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Impacts of COVID-19: Addendum
This year’s State of Downtown Denver report tells the story of a thriving downtown. It’s the story we have been fortunate to be able to tell for the last decade, as our city has experienced unprecedented, record-breaking growth year-after-year.

To be reporting on numbers that tell a story of economic success amid a worldwide pandemic that has had dramatic economic impact might seem counterintuitive. Though the numbers in this report are recent, they are from a time that for many of us feels so far away.

Just as we have been proud to share the stories of our collective success through this and other reports in recent years, we remain proud to share this report, and we will continue to take pride in sharing the stories of our city.

Over the course of time, all great cities grow and slow, take on new life and characteristics, adapting and reacting to myriad factors – some of which can be controlled or guided and others (such a global pandemic) that simply cannot.

This year’s State of Downtown Denver offers us an opportunity to more deeply understand how we move forward and continue to build our city to be more resilient and more inclusive, and how we innovate to build a place for the future. It is a reminder of decades of intentionality and building with vision that led to economic strength and vibrancy. It shows us that great cities are resilient cities.

And, it is a reminder that this same intentionality and vision will help us return to the levels of success outlined in this report.

In these challenging times, the Downtown Denver Partnership remains deeply committed to building an economically healthy center city.

As you read this State of Downtown Denver report, I urge you to remember that just as our growth and successes are key to our story, so are our challenges. As we look back, we will see that the course of our city will be shaped by how we all respond, together.

Letter from Tami Door, President and CEO of the Downtown Denver Partnership
Rankings

Downtown Denver is at the center of a top ranked city and state

Colorado

1ST Highest increase in personal income in 2019
3RD Best state for business
3RD Best state for entrepreneurs and startups
1ST Best state for promoting innovation
1ST Best state for women entrepreneurs

Denver

3RD Hottest job market
5TH Fastest growing city
4TH Most popular city among millennial homebuyers
1ST Most searched location for out-of-state movers
Top 10 City best-positioned to recover from coronavirus

Downtown Denver

The vibrant and vital economic hub of the Rocky Mountain region
Downtown Denver added 6,563 new jobs last year, resulting in record high total employment of 145,077. This 4.7% job growth was fueled by a host of new company locations and major expansions—13 announcements in total. Key employment growth sectors include Professional and Business Services, which makes up a third of all downtown employment, a growing high tech sector which has doubled since 2010 and represents 9% of all downtown jobs, and Oil and Gas which remains an important part of the downtown economy supplying 6.8% of the jobs.

Employment Growth by Area
Year over Year growth, Q3 2019

- Downtown Denver: 4.7%
- Metro Denver: 2.4%
- Colorado: 2.6%
- United States: 1.2%

Source: Q3 2019 data, Colorado Department of Labor and Employment, Quarterly Census of Employment and Wages
Companies that have announced a headquarters relocation, new office, or expansion in Downtown Denver this past year include:

- Bitly
- Blitz
- Concord
- Facebook
- Frontdoor
- Lyft
- PointsBet
- Propeller
- Robinhood
- SalesForce
- Silicon Valley Bank
- Snapdocs
- ViewRay
- VF Corp

"We chose Denver because it’s a talent hub, filled with diverse and entrepreneurial-spirited people. The culture of Denver aligns with many of our own operating principles, like empathy, innovation and pragmatism. We’re excited to be a part of the Denver community and to build a team here."

Aaron King, Founder and CEO, Snapdocs
Downtown Denver’s Diverse Economy

Downtown Denver has enjoyed extraordinary economic growth over the past 10+ years that has resulted in unprecedented economic diversification. Professional and Business Services, a broad category made up of accountants, lawyers, scientific researchers and marketing specialists, provides over one third of all jobs. Oil and Gas remains a strong component, with nearly 7% of downtown employment. Importantly, high tech jobs have more than doubled since 2010 and now make up about 9% of all downtown employment. Add to this a mix of hospitality, finance and retail jobs and it is easy to see the positive impact of this new economic diversification.

Professional and Business Services – 32%
- Professional and Business Services is by far Downtown Denver’s largest industry sector, with twice the total employment as the next largest sector, Leisure and Hospitality. This broad category of jobs includes lawyers, accountants, scientific research, and advertising.
- Over the past two years, almost half of all new downtown jobs are in this sector.
- National research shows this sector is expected to be the most resilient to the recession.

Oil and Gas - 7%
- The Oil and Gas industry remains an important part of the Denver economy, employing nearly 10,000 people and leasing approximately 4.3 million square feet of office in Downtown Denver.
- The industry’s share of the economy has declined over the past two decades, with the percentage of downtown employment decreasing from a high of 9.1% in 2014 to 6.8% currently.
- Recent turmoil in the industry suggests further office consolidation and employment losses is likely throughout 2020.

High Tech - 9%
- There are over 13,000 high tech jobs in downtown, the share of which has increased from 5% in 2010 to 9% in 2019.
- High tech jobs are found across all industries, specifically in Professional and Business Services, Financial Activities, and Information.
- Innovation drivers in downtown include: The Commons on Champa, Denver Startup Week, United States Patent and Trademark Office Rocky Mountain Regional Office, and nearly 50,000 college and university students on the Auraria Campus.

