$92,872	\$99,996	7.7%

Differentials in wages versus states that Colorado has been in close competition with for recent projects reveal some stark differences that are likely impacting the decision-making processes of site selectors. As of Q3 2025, Colorado wages were 8.7% more expensive than those in Texas, 16.4% greater than those in Georgia, 17.0% more than wages in Florida, and 29.3% more expensive than wage rates in Indiana. Further, these states posted much lower percentage wage growth off of a lower base, ranging from 3.5% in Georgia to 5.1% in Florida, suggesting that wage pressure in Colorado is more significant than in many of the states that will compete with us for future projects.

As detailed in our 2026 TMCC report, Colorado's relatively low corporate tax and individual income tax environment helps the state attract new businesses and retain local firms. However, Colorado's overall Tax Competitiveness Index exhibits a steadily declining trend since 2003. After peaking at 10th among U.S. states in 2007, the state's tax competitiveness has fallen all the way to 33rd by 2026, primarily weighed down by a 40th ranking for unemployment insurance tax rates, 39th ranking for sales tax, and 34th ranking for property tax.



A comparison with peer and competitor states further underscores this challenge. While Colorado's corporate tax ranking remains relatively competitive at 20th nationally, it trails several of its strongest rivals, including North Carolina (3rd), Indiana (7th), Georgia (9th), and Utah (12th), all of which pair favorable tax structures with aggressive incentive strategies. Colorado is also well behind states such as Texas (7th), Florida (5th), Indiana (10th), and Arizona (14th) on an overall basis. Taken together, the data suggest that even where Colorado performs adequately in isolation, it increasingly lags the states it most often competes with for mobile investment.

TAX CLIMATE RANKINGS — COMPETITOR STATES 2026

	AZ	CA	CO	FL	GA	IN	NC	OR	TX	UT	VA	WA
Overall	14	48	33	5	18	10	13	35	7	15	30	45
Corporate	13	41	20	17	9	7	3	49	46	12	18	47
Sales	45	46	39	16	18	14	15	4	36	26	13	49

DMCC Policy Perspective: Colorado's incentive structure, built around performance-based tax credits, encourages job creation, investment, and business expansion. Utilizing Job Growth Incentive Tax Credit and Enterprise Zone programs, Colorado focuses on rewarding measurable economic outcomes and driving growth in high-impact sectors.

Colorado also recently adopted HB23-1260, Advanced Industry and Semiconductor Manufacturing Incentives, in 2023, which creates refundable state income tax benefits for certain activities in CHIPS zones. The CHIPS zones and associated credits have been helpful in both attracting and retaining some semiconductor manufacturing operations within the state. Metro Denver EDC is currently tracking and supporting conversations to expand the definition of businesses that can qualify for CHIPS zone credits.

This year, supporting HB26-1014, the Chamber backed extending the Job Growth Incentive Tax Credit through 2032 to provide predictable, measurable tools that retain and attract businesses. Furthermore, the Chamber's Colorado Competitive Council actively supported HB 25-1157, extending the Advanced Industries Investment Tax Credit through 2032 to help early-stage firms raise equity. DMCC is advocating for stronger, performance-driven policies to boost workforce recruitment, business investment, and the state's national competitiveness.

PERMITTING AND SPEED TO MARKET

“In some competitor states like in Texas and parts of North Carolina, clients can get shovels in the ground in three to four months, whereas in Colorado the average is six to eight months.” — Mike Falleroni, Site Selector

The panelists were unanimous in their view that a predictable permitting process and expedited speed to market are key competitive advantages for states looking to drive investment and win projects. Many panelists relayed that speed to market has become the decisive factor in most investment decisions. In Colorado, average permitting times with state agencies like the Colorado Department of Public Health and Environment (CDPHE) significantly lag compared to timelines seen in leading competitor states. Furthermore, local government entitlement and building permit process timelines and certainty can make-or-break a project. Panelists shared that delays can potentially cost clients tens of millions in lost revenue, often determining final decisions.

Site selectors also highlighted that competing states now allow fee-based expedited reviews and stacked permitting processes that enable parallel approvals and reduce timelines. Given this competitive disadvantage, predictability and speed were identified as Colorado’s single most urgent competitiveness issue. The permitting processes through state and local governments must evolve to deliver both timeliness and confidence.

