



# Local Business Trends Snapshot

2024 | First Edition

The Arvada Chamber and partners on the Arvada Resiliency Taskforce are committed to using data to support programs, resources, education, and policy shifts. This data briefing will inform our strategies and support key leaders in making decisions that ensure our local economy thrives. Each edition will feature current business pulse results, labor market data and an overview of new data that we are watching. After reports are published, we will work with key stakeholders to determine how we can positively impact the findings in the report.

## Q1 2024 TOP BUSINESS CHALLENGES

- 1. Cost of goods increasing — (Change vs Q3 2023)
- 2. Finding skilled employees —
- 3. Not enough customers ▲
- 4. State of Colorado regulations ▼
- 5. Increased property taxes ▲
- 6. Homelessness or public safety ▼
- 7. Increasing cost of healthcare ▼
- 8. Lack of capital dollars ▲
- 9. Ability to effectively market my business ▲
- 10. Employee mental health and burnout ▼

## Q3 2023 TOP BUSINESS CHALLENGES

- 1. Costs of goods increasing
- 2. Finding skilled employees
- 3. State of Colorado regulations
- 4. Homelessness or public safety
- 5. Not enough customers
- 6. Increasing cost of healthcare
- 7. Employee mental health and burnout
- 8. Arvada business regulation and permitting
- 9. Lack of capital dollars
- 10. Ability to effectively market my business

## THE HEALTH OF OUR BUSINESSES

Q1 2024

6.4

The average business health rating of 143 businesses (10 is doing extremely well, 1 is not thriving)

Q3 2023

4

The average business health rating of 105 businesses (10 is doing extremely well, 1 is not thriving)

What direction is business headed based on revenue and staffing?

58.74%



Growing

39.86%



Staying the Same

2.80%



Downsizing



The Arvada Chamber and its partners on the Arvada Resiliency Taskforce are committed to understanding and responding to the latest business needs. Our work includes implementing feedback loops, providing timely and critical education, and designing programs to support business resilience.

# How Does Our Region's Economy Compare?

	Jefferson County	Colorado	United States
<b>Unemployment Rate</b>	3.14%	3.25%	3.54%
<b>Total Employment</b>	277,541 Jobs grew by 6,809 over the last 5 years (+2.5%) and are projected to grow by 12,119 over the next 5 years (+4.4%).	3,249,917 Jobs grew by 181,158 over the last 5 years (+5.9%) and are projected to grow by 232,294 over the next 5 years (+7.1%).	171,071,791 Jobs grew by 5,941,032 over the last 5 years (+3.6%) and are projected to grow by 10,352,702 over the next 5 years (+6.1%).
<b>Median Household Income</b>	\$93,900	\$80,200	\$69,000
<b>Takeaways</b>	<p>As of 2023, the county's population declined by 0.8% since 2018, falling by 4,359. Population is expected to decrease by 1.0% between 2023 and 2028, losing 5,964.</p> <p>From 2018 to 2023, jobs increased by 2.5% in Jefferson County, from 270,732 to 277,541. This change fell short of the national growth rate of 3.6% by 1.1%. As the number of jobs increased, the labor force participation rate increased from 67.9% to 71.5% between 2018 and 2023.</p>	<p>As of 2023 the state's population increased by 3.1% since 2018, growing by 177,463. Population is expected to increase by 2.5% between 2023 and 2028, adding 145,215.</p> <p>From 2018 to 2023, jobs increased by 5.9% in Colorado from 3,068,760 to 3,249,917. This change outpaced the national growth rate of 3.6% by 2.3%. As the number of jobs increased, the labor force participation rate increased from 66.8% to 68.7% between 2018 and 2023.</p>	<p>As of 2023 the country's population increased by 2.7% since 2018, growing by 8,690,044. Population is expected to increase by 2.8% between 2023 and 2028, adding 9,513,666.</p> <p>From 2018 to 2023, jobs increased by 3.6% in the United States from 165,130,759 to 171,071,791. As the number of jobs increased, the labor force participation rate increased from 62.3% to 62.5% between 2018 and 2023.</p>

## RESOURCES AVAILABLE TO ALL ARVADA BUSINESSES

- **SizeUp Arvada.** A free customized platform for small and midsize business owners and entrepreneurs that provides the market research and business intelligence needed for growth and success. [arvadachamber.org/SizeUpArvada](https://arvadachamber.org/SizeUpArvada)
- **Rapid Response Visit.** Members of the Arvada Resiliency Taskforce can assist businesses facing immediate challenges that impede their growth and success. [arvadachamber.org/ART](https://arvadachamber.org/ART)

# Inflation & Wages

“Cost of Goods Increasing” was the biggest business challenge in the last two Arvada Business Pulse Surveys. Below is data and analysis from Common Sense Institute’s “Inflation in Colorado - January 2024” report on the impacts of inflation and wage growth in Colorado and across the country.