Source: Q3 2019 data, Colorado Department of Labor and Employment, Quarterly Census of Employment and Wages
Office Market

Over $1.3B invested in the office market

Driven by demand for space from existing companies expanding (e.g. 2U, KPMG, Salesforce) and new companies moving to the market (e.g. Checkr), the downtown office market remained strong with stable average lease rates ($35.32 per square foot) and vacancy rates (10.3%). A positive 400,000 square feet was absorbed in 2019, bringing the total absorption in 2018 and 2019 to nearly 2 million square feet; however, according to CoStar, net absorption in 2020 is projected to be negative for the first time since 2016. The office investment market reflected the strong performance, as existing players doubled down on their investments and new ones entered the market for a total of $1.3B in office investments.

Absorption and Deliveries
Source: CoStar

Office Market Fundamentals
Source: CoStar
We see Denver as an ideal real estate market to invest in. It’s a strategic location for domestic and international business, popular with millennials and supportive of a growing economy.”

Christopher Rising, CEO, Rising Realty Partners
Talent

Fast-growing region with 1.7 million workforce

All roads—and trains and bus routes and bike lanes—lead to Downtown Denver, as the center city is the hub of one of the nation’s most highly educated workforces. Topflight talent continues to call the Denver region home, with a fast-growing workforce that is now 1.7 million people strong. The region produces great talent each year, thanks to the 11 four-year colleges and universities educating over 160,000 students annually.

Over the past five years, Metro Denver’s labor force has grown by almost 200,000 people. A recent analysis of U.S. Census data by CityLab found that Denver has had the fifth highest growth in the share of college-educated adults of any city in the country and the eighth highest share of adults with advanced post-graduate degrees.

The Denver Metro Area’s unemployment rate was at a historic low of 2.3% at the end of 2019. As of March 2020, the unemployment rate has risen to 4.6% as a result of the economic recession.

"The breadth of highly-skilled and diverse talent in Denver across both the [finance and technology industries] make the city a natural fit for Robinhood.”

Gretchen Howard, COO, Robinhood

Metro Denver Labor Force and Unemployment Rate

Source: Bureau of Labor Statistics
Enrollment in Four-Year Colleges and Universities

1. University of Colorado Boulder
   Boulder, Colorado
   35,967

2. Colorado State University
   Fort Collins, Colorado
   29,429

3. Metropolitan State University
   Denver, Colorado
   19,444

4. University of Colorado Denver
   Denver, Colorado
   14,947

5. University of Colorado Springs
   Colorado Springs, Colorado
   12,180

6. University of Denver
   Denver, Colorado
   11,952

7. University of Northern Colorado
   Greeley, Colorado
   9,760

8. Regis University
   Denver, Colorado
   7,907

9. Christian University
   Lakewood, Colorado
   7,625

10. School of Mines
    Golden, Colorado
    6,263

11. University of Colorado Anschutz Medical Campus
    Aurora, Colorado
    4,000

12. Colorado College
    Colorado Springs, Colorado
    2,114

Source: Metro Denver EDC
Development & Investment

Over the last 10 years, Downtown Denver has experienced a historic development cycle, adding over 4 million square feet of office space, over 10,000 residential units, and over 3,500 hotel rooms. Investors continue to see the Downtown Denver opportunity, with 26 development projects under construction or planned - adding 1.5 million square feet of office, 4,500 residential units and 1,000 hotel rooms to downtown in future years.

Future Public Sector Investment

Major infrastructure and civic projects are poised to lead the next wave of downtown development.

- 16th Street Mall Reconstruction
- Denver Art Museum North Building Project
- CSU Spur Campus at National Western
- Colorado Convention Center
- Skyline Park
- Larimer Street Bridge
- Protected bike lanes on 18th, 19th & Larimer

"Denver is a vibrant and thriving city, and the ideal place from which to continue to grow our business across the west."

Laura Newman, Golub & Co

Developments Completed or Underway in Downtown Denver

- 14 projects under construction
- 12 projects planned
- 13 projects completed
- $2.5B total investment
- 1.4MM square feet of office space
- 772 hotel rooms
- 930 residential units
- 90,000 square feet of office space
- 1,469 residential units
- $1.1B investment
- 930 hotel rooms
- 1,469 residential units
- 1.4MM square feet
- $778MM investment

Larimer Street Bridge

Protected bike lanes on 18th, 19th & Larimer

$778MM investment

5.7MM investment

772 hotel rooms

930 residential units

$1.1B investment

1.4MM square feet of office space

930 hotel rooms

1,469 residential units

$2.5B total investment

14 projects under construction

12 projects planned

13 projects completed

90,000 square feet of office space

1.46MM square feet
Denver’s Largest Developments Completed in 2019/2020

Residential – The Coloradan
334 Condominium Units
Developer: East West Partners
First large condo project in Downtown Denver in a decade

Hotel – 15th & Stout Dual Brand
382 hotel rooms
Developer: Stonebridge
Unique combination of Tru by Hilton and Home2 Suites by Hilton brands

Office – Platte Fifteen
135,000 square feet of office
Developer: Crescent Real Estate and Legend Partners
First major project to use cross laminated timber in Downtown Denver
Mobility

Infrastructure helps to double bicycle commuting

There are more mobility options into the center city than any other location in the metro area. Since 2013, the share of employees choosing to ride their bikes to work has doubled. Currently, 9.2% of downtown commuters bike to work. And the City continues to make investments that support a multimodal transportation system in and around Downtown Denver. In 2019, the city began a rapid expansion of the bike network that will add 125 miles of new bicycle infrastructure to Downtown and nearby neighborhoods to make it safer and more convenient for commuters and residents to get around by bike. In fall 2019, one lane of 15th street and 17th street were converted into bus only lane, improving transit efficiency on two major downtown corridors. Finally, the G-line from Wheatridge to downtown opened in April 2019.