Cross-state comparisons of permitting processes are challenging due to the decentralized nature of permitting, which is administered across local, county, and state jurisdictions. However, Labrynth produces a Red Tape Index that ranks states based on nine metrics related to the difficulty of getting projects off the ground. On an overall basis, Colorado ranks 22nd and trails eight of our competitor states. On permitting, Colorado has a permit score of 9.66, where a lower score is better, and ranks behind seven competitor states.

RED TAPE INDEX

Overall Rank	State	Permit Score
1	Tennessee	3.43
2	Indiana	3.22
3	Georgia	5.47
4	Texas	9.39
5	South Dakota	16.80
22	Colorado	9.66
46	New Jersey	11.52
47	Oregon	6.34
48	California	14.79
49	New York	30.96
50	Hawaii	29.48

Notably, some of the states that rank worse than Colorado in terms of permitting are making significant moves to streamline and expedite their permitting processes. North Carolina, which is currently seven spots behind Colorado, has introduced a fast-track environmental permitting program that requires an extra fee but reduces timeframes by 80%. Florida, currently nine spots behind Colorado, recently passed legislation to guarantee permit review days with partial refunds for late reviews. States such as Indiana also appoint liaisons to expedite approvals, resulting in a top 10 permit score. Policymakers should take note of these changes in order to not fall further behind our peers in this key component of site selection.

DMCC Policy Perspective: The DMCC is pushing for faster, simpler, and more incentive-driven regulatory processes. DMCC’s efforts here have been effective in moving forward new processes that hope to significantly improve certain permitting bottlenecks for economic development projects. Recently, DMCC’s feedback, informed by site selectors, has

supported improvements to CDPHE’s air quality permit review. CDPHE is reforming the permit process, including fast-track incentives for projects that align with the State’s economic development goals, including fee-based access to a dedicated permit review technician, a best practice learned from competing states. We are also working with our local partners to explore fast-track permitting and parallel reviews for job-creating projects, and to gain a better understanding of the critical impacts to our businesses and the people they serve when considering regulatory changes.

ENERGY CAPACITY AND RELIABILITY

“Right now, it is how quickly can we get power, and if we cannot get power quickly, it is off the list. It is a race to power.” — Steve Brunson, Site Selector

Energy infrastructure and power readiness are now gating factors for large-scale AI, data center, and manufacturing investments. Site selectors warned that the current limited baseload generation is jeopardizing Colorado’s ability to compete for transformative projects. Large AI and hyperscaler investments are creating critical digital and power infrastructure for a broad range of emerging industries that create jobs for peer states. These investments can be highly lucrative assets for communities in states like Colorado, as they generate significant sums of sales and use tax with ongoing equipment upgrades and replacements.

Colorado must invest in generation and infrastructure, focusing on balanced energy growth that can include renewables for sustainability, but also reliable traditional sources, and potentially thermal or nuclear sources to support the reality of current and future demand. Policies that require one hundred percent renewable energy for high-load users are regularly seen by site selectors and investors as impractical and potentially exclusionary. The panelists agreed that states that invest early in balanced, reliable power infrastructure will secure long-term positive economic benefits.

The panelists’ feedback is consistent with the patterns observed in data related to energy capacity, pricing, and relative competitiveness to peer states. As discussed in our 2026 *Toward a More Competitive Colorado (TMCC)* report, despite ranking No. 4 for crude oil production, No. 6 for wind generation, No. 9 for natural gas production, and No. 10 for solar generation among U.S. states, Colorado ranks 22nd for nameplate energy capacity. On a per capita basis, Colorado ranks 28th, generating just over 3.6 megawatts per person per year, a figure that has grown by just 17.7% since 2010.

INDUSTRIAL ENERGY COST — COMPETITOR STATES

State	2024 Cost	Cost Rank	Since 2010	Change Rank
Arizona	7.90¢	6	19.2%	4
California	21.53¢	12	119.7%	12
Colorado	8.62¢	10	24.9%	5
Florida	8.50¢	9	-4.0%	2
Georgia	7.21¢	3	15.9%	3
Indiana	8.15¢	8	38.8%	8
North Carolina	7.77¢	4	25.9%	6
Oregon	8.05¢	7	49.1%	9
Texas	6.12¢	1	-5.0%	1
Utah	7.86¢	5	59.4%	10
Virginia	8.99¢	11	35.0%	7
Washington	6.61¢	2	62.0%	11

On a cost basis, Colorado ranked 27th for both commercial and residential energy prices, and 34th for industrial cost per kilowatt hour in 2024. Taking a closer look at our competitor states, Colorado ranked 10th among our eleven peer states for industrial energy costs at 8.62¢ per kilowatt hour. Here we are offered further examples of our evolving competitive position as Colorado experienced a 24.9% increase in industrial energy costs since 2010, while Florida and Texas achieved cost reductions of 4.0% and 5.0%, respectively, over the same period. Some counterexamples are also offered from states with restrictive energy policies, as industrial energy costs rose by 119.7% in California and 62.0% in Washington since 2010.