## COLORADO INFLATION

- **Prices in Colorado fell by 0.1% between November 2023 and January of 2024 after falling 0.34% between September and November.** After experiencing deflation for the first time in over a year from September to November of 2023, Denver has now experienced consecutive bi-monthly periods of deflation.
- Aided by this decrease, **Colorado’s 12-month inflation rate fell from 4.5% to 3.5% in January, which remains above the national average of 3.1%.** The last time Denver experienced consecutive bi-monthly periods of deflation was in July to November of 2020.
- In December 2023 and January 2024, **the average Colorado household spent \$2,388 more due to inflation—an average of \$1,194 per month.** The average Colorado household has spent \$26,530 more since 2020 because of higher inflation.

## UNITED STATES INFLATION VS WAGES

- **Both inflation and wage growth fluctuated over the period, with wage growth spiking at 8% in 2020 and inflation peaking at 9% in 2022.** By January 2024, wage growth was 4.5% and Consumer Price Index was 3.4% in December 2023, the latest datapoints for each indicator.
- **Real wages have risen since before the pandemic across the income distribution.** In particular, middle-income and lower-income households have seen their real earnings rise especially fast. And in the past 12 months, real wages overall have grown faster than they did in the pre-pandemic expansion.
- **Household purchasing power has increased as a result.** In 2023, the median American worker can afford the same goods and services as they did in 2019, plus an additional \$1,000 to spend or save—because median earnings rose faster than prices.
- **The U.S. economy now has over 2 million more jobs than pre-pandemic forecasters expected.** Therefore, more and more workers are benefitting from increased purchasing power, thanks to the strong and resilient labor market.

## 2024 LABOR MARKET REMAINS TIGHT IN COLORADO

- Colorado has 52 available workers for every 100 open jobs.
- Job Openings: 191,000
- Unemployed Workers: 99,856
- Labor Force Participation Rate: 68.7%
- Unemployment Rate: 3.1%
- Quit Rate: 2.3%
- Hiring Rate: 3.0%

Source: “Understanding Colorado’s Labor Market.”  
U.S. Chamber of Commerce. November 2023.

## RESOURCES TO IDENTIFY NEW TALENT SOURCES

- **Work-Based Learning Incentive Program:** This State initiative will reimburse employers up to \$10,000 for developing and implementing Work-Based Learning activities in your company through May 31, 2024. Learn more at [arvadachamber.org/WBLIP](http://arvadachamber.org/WBLIP).
- **Work-Based Learning Toolkit:** An introduction to Work-Based Learning activities at your business. View at [arvadachamber.org/wbltoolkit](http://arvadachamber.org/wbltoolkit).
- **Career Coach:** This software offers Jeffco career seekers an opportunity to quickly understand opportunities that align with their personality. It also connects users to companies that are hiring and programs that are offered for upskilling support if needed. Sign up at [arvadachamber.org/careercoach](http://arvadachamber.org/careercoach).

# Policy Implications in Colorado

The Q1 2024 Arvada Business Pulse Survey, which saw 143 responses, asked business leaders which of the following Colorado laws they would like additional support around implementation. Read a detailed overview of the below five laws at [arvadachamber.org/advocacy](https://arvadachamber.org/advocacy).

## Family Leave Benefits (FMLA): 50 responses

Provides certain employees with up to 12 weeks of unpaid, job-protected leave per year. It also requires that their group health benefits be maintained during the leave.

## Colorado SecureSavings Program: 36

The bill establishes the Colorado SecureSavings Program and employers with a specified number of employees in the state are required to participate in the plan.

## Colorado Protecting Opportunities and Workers Rights Act (POWR Act): 39

Prohibits discrimination based on marital status, rejects the federal standard for harassment claims, adds new recordkeeping requirements for employers, and restricts the use of nondisclosure provisions.

## Statewide Minimum Wage: 35

The Colorado state minimum wage rate is currently set at \$13.65 per hour. However, there is a distinction between the minimum wage for tipped and untipped workers.

## Plastic Pollution Reduction Act: 19

Businesses with more than three locations must charge customers for each plastic bag.

## COLORADO REGULATORY CLIMATE

- In 2023, Colorado ranked 18th nationally for business friendliness by CNBC, down from 16th in 2022. In the same report, Colorado received a D+ for the Cost of Doing Business.
- From Common Sense Institute's 2024 Free Enterprise Report: "Though Colorado's Free Enterprise Competitiveness Index performance has held fairly constant, there are concerning trends underlying certain components of the index. With 4 of the policy areas receiving a neutral outlook, and 3 receiving a negative outlook, the state's Free Enterprise Competitiveness could be at an inflection point."

## POLICY RESOURCES AT [ARVADACHAMBER.ORG/ADVOCACY](https://arvadachamber.org/advocacy)

- **New Colorado Laws 101.** In these detailed blog posts, learn more about the above five state laws, including eligibility, key dates, and the requirements for businesses.
- **"New Laws For 2024" Employment Law Webinar.** Recorded earlier in 2024, watch HR experts provide the latest updates, offering insights into new laws, compliance requirements, and key considerations affecting employers.
- **2024 Bill Positions.** Read the Arvada Chamber's position on 2024 bills that the Chamber and Jefferson County Business Lobby are tracking.
- **Advocacy After Hours.** Join us for these casual opportunities to connect with state and local elected officials to discuss the legislative issues that matter to your business!