For the recruitment and retention of our employees, it’s important to offer multiple commuting options in and out of our headquarter offices in the heart of downtown.”

Tom Pitstick, CMO, Gates Corporation

How Downtown Denver employees commute to work

<table>
<thead>
<tr>
<th>Mode</th>
<th>2012</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transit</td>
<td>43.3%</td>
<td></td>
</tr>
<tr>
<td>Drove Alone</td>
<td>32.8%</td>
<td></td>
</tr>
<tr>
<td>Bicycled</td>
<td>9.2%</td>
<td></td>
</tr>
<tr>
<td>Walked</td>
<td>5.4%</td>
<td></td>
</tr>
<tr>
<td>Carpoled</td>
<td>4.0%</td>
<td></td>
</tr>
<tr>
<td>Teleworked</td>
<td>3.1%</td>
<td></td>
</tr>
<tr>
<td>Moped/Scooter Motorcycle</td>
<td>1.2%</td>
<td></td>
</tr>
<tr>
<td>Lyft/Uber/Taxi</td>
<td>1.0%</td>
<td></td>
</tr>
<tr>
<td>Vanpoooled</td>
<td>0.1%</td>
<td></td>
</tr>
</tbody>
</table>

Downtown Denver Bicycle Mode Share

- 2012: 4.3%
- 2019: 9.2%
Population growth continues in Denver, and more and more of these new residents are choosing to live downtown and in center city neighborhoods. The most recent census estimates put the City of Denver at 727,211 total residents, a net increase of almost 11,000 over the previous year. With this increase, about 60% came from net migration and 40% from natural increase. This continues a decade long trend of sustained population growth – with Denver adding over 120,000 residents since 2010. Our center city has benefited greatly from this population growth and is projected to continue growing at a faster rate than the City and State as a whole. The multifamily market has been strong in recent years, with significant new deliveries, positive absorption, and steady rent growth reflective of population growth. Denver is starting to see a slight softening of this market in the downtown boundary and expects to see flat or negative rent growth and increased vacancy through the end of 2020, according to CoStar projections.

<table>
<thead>
<tr>
<th>Multi-Family Market</th>
<th>Downtown Denver</th>
<th>Center City</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Inventory (units)</td>
<td>18,124</td>
<td>41,138</td>
</tr>
<tr>
<td>Overall Vacancy</td>
<td>12.7%</td>
<td>9.4%</td>
</tr>
<tr>
<td>Stabilized Vacancy</td>
<td>7.3%</td>
<td>5.9%</td>
</tr>
<tr>
<td>Avg Rent - Studio</td>
<td>$1,235</td>
<td>$1,246</td>
</tr>
<tr>
<td>Avg Rent - 1 Bed</td>
<td>$1,680</td>
<td>$1,528</td>
</tr>
<tr>
<td>Avg Rent - 2 Bed</td>
<td>$2,498</td>
<td>$2,169</td>
</tr>
</tbody>
</table>

| 2020 Estimated Deliveries | 492 | 1,267 |
| 2020 Estimated Absorption | 286 | 246 |
| 2019 Deliveries | 2,365 | 2,959 |
| 2019 Absorption | 1,395 | 2,126 |

Source: CoStar. Rents shown are effective rents.
Downtown & Center City Population Growth

Source: Esri Business Analyst

City of Denver’s Growing Population

Source: US Census

Downtown Denver Resident Demographics

- Total Population: 27,012
- Total Households: 17,151
- Average Household Size: 1.46

Center City Resident Demographics

- Total Population: 92,502
- Total Households: 53,662
- Average Household Size: 1.65

Demographics

- White: 82%
- Black: 5%
- American Indian: 1%
- Asian: 5%
- Pacific Islander: 0%
- Some Other Race: 3%
- Two or More Races: 4%
- Hispanic Origin (Any Race): 12%

- Median Age: 34.2
- Male: 54%
- Female: 46%

- Bachelor’s Degree or Higher: 73%
- Median Household Income: $95,474

Center City Population

- Total Population: 727,211
- Total Households: 53,662
- Average Household Size: 1.65

- White: 74%
- Black: 8%
- American Indian: 1%
- Asian: 4%
- Pacific Islander: 0%
- Some Other Race: 9%
- Two or More Races: 5%
- Hispanic Origin (Any Race): 24%

- Median Age: 33.5
- Male: 54%
- Female: 46%

- Bachelor’s Degree or Higher: 62%
- Median Household Income: $69,192

Source: Esri Business Analyst
Retail sales, measured by retail sales tax collections, remained strong heading into 2020. Retail sales were 8.2 percent higher in 2019 compared to the prior year, the largest annual increase since 2014. Retail direct average lease rates were at $29.63 per square foot in Q1 2020, up 8.1 percent year over year and were significantly higher than the Metro Denver average of $18.26. Vacancy rates were also up slightly, rising 0.8 percentage points year-over-year in Q1 2020 to 3.5 percent. Downtown vacancy rates are still a full percentage point less than the Metro Denver vacancy rate of 4.5 percent. Much like their peers across the city, country, and worldwide, Downtown Denver’s restaurants and retailers will face significant challenges resulting from the COVID-19 crisis that is not reflected in these numbers. However, the success of 2019 and recent years provide hope for a successful long term recovery of the retail sector.