INDUSTRIAL ENERGY COST CHANGES

	Total Change		CAGR	
	CO	US	CO	US
5-Year	16.5%	19.4%	3.1%	3.6%
10-Year	15.4%	14.5%	1.4%	1.4%
Since 2010	24.9%	20.1%	1.6%	1.3%

Over the past five years, Colorado has experienced a smaller increase in industrial energy prices than the U.S. on average; however, this pattern is not the norm since 2010. Examples from competitor states illustrate that meaningful cost improvements are possible, suggesting that additional progress and sustained attention will be critical to supporting Colorado’s long-term economic growth and its ability to compete for large-scale projects.

DMCC Policy Perspective: Colorado’s energy and utility legislation plays a critical role in the state’s economic competitiveness, particularly as businesses weigh location decisions against reliable, affordable, and scalable energy infrastructure. The Chamber supports policies that expand energy capacity and modernize the grid while opposing regulatory burdens that slow progress or increase costs, such as the federal NEPA-related PUC mandates in SB26-002 or overly prescriptive renewable requirements for data centers found in SB26-102.

At the same time, DMCC sees opportunities to strengthen Colorado’s competitive position by supporting targeted incentives for data center development, grid modernization, and workforce development in emerging energy sectors, ensuring that new investment is both feasible and sustainable. By promoting a balanced energy policy that prioritizes reliability, innovation, and cost-effectiveness, DMCC aims to attract and retain businesses, increase workforce opportunities, and solidify Colorado’s long-term economic stability relative to competitor states.

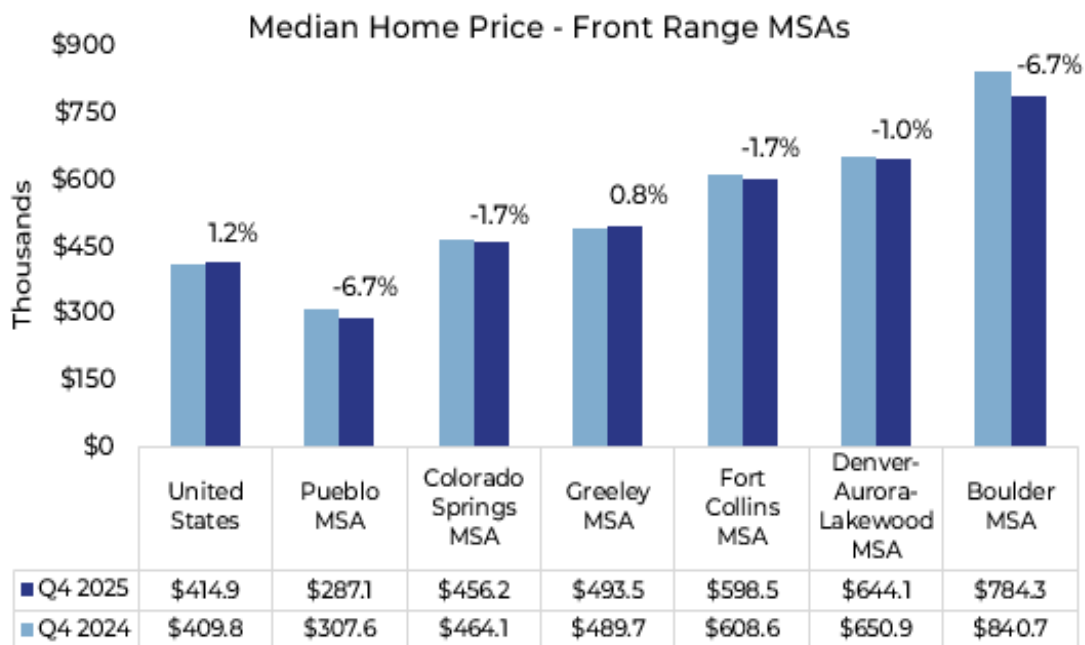
Access to reliable, affordable, and innovative energy solutions is vital to meet Colorado’s housing demand, manufacturing capacity, technological advancement, and education. The Colorado Public Utilities Commission (PUC) is up for reauthorization in 2026 (HB26-1326). The PUC widely encompasses regulations on electricity and natural gas utilities, transportation carriers, and telecommunications providers. This will be a top issue impacting our state’s economic competitiveness and businesses’ ability to meet the needs of our population. Regarding energy utilities specifically, we are working with a wide coalition of business and energy organizations to look at impacts related to the expansion of securitization authority and eligible costs recoverable through PUC-directed bonds, as well as requirements on utilities to outsource some customer-facing programs to third-party administrators.