Average Daily Pedestrian Traffic on 16th Street Mall

*Source: DDP*
The Downtown Denver Partnership surveyed over 100 retail and restaurant businesses. Key highlights include the following:

- Over 80% of businesses said sales are growing or stable

- Busiest three months:
  - June, July August (restaurants)
  - July, November, December (retailers)

- Busiest three days:
  - Thursday, Friday, Saturday (restaurants)
  - Monday, Friday, Saturday (retailers)

Key Retail Announcements & Openings:
- Ace Hardware
- Choice Market
- Fjallraven
- Heydey Boutique
- Platte Street Mercantile
- Royal Robins
- Urban Putt

Source: DDP

Downtown Retail Customers

Top two categories of customers, asked of a sample of downtown retailers

- Downtown employees
- Visitors from Colorado
- Visitors from out of state
- Downtown Residents

Source: DDP
Public Realm

Great public spaces create quality experiences

The public realm is where we get our first impressions of a city, where we experience social and economic interactions taking place between everyone on the street. From kayakers testing their river-boating skills in Confluence Park, to co-workers grabbing a beer for happy hour in Skyline Park, our public spaces Downtown offer a wide variety of experiences to everyone. Public space in Downtown Denver offers our residents, visitors, and employees over 150 acres of parks and open space as well as unique public spaces like the 16th Street Mall. Future investments in public amenities, such as the Urban Forest Initiative and the 5280 Trail, are sure to create even more outstanding and inclusive public offerings in Downtown Denver.

16th St Mall

The 16th Street Mall reconstruction project completed its Federal Review process passing a major milestone and setting the stage to start construction in 2021. The new design will add more usable public space along the pedestrian and transit street for more opportunities to enjoy the outdoors.

Urban Forest Initiative

Work has begun on the first 142 trees of the Urban Forest Initiative that will add over 40,000 square feet of tree canopy downtown. This $7.5 million-dollar investment over five years will build the infrastructure for 500 street trees downtown and add over 150,000 square feet of tree canopy cover at completion, providing natural shade and greenery to our sidewalks and public spaces.

5280 Trail

Final design is underway on the 21st Street section of the 5280 Trail. This iconic 5.280-mile trail will transform the way we use public spaces, creating more than five miles of urban trails and linear parks through the heart of Denver.

Bannock Street

One block of Bannock Street in front of the City and County Building is being transformed from an underutilized roadway into a versatile, year-round public gathering and event space.

Expanding space for safe recovery

Dining al fresco takes advantage of Denver’s weather to provide a safe return to of the restaurant dining experience. Through an Executive Order of the Mayor, Denver is allowing select street closures and expanded patio cafes to accommodate expanded restaurant and retail services.
Tourism is one of Denver’s top industries and economic drivers, accounting for more than 60,000 jobs in the metro area. And while Downtown Denver tourism enjoyed one of its most successful years ever in 2019, the industry has been disproportionately hard-hit by the COVID-19 pandemic. The closure of restaurants, museums and attractions, coupled with mass cancellation of concerts, festivals and events, means that nearly all of Denver’s demand drivers have been silenced. This has been paralleled in the meetings and conventions segment, which normally accounts for nearly $800 million in annual visitor spending, and has similarly ground to a halt.

Visit Denver, the city’s official marketing arm for leisure tourism and conventions, remains optimistic for a strong return to travel in the future, and is working hard to promote Denver’s ability to deliver safe, enjoyable visits and meetings that will help restore this critical source of economic impact.

Denver continues to generate strong tourism numbers, with 17.3 million overnight visitors who spent $5.6 billion in 2018, results that were on par with 2017. Day visitors to Denver spent an additional $919 million for total spending of nearly $6.5 billion. Since 2006, Denver has seen a 64% growth in leisure visits, versus 24% nationally (Source: Longwoods International Research). On the convention front, in 2019, Denver attracted nearly 400,000 meeting attendees who spent nearly $780 million, including 80 groups that used the Colorado Convention Center.

2019 was a record year for DEN with a total of 69,015,703 passengers travelling through the airport, a 7% increase in total passengers from 2018. Nearly every day in the summer of 2019 a new passenger record was set. Notably, international passenger traffic increased by 7.6% over 2018, serving an all-time high of nearly 3.2 million passengers. As the graph shows, passenger traffic at DEN plummeted during the COVID-19 crisis.”
Revenue Per Available Room

Average Daily Room Rate

Hotel Occupancy

Source: Rocky Mountain Lodging Report Downtown Denver hotel submarket
Benchmarking
Measuring up among our peer cities

In addition to understanding how Denver is growing over time, to keep improving, Denver must consistently measure up against our peer and aspirational markets. How does Denver stack up against some of the best markets in the country? This past year, we have seen Denver rise as a place for starting and growing a business, while at the same time being one of the few metro areas to achieve inclusive growth. As Brookings Institution noted in their March 2020 release of growth and inclusion metrics, only “a handful of very large metro areas—including Denver, San Antonio, and Raleigh, N.C.—bucked the trend by achieving strong progress across all five Metro Monitor dimensions from 2008 to 2018.” Looking at both the overall poverty rate and the racial gap in poverty rates, Denver made more positive progress than any of its peer or aspirational cities over the past decade.

### Key Performance Indicators Among 15 Selected Metro Areas

<table>
<thead>
<tr>
<th>Job Growth</th>
<th>Gross Metro Product</th>
<th>Young Firm Growth</th>
<th>Productivity Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in Jobs</td>
<td>Change in GMP</td>
<td>Change in jobs at young firms</td>
<td>Change in output per job</td>
</tr>
<tr>
<td>1. Austin</td>
<td>33%</td>
<td>52%</td>
<td>35%</td>
</tr>
<tr>
<td>2. Nashville</td>
<td>22%</td>
<td>43%</td>
<td>18%</td>
</tr>
<tr>
<td>3. Dallas</td>
<td>20%</td>
<td>42%</td>
<td>12%</td>
</tr>
<tr>
<td>4. Denver</td>
<td>20%</td>
<td>37%</td>
<td>10%</td>
</tr>
<tr>
<td>5. Salt Lake City</td>
<td>19%</td>
<td>32%</td>
<td>4%</td>
</tr>
<tr>
<td>6. San Francisco</td>
<td>18%</td>
<td>29%</td>
<td>12%</td>
</tr>
<tr>
<td>7. Seattle</td>
<td>16%</td>
<td>28%</td>
<td>10%</td>
</tr>
<tr>
<td>8. Portland</td>
<td>16%</td>
<td>25%</td>
<td>4%</td>
</tr>
<tr>
<td>9. Atlanta</td>
<td>14%</td>
<td>24%</td>
<td>-3%</td>
</tr>
<tr>
<td>10. Phoenix</td>
<td>13%</td>
<td>21%</td>
<td>-10%</td>
</tr>
<tr>
<td>11. New York City</td>
<td>10%</td>
<td>18%</td>
<td>-12%</td>
</tr>
<tr>
<td>12. Minneapolis</td>
<td>10%</td>
<td>18%</td>
<td>-13%</td>
</tr>
<tr>
<td>13. Washington DC</td>
<td>8%</td>
<td>17%</td>
<td>-15%</td>
</tr>
<tr>
<td>14. Los Angeles</td>
<td>7%</td>
<td>16%</td>
<td>-17%</td>
</tr>
<tr>
<td>15. Chicago</td>
<td>4%</td>
<td>12%</td>
<td>-25%</td>
</tr>
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### Downtown Population Growth

<table>
<thead>
<tr>
<th>Rank</th>
<th>City</th>
<th>Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>San Francisco</td>
<td>29%</td>
</tr>
<tr>
<td>2</td>
<td>Seattle</td>
<td>28%</td>
</tr>
<tr>
<td>3</td>
<td>Portland</td>
<td>15%</td>
</tr>
<tr>
<td>4</td>
<td>Austin</td>
<td>15%</td>
</tr>
<tr>
<td>5</td>
<td>Salt Lake City</td>
<td>13%</td>
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<tr>
<td>6</td>
<td>Nashville</td>
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</tr>
<tr>
<td>7</td>
<td>Denver</td>
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<td>8</td>
<td>Los Angeles</td>
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<td>Atlanta</td>
<td>9%</td>
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<tr>
<td>10</td>
<td>Dallas</td>
<td>8%</td>
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<tr>
<td>11</td>
<td>Minneapolis</td>
<td>8%</td>
</tr>
<tr>
<td>12</td>
<td>Washington DC</td>
<td>7%</td>
</tr>
<tr>
<td>13</td>
<td>Chicago</td>
<td>6%</td>
</tr>
<tr>
<td>14</td>
<td>Phoenix</td>
<td>6%</td>
</tr>
<tr>
<td>15</td>
<td>New York City</td>
<td>3%</td>
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### Least Traffic Congestion

<table>
<thead>
<tr>
<th>Rank</th>
<th>City</th>
<th>Hours Lost</th>
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<tr>
<td>1</td>
<td>Denver</td>
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<td>2</td>
<td>Salt Lake City</td>
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<tr>
<td>10</td>
<td>Portland</td>
<td>89</td>
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<td>Los Angeles</td>
<td>97</td>
</tr>
<tr>
<td>13</td>
<td>Washington DC</td>
<td>103</td>
</tr>
<tr>
<td>14</td>
<td>New York City</td>
<td>124</td>
</tr>
<tr>
<td>15</td>
<td>Chicago</td>
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### Office Rent

<table>
<thead>
<tr>
<th>Rank</th>
<th>City</th>
<th>Rent per sq foot</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>San Francisco</td>
<td>$92.07</td>
</tr>
<tr>
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<td>New York City</td>
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</tr>
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<td>Washington DC</td>
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<td>Austin</td>
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<td>Seattle</td>
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<td>Los Angeles</td>
<td>$45.12</td>
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<td>7</td>
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<td>8</td>
<td>Portland</td>
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### Apartment Rent