HOUSING AFFORDABILITY

“Colorado’s labor force is one of the shining stars and many employers are willing to pay what it costs for stellar talent, but housing constraints are driving upward wage pressure.” — Savannah Jermance, Site Selector

Panelists highlighted that a persistent housing shortage, which has driven a substantial increase in home prices, has created wage inflation by limiting affordability at prevailing wages, forcing firms to raise compensation to attract and retain workers. Elevated home prices increase the risk of labor shortages in highly skilled trades, where employers are in intense competition for top talent, and render home ownership less attainable for occupations with compensation structures close to the median wage. These twin factors reduce the attractiveness of Colorado for relocation and industrial expansion projects.

Site selectors encouraged policymakers to treat housing as economic infrastructure, create more targeted incentives for housing development, and explore other opportunities to boost housing supply. “Incentives should reward housing construction tied to workforce outcomes,” one expert said. “You get what you incentivize, and capital flows to the place of least resistance.” Aligning housing policy with economic strategy will be essential to sustaining Colorado’s talent and workforce advantage.



Trends in the data related to housing substantiate the feedback expressed by the panelists, although there are some signs of encouragement from the most recent figures for home price appreciation. From 2018 to 2022, home prices in the Denver MSA rose by 48.9%. Price appreciation was slightly higher in the Fort Collins MSA (+49.9%), while growth was more moderate in the Colorado Springs (+48.4%) and Boulder (+41.2%) MSAs. Although prices have largely stabilized following this substantial run-up, housing across the Front Range remains among the most expensive in the nation, with Boulder ranking 13th and Denver ranking 22nd among U.S. MSAs by median home price as of Q4 2025.

HOUSING AFFORDABILITY INDEX

Q4 2025 Q3 2025 Q4 2024 OTY % Change

	Q4 2025	Q3 2025	Q4 2024	OTY % Change
Denver-Aurora-Lakewood, CO				
Cost of Housing Index (CHI)	38%	39%	42%	-4%
Low-Income CHI	75%	79%	84%	-9%
Boulder, CO				
Cost of Housing Index (CHI)	43%	45%	47%	-4%
Low-Income CHI	85%	90%	94%	-9%
Fort Collins-Loveland, CO				
Cost of Housing Index (CHI)	38%	41%	43%	-5%
Low-Income CHI	76%	81%	86%	-10%
Colorado Springs, CO				
Cost of Housing Index (CHI)	33%	36%	38%	-5%
Low-Income CHI	67%	71%	75%	-8%
US - Existing Homes				
Cost of Housing Index (CHI)	34%	36%	38%	-4%
Low-Income CHI	69%	72%	76%	7%

Affordability conditions remain severely constrained across Front Range MSAs despite some marginal price declines in the most expensive markets. Economists evaluate affordability against a widely accepted threshold, which states that homeowners who put more than 30% of their income toward housing costs are cost-burdened. As of Q4 2025, the NAHB Housing Affordability Index indicates that housing costs consume 33% to 43% of median household income across four regional MSAs. Conditions are even more restrictive for low-income households, where housing costs absorb 67% to 85% of income, leaving no Front Range MSA meeting the definition of affordable housing and placing homeownership far beyond the reach of low-income buyers.