<table>
<thead>
<tr>
<th>Rank</th>
<th>City</th>
<th>Rent per sq foot</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>San Francisco</td>
<td>$2,463</td>
</tr>
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<td>New York City</td>
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<td>$1,368</td>
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<td>Minneapolis</td>
<td>$915</td>
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<td>Phoenix</td>
<td>$887</td>
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<td>$879</td>
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### Wage Growth

<table>
<thead>
<tr>
<th>Rank</th>
<th>City</th>
<th>Change in Average Annual Wage 2008 - 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>San Francisco</td>
<td>29%</td>
</tr>
<tr>
<td>2</td>
<td>Seattle</td>
<td>28%</td>
</tr>
<tr>
<td>3</td>
<td>Portland</td>
<td>15%</td>
</tr>
<tr>
<td>4</td>
<td>Austin</td>
<td>15%</td>
</tr>
<tr>
<td>5</td>
<td>Salt Lake City</td>
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<td>6</td>
<td>Nashville</td>
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<tr>
<td>7</td>
<td>Denver</td>
<td>11%</td>
</tr>
<tr>
<td>8</td>
<td>Los Angeles</td>
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</tr>
<tr>
<td>9</td>
<td>Atlanta</td>
<td>9%</td>
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<tr>
<td>10</td>
<td>Dallas</td>
<td>8%</td>
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<tr>
<td>11</td>
<td>Minneapolis</td>
<td>8%</td>
</tr>
<tr>
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<td>Washington DC</td>
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<td>13</td>
<td>Chicago</td>
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</tr>
<tr>
<td>14</td>
<td>Phoenix</td>
<td>6%</td>
</tr>
<tr>
<td>15</td>
<td>New York City</td>
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</table>

### Decline in Poverty Rate

<table>
<thead>
<tr>
<th>Rank</th>
<th>City</th>
<th>Change in Relative Poverty Rate 2010 - 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Denver</td>
<td>-5%</td>
</tr>
<tr>
<td>2</td>
<td>Minneapolis</td>
<td>-3%</td>
</tr>
<tr>
<td>3</td>
<td>Chicago</td>
<td>-3%</td>
</tr>
<tr>
<td>4</td>
<td>Portland</td>
<td>-2%</td>
</tr>
<tr>
<td>5</td>
<td>Atlanta</td>
<td>-2%</td>
</tr>
<tr>
<td>6</td>
<td>Los Angeles</td>
<td>-1%</td>
</tr>
<tr>
<td>7</td>
<td>Seattle</td>
<td>-1%</td>
</tr>
<tr>
<td>8</td>
<td>Minneapolis</td>
<td>0%</td>
</tr>
<tr>
<td>9</td>
<td>Phoenix</td>
<td>0%</td>
</tr>
<tr>
<td>10</td>
<td>Chicago</td>
<td>0%</td>
</tr>
<tr>
<td>11</td>
<td>Los Angeles</td>
<td>1%</td>
</tr>
<tr>
<td>12</td>
<td>Salt Lake City</td>
<td>1%</td>
</tr>
<tr>
<td>13</td>
<td>San Francisco</td>
<td>2%</td>
</tr>
<tr>
<td>14</td>
<td>New York City</td>
<td>3%</td>
</tr>
<tr>
<td>15</td>
<td>Washington DC</td>
<td>1%</td>
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### Change in Racial Poverty Rate Gap

<table>
<thead>
<tr>
<th>Rank</th>
<th>City</th>
<th>Change in White/People of Color Relative Poverty Rate Gap 2008 - 2018</th>
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<tbody>
<tr>
<td>1</td>
<td>Denver</td>
<td>-5%</td>
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<tr>
<td>2</td>
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<td>-4%</td>
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<tr>
<td>3</td>
<td>Nashville</td>
<td>-3%</td>
</tr>
<tr>
<td>4</td>
<td>Atlanta</td>
<td>-2%</td>
</tr>
<tr>
<td>5</td>
<td>Portland</td>
<td>-2%</td>
</tr>
<tr>
<td>6</td>
<td>Seattle</td>
<td>-1%</td>
</tr>
<tr>
<td>7</td>
<td>Minneapolis</td>
<td>-1%</td>
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<td>Phoenix</td>
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<tr>
<td>9</td>
<td>Chicago</td>
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<td>Los Angeles</td>
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<td>Dallas</td>
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<td>Salt Lake City</td>
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<tr>
<td>13</td>
<td>San Francisco</td>
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</tr>
<tr>
<td>14</td>
<td>New York City</td>
<td>3%</td>
</tr>
<tr>
<td>15</td>
<td>Washington DC</td>
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</table>