The Front Range shows better affordability metrics for rentals, with the Denver MSA ranking as the 6th most affordable for renters among 44 major metropolitan areas in 2024, according to Redfin. With an estimated median renter income of \$72,800, renters earned 7.4 percent more on average than the required 30% threshold to afford typical rent. In another shift that suggests affordability constraints may be showing signs of starting to ease, Denver ranked 2nd in the nation for the largest shift towards a buyer's market and 1st for the share of home listings with price drops. So far, this trend has not materialized into significant price declines, and companies will face continued pressure to pay wages that allow households to bring housing costs back below the 30% of income affordability benchmark, particularly for lower- and moderate-income workers.

DMCC Policy Perspective: The DMCC supports solutions to help expand the availability and affordability of housing in the state. We are supporting HB26-1001 (HOME Act) to allow residential development on certain qualifying properties (e.g., nonprofits, schools, transit authorities, housing authorities), as well as SB26-001 to unlock county dollars for workforce/affordable housing and make the Middle Income Housing Tax Credit transferable to third-party investors. In 2023, DMCC supported HB23-1189, Employer Assistance for Home Purchases Tax Credit, which provides incentives for employers to contribute to downpayment savings for employees to use on the purchase of a primary residence.

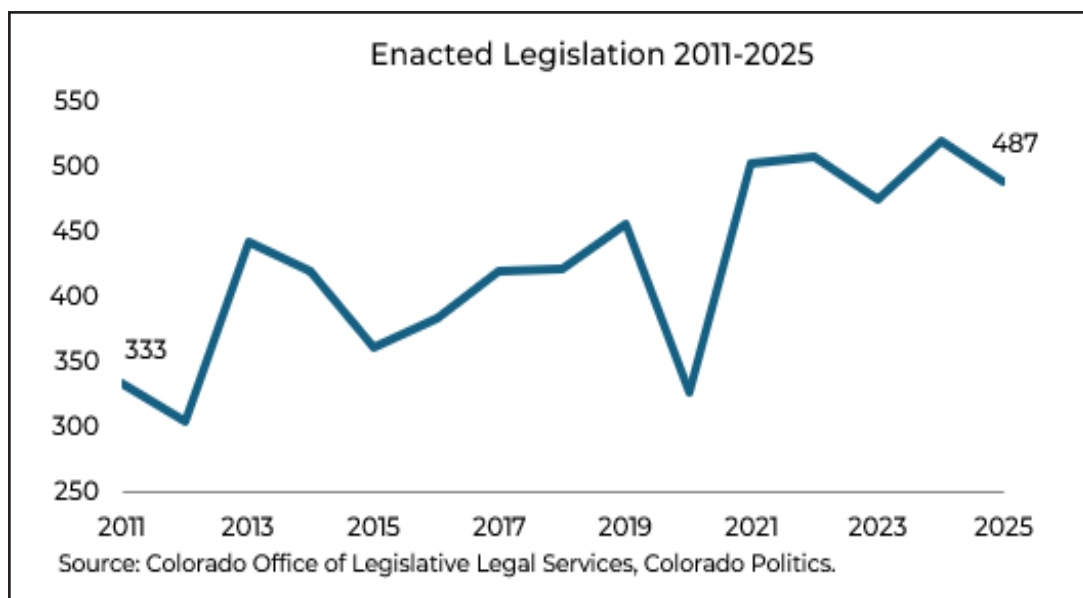
REGULATORY PREDICTABILITY

“If you’re going to be first to regulate, you better hope you’re a 90 percent solution... if you get out ahead of it and don’t do it right, you could kill innovation.”

—Larry Gigerich, Site Selector

Colorado is still seen as relatively business-friendly, but site selectors emphasized the need for consistency and certainty in policymaking. Uncertainty in permitting timelines and evolving rules, particularly in emerging fields like AI and clean energy, creates significant risk perceptions among investors. Panelists encouraged Colorado to adopt a learning approach to new regulatory frameworks, slowing down and observing peer regions’ best practices before implementing new mandates. In the AI sector, panelists were split: some supported early regulation for predictability, while others warned against “getting too far out over our skis.”

While not a perfect metric for regulatory predictability, the volume of enacted legislation in Colorado can serve as a proxy for how actively the state legislature is changing the policy environment and what the trend over time signals to site selectors and executives. The number of signed bills has increased substantially over the past 15 years, rising from 333 in 2011 to 487 in 2025. From the trough of the most recent period (2012) to the peak (2024), the number of legislative measures increased 71%. Further, companies have to navigate not only signed bills but also introduced legislation that could impact operations. In this sense, the 664 introduced bills in 2025 and 705 in 2024 represent a substantial amount of time and effort spent tracking legislative activity.