### Metro Population Growth

<table>
<thead>
<tr>
<th>Rank</th>
<th>City</th>
<th>Population Growth 2000 - 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Austin</td>
<td>106%</td>
</tr>
<tr>
<td>2</td>
<td>Phoenix</td>
<td>89%</td>
</tr>
<tr>
<td>3</td>
<td>Atlanta</td>
<td>72%</td>
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<td>Dallas</td>
<td>60%</td>
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<tr>
<td>5</td>
<td>Denver</td>
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<tr>
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<td>Nashville</td>
<td>52%</td>
</tr>
<tr>
<td>7</td>
<td>Portland</td>
<td>46%</td>
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<tr>
<td>8</td>
<td>Salt Lake City</td>
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<tr>
<td>9</td>
<td>Washington DC</td>
<td>35%</td>
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<tr>
<td>10</td>
<td>Seattle</td>
<td>34%</td>
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<tr>
<td>11</td>
<td>Minneapolis</td>
<td>29%</td>
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<tr>
<td>12</td>
<td>San Francisco</td>
<td>17%</td>
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<tr>
<td>13</td>
<td>Chicago</td>
<td>15%</td>
</tr>
<tr>
<td>14</td>
<td>Los Angeles</td>
<td>14%</td>
</tr>
<tr>
<td>15</td>
<td>New York City</td>
<td>12%</td>
</tr>
</tbody>
</table>

### Change in Relative Poverty Rate

<table>
<thead>
<tr>
<th>Rank</th>
<th>City</th>
<th>Change in Poverty Rate Gap 2000 - 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Denver</td>
<td>-5%</td>
</tr>
<tr>
<td>2</td>
<td>Minneapolis</td>
<td>-4%</td>
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<tr>
<td>3</td>
<td>Nashville</td>
<td>-3%</td>
</tr>
<tr>
<td>4</td>
<td>Atlanta</td>
<td>-2%</td>
</tr>
<tr>
<td>5</td>
<td>Portland</td>
<td>-2%</td>
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<td>6</td>
<td>Seattle</td>
<td>-1%</td>
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<td>8</td>
<td>Phoenix</td>
<td>0%</td>
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<tr>
<td>9</td>
<td>Chicago</td>
<td>0%</td>
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<tr>
<td>10</td>
<td>Los Angeles</td>
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</tr>
<tr>
<td>11</td>
<td>Dallas</td>
<td>1%</td>
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<tr>
<td>12</td>
<td>Salt Lake City</td>
<td>2%</td>
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<tr>
<td>13</td>
<td>San Francisco</td>
<td>2%</td>
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<tr>
<td>14</td>
<td>New York City</td>
<td>3%</td>
</tr>
<tr>
<td>15</td>
<td>Washington DC</td>
<td>1%</td>
</tr>
</tbody>
</table>
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* Indicates Downtown Denver Partnership Management Group Officer

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Gail Klepper, The Colorado Forum
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David Kenney, The Kenny Group
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George Thron, Mile High Development, LLC

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David Kenney, The Kenny Group
John Moye, Moye White
George Thron, Mile High Development, LLC
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Emily Brett
Senior Manager, Economic Development
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Guided by the 2007 Downtown Area Plan, the 20-year plan for Downtown Denver, the Downtown Denver Partnership is leading a place-based economic development strategy to build one of the most vibrant center cities in the country. We work with businesses and investors already participating in the Downtown Denver market, as well as external parties exploring the opportunity, and provide personalized support, including:

• Customized research reports
• Strategic planning
• Site selection assistance
• Innovation and entrepreneurship programming
• Project support
The 2020 State of Downtown Denver was published in May 2020 in the midst of the COVID-19 pandemic and subsequent economic recession. At the time of publishing, much of the economic data typically used to measure the economic health of Downtown Denver (e.g., total employment, wages, retail sales) do not yet reflect the impact of the pandemic-induced recession. Throughout the State of Downtown Denver report, we have taken measures to provide consistent, reliable, and timely information. Wherever possible, we have provided the latest data points available. However, this does not tell the full story of the impact on downtown since the pandemic hit – or a full understanding of what’s to come.

Before the COVID-19 crisis, the data shows that Downtown Denver was performing exceptionally well, enjoying record employment, record population, record retail sales, and record tourism. These strong results position us well to withstand the recession, similar to how the Denver region was among the first to recover from the Great Recession. In fact, Moody’s recently ranked Denver among the Top 10 US cities best positioned to recover. As we begin to recover, the Downtown Denver Partnership is committed to rebuilding our economy, to keeping people safe and healthy, and doing so while building a stronger and more inclusive community.

In the coming months, the Downtown Denver Partnership will release economic updates that reflect the impacts of the current recession as we receive new data. In the meantime, this Addendum is offered to provide an early look at the impacts of the pandemic on Downtown Denver and how we are responding. Many data points included in this Addendum refer to the City and County of Denver, the Denver Metro area, or the State of Colorado, not downtown specifically, as reliable and timely data for downtown is not as readily available at this time. Stay closely engaged with the Downtown Denver Partnership for the latest data and analysis as we move through various phases of recovery.
Metric: Pedestrian Activity on the 16th Street Mall

Geography: Downtown Denver
Timeframe: February 1 2020 – May 25 2020
Source: IKE automatic sensors

Pre-pandemic, the 16th Street Mall was the busiest pedestrian corridor in the region, with an average of 20,000 pedestrians per block per day. Pedestrian traffic plummeted mid-March and by April traffic was down almost 80% from February levels. In May, pedestrian traffic has begun to pick up some but remains well below normal levels.
**Metric: Retail and Restaurant visits**

**Geography:** City and County of Denver  
**Timeframe:** February 15 2020 – May 16 2020  
**Source:** Google Movement Data

Pre-pandemic, retail sales tax collections were up 8.1% year-over-year, with restaurants up over 10%. Restaurants and bars were closed to dine-in service in Denver on March 17 and will be allowed to open with reduced capacity on May 27. Retailers were able to reopen with restrictions beginning on May 9. As of mid-May, Google data shows the retail and recreation category of activity is still down about 50% from baseline but beginning to rebound.
**Metric: Restaurant Diners**

**Geography:** City and County of Denver  
**Timeframe:** February 18 2020 – May 25 2020  
**Source:** OpenTable State of the Industry data

Pre-pandemic, the restaurant scene in Denver was thriving. Dinning in at restaurants was prohibited beginning on March 17, so obviously the OpenTable’s seated diners index went to zero. Restaurants will be permitted to begin reduced capacity dine-in service on May 27, so we will watch this index in the coming months.
Metric: Work and Transportation Visits

Geography: City and County of Denver
Timeframe: February 15 2020 – May 16 2020
Source: Google Movement Data

Pre-pandemic, employment was at record levels in Downtown Denver with close to 150,000 workers. And over 43% of these workers chose to commute into Downtown Denver by transit. As offices begin to reopen, Google data shows a slight increase in workers returning to their offices. However, visits to transit stations are still down 63% from baseline.
**Metric: Unemployment Rate**

Geography: Metro Denver, Colorado, and United States

Timeframe: January 2019 – March 2020 (Metro Denver)/April 2020 (CO and US)

Source: Bureau of Labor Statistics

Metro Denver’s unemployment rate was one of the lowest of all metro areas, hitting 2.3% in 2019, more than an entire percentage point lower than the national rate. The April 2020 unemployment rate for Colorado was 11.3% and 14.7% for the nation, both of which are the highest numbers since records have been kept. The April Metro Denver unemployment rate will be released in early June; the March 2020 rate was 4.6%.
Metric: Unemployment Insurance Claims Trend
Geography: Colorado
Timeframe: January 2008 – May 2020
Source: United States Department of Labor

Pre-pandemic, Colorado had consistent unemployment insurance claims of a 1,000 to 2,000 a week. Weekly new claims peaked the week of April 11, 2020 at 104,572, a stunning 45 times the weekly claims a month prior of 2,321. Before the COVID-19 crisis, the previous weekly high had been the week of 1/9/2010 when 7,749 people filed for unemployment in Colorado. These remarkable numbers reflect the unprecedented nature of this crisis. While weekly claims have continued at an extremely high rate, it does appear that unemployment claims have peaked.

*Note: for data continuity purposes, this data does not include gig workers who have been newly eligible for unemployment in this crisis and add another over ~60,000 to the jobless claims over the past three weeks*
Pre-pandemic Downtown Denver’s office market was solid with positive 2 million square feet of absorption in the past two years. As of May 2020, we are starting to see an increase in sublease vacancy as firms place unneeded office space on the market and negative absorption for the year.
**Metric: Apartment Market Fundamentals**

Geography: Downtown Denver  
Timeframe: January 2015 – May 2020  
Source: CoStar

Pre-pandemic Downtown Denver’s apartment market was absorbing new product at a record pace and had shown three straight years of year over year rent growth. While vacancy rates remain stable, the second quarter 2020 is on track to be the first quarter with significant negative rent growth year over year in downtown since 2010. However, year to date absorption remains positive.
**Metric: Downtown Denver Hotel Market Statistics**

Geography: Downtown Denver  
Timeframe: April 2019 and April 2020  
Source: Rocky Mountain Lodging Report

Pre-pandemic, Downtown Denver’s hotels were enjoying record success as a core of Denver and Colorado’s growing tourism market. As convention, business, and leisure traffic ground to a halt in March, downtown’s hotels were met with unthinkably low occupancy. Many downtown hotels chose to close temporarily, with available room nights dropping by 100,000 from April 2019 to April 2020. The Average Daily Rate of hotel rooms that remained available in April dropped by over $100.

<table>
<thead>
<tr>
<th>Available Room Nights</th>
<th>Occupied Room Nights</th>
<th>Occupancy %</th>
<th>Average Daily Rate</th>
<th>REVPAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 2020</td>
<td>147,374</td>
<td>14,014</td>
<td>9.5%</td>
<td>$86.81</td>
</tr>
<tr>
<td>April 2019</td>
<td>252,780</td>
<td>206,741</td>
<td>81.8%</td>
<td>$189.06</td>
</tr>
</tbody>
</table>

**Metric: Development Pipeline**

Geography: City and County of Denver  
Timeframe: YTD April 2019 vs YTD April 2020  
Source: City and County of Denver

While we are still waiting to see the full impact of COVID-19 on development activity in Denver, early data from the City’s Community Planning and Development department suggest we are starting to see a decrease in permitting of new projects. According to CPD “to date in 2020, issued permits have decreased by 11% from 2019 levels and the value of these permits (construction labor plus materials costs) is down 32%. 2019 was a record year for permit valuation, so some decrease in valuations was expected, but these numbers likely also reflect COVID-19.”

**Development Permit Data**

2020 YTD versus 2019 YTD

-11% permits issued  
-32% valuation permitted