While the evidence is largely anecdotal, policymaking in the state of Colorado appears to be becoming less predictable in recent years as the complexity of legislation and the variability in legislative direction have increased. According to a Common Sense Institute (CSI) study, the complexity of bills in the 2024 legislative session increased by 51% from the 2012 to 2018 average as measured by word count. Further, recent legislatures have shown a willingness to upend established norms and wade into nascent topics earlier and more stringently. The willingness to change established rules and be first out of the gate with regulation of innovative sectors sends a strong signal that the policy environment in Colorado is becoming increasingly more unpredictable.

DMCC Policy Perspective: Quintessential examples of Colorado’s regulatory unpredictability include recent attempts by the legislature to regulate artificial intelligence development and usage, dismantle Colorado’s 80-year-old Labor Peace Act—a long-standing balance between labor Unions and industry—and increase government interference in private business operations.

AI

DMCC strongly opposed SB24-205: Consumer Protections for Artificial Intelligence, which was ultimately enacted in 2024 with direction from the Governor to address industry concerns through rulemaking. The legislation represents a first-of-its-kind effort to address algorithmic discrimination in AI systems used for consequential decisions affecting consumers, including in hiring, education, and financial services. From DMCC's perspective, advancing a novel regulatory framework in a rapidly evolving, still-developing industry poses implementation challenges. Moving ahead of other states and federal standards may introduce policy uncertainty and increase compliance complexity, which could affect Colorado's competitive business environment and impose additional burdens on innovation-driven companies.

Taken together, these factors position Colorado as an early regulatory outlier in the AI space, which industry will perceive as Colorado's willingness to assume elevated business risk in advance of national alignment. For companies in technology, software development, and other innovation-centric industries, where Colorado has historically been highly competitive, this shift has the potential to materially impact how the state is evaluated for future investment and growth. DMCC believes recent departures of advanced technology company headquarters, including TTEC and Palantir, are at least in part due to dissatisfaction and increased risk associated with the passage of SB24-205.

LABOR PEACE ACT

The Labor Peace Act was enacted in 1943 as a compromise between labor unions and business owners, ensuring the rights of employees to join a labor union to collectively bargain, while maintaining the ability for employees to choose if they want to be a part of the union and pay union dues. This compromise is why Colorado is considered a 'modified right-to-work state.' By the numbers, right-to-work states show stronger employment growth than union-shop states, while Colorado's average annual employment growth has outpaced union-shop states by 1.5 - 3 times in the last 20 years.

In 2025, Colorado legislators attempted to repeal the Labor Peace Act and require automatic pay deductions for employees even if they did not want to be part of a union. Governor Polis ultimately vetoed the bill, influenced heavily by DMCC's research and advocacy, demonstrating the impact of a potential repeal on economic development. However, this is still an ongoing issue that policymakers continue to put forward, with HB26-1005: Worker Protection Collective Bargain already introduced in the 2026 legislative session. With decades of consistency defending the current components of the Labor Peace Act as a competitive economic advantage for Colorado, the DMCC will relentlessly fight to protect the longstanding and multigenerational balance to maintain Colorado's modified right-to-work status.

GOVERNMENT INTERFERENCE IN MARKETS

During the past few legislative sessions, there have been a number of attempts by policymakers to set business operations requirements, including pricing of goods and services, setting of wages and pay, and use of marketing tools. For example, during this 2026 legislative session, the DMCC opposed HB 26-1012, an effort by the state to force vendors to set specific pricing at entertainment and sports venues, festivals, airports, and hospitals below levels they need to support the costs of doing business in these locations. Through DMCC's leadership in organizing business opposition, this bill was postponed indefinitely. The DMCC also opposes lawmakers' attempts to remove private businesses' ability to deliver customer loyalty discounts, coupons, and individualized prices as proposed in HB 26-1210. This type of interference in private business operations causes great uncertainty and complexity for both businesses and the consumers and communities they serve.

“BE READY TO EVOLVE QUICKLY.”

— STEVE BRUNSON

**“YOU HAVE THE TALENT, LAND, AND
COLLABORATION—NOW ACCELERATE
PERMITTING AND INCENTIVES.”**

— MIKE FALLERONI

**“KEEP ALIGNMENT AMONG BUSINESS,
GOVERNMENT, AND EDUCATION—IT’S WHAT
MAKES COLORADO DIFFERENT.”**

— LARRY GIGERICH

**“SPEED AND SMART INCENTIVES DEFINE
BUSINESS FRIENDLINESS.”**

— SAVANNAH JERMANCE

**“REGIONALISM AND UNIFIED STORYTELLING
SUSTAIN MOMENTUM.” — JANE HAINES**



EMERGING POLICY AND STRATEGY THEMES

The discussion produced a clear set of policy themes that define where Colorado must focus to stay ahead. Site selectors and investors emphasized that the next era of competitiveness will be defined by speed, certainty, and balance—not incentive size alone.

Colorado’s modified right-to-work framework offers a careful balance between organized labor and employer flexibility, but corporate site teams often misunderstand its nuances and eliminate the state early in screening. Proactively communicating the system as balanced, predictable, and worker-friendly, supported by data and case studies, will be essential to preventing early-stage elimination and further preserving Colorado’s reputation for fairness.

Predictability, speed, and responsiveness now outrank incentives and subsidies in site selection scoring. Colorado and the communities within the Front Range can strengthen their position by piloting fast-track permitting programs, exploring fee-based expedited reviews, and creating a process to measure and improve performance across jurisdictions. Speed and certainty have become the true currency of competitiveness.

Energy and infrastructure capacity and modernization are no longer optional. Colorado must accelerate regional planning for power, data, and industrial infrastructure, coordinating utilities, data center operators, and public agencies. Modernized transmission, balanced energy generation, and grid reliability will define the state’s ability to support next-generation industries like AI and advanced manufacturing.

Panelists agreed that housing affordability must be treated as an economic imperative, not just a social one. Incentives should be tied to workforce stability, housing supply, and transportation access. Public-private partnerships, incentive alignment, and supportive land use can help reduce risk for workforce housing projects, increase supply, and lower barriers to entry-level home ownership.

Colorado’s brand of smart governance, neither over-regulated nor laissez-faire, remains a major differentiator. The state should continue to position itself as a national model of pragmatic, evidence-based regulation, reinforcing confidence in its environmental, labor, and emerging AI policies and frameworks. Transparent communication and consistency will sustain business confidence and investor trust.

Retention and expansion of existing companies remain Colorado’s strongest proof points for future recruitment. Metro Denver’s unified regional message should highlight the success stories of companies that have scaled here, underscoring the region’s ability to support business growth.

RECOMMENDED ACTIONS

Based on the panel's findings, the Metro Denver EDC can lead in five strategic areas:

- Accelerate permitting reform by partnering with DOLA, OEDIT, and local municipal and county governments to streamline permitting processes, pilot stacked permitting and fee-based expedited review options. At the state level, encourage OEDIT and CDPHE to prioritize interagency coordination and statutory reforms that codify clear permit deadlines, transparent criteria for approvals, and predictable compliance pathways across environmental and water quality processes.
- Collaborate with stakeholders, including utilities, data center operators, labor organizations, local governments, and policymakers, to address capacity, reliability, and cost to position Colorado as a national model for balanced, sustainable energy growth.
- Advocate for incentive legislation tied to housing development and workforce retention through public-private partnerships to de-risk housing development, particularly entry-level for sale, while framing housing affordability as core business infrastructure.
- Support workforce and economic growth incentives that align regulatory expectations with economic development goals, such as extending the Colorado Job Growth Incentive Tax Credit (HB26-1014) to bolster investment and job creation by providing certainty around key economic incentives that offset operational cost pressures.
- Promote pragmatic, evidence based policymaking that preserves Colorado's balance, predictability, and business confidence, while firmly opposing regulatory expansions that introduce excessive risk or dismantle proven economic frameworks such as the Labor Peace Act. Legislative proposals should be evaluated through a data driven lens that fully considers unintended consequences, avoids disproportionate impacts on small employers, and minimizes regulatory uncertainty that undermines investment, job creation, and long term competitiveness.

CONCLUSION

Colorado's economic foundation of collaboration, education, and innovation remains unmatched nationwide. However, the next era of competitiveness will be defined by the ability to move faster, provide greater certainty, and maintain balance amid rapid global change.

By acting quickly and decisively on permitting reform, housing affordability, and energy grid modernization, the Front Range region can cement Colorado's position as a national model for modern, coordinated economic development.



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