

September 2013

COLORADO:

Immigrant Entrepreneurs, Innovation, and Welcoming Initiatives in the Centennial State

In Colorado, there is no doubt that immigrant entrepreneurs and innovators play an important role. Immigrant entrepreneurs bring in additional revenue, create jobs, and contribute significantly to the state's economy. Highly skilled immigrants are vital to the state's innovation industries, and to the metropolitan areas within the state, helping to boost local economies. Furthermore, local government, business, and non-profit leaders recognize the importance of immigrants in their communities and support immigration through local "welcoming" and integration initiatives.

Immigrant entrepreneurs contribute significantly to Colorado's economy.

- From 2006 to 2010, there were 27,645 new immigrant business <u>owners</u> in Colorado, and in 2010, <u>9.7 percent</u> of all business owners in Colorado were foreign-born.
- In 2010, new immigrant business owners³ had total net business <u>income</u> of \$1.2 billion, which is 7.3 percent of all net business income in the state.⁴
- The <u>top five industry</u> categories for immigrant business owners in Colorado are: professional, scientific, management, administrative, and waste management; construction; arts, entertainment, recreation, accommodations, and food services; other services (except public administration); and educational, health and social services.⁵
- Colorado is home to many successful companies with at least one founder who was an immigrant or child of an immigrant, including companies such as Coors Brewery, Qwest Communications, CH2M Hill, and Ball Corp. Those three companies together employ over 82,700 people and bring in \$24 billion in revenue each year.
- In 2010, the foreign-born share of business owners was 16 percent in the Denver metropolitan area. In the case of Denver, the immigrant business ownership rate was higher than the foreign-born share of Denver's total population.

Highly skilled immigrants are vital to Colorado's innovation industries, which in turn helps lead American innovation and creates jobs.

Immigrants contribute to Colorado's economic growth and competitiveness by earning degrees in science, technology, engineering, and mathematics (STEM) fields from the state's research universities. In 2009, almost 24 percent of STEM graduates from the state's research-intensive universities were foreign-born, and almost 42 percent of

graduates earning PhDs in engineering in Colorado were not born in the U.S.⁸

- In 2011, the U.S. Department of Labor certified 3,128 H-1B high-skilled visa labor certification applications in Colorado, with an average annual wage of \$69,222, 9 which is higher than Colorado's median household income of \$57,685 or per capita income of \$30,816. 10
- An <u>expansion</u> of the high-skilled visa program would create an estimated 5,600 new jobs in Colorado by 2020. By 2045, this expansion would <u>add</u> around \$2.7 billion to Gross State Product and increase personal income by more than \$2.2 billion. The following are <u>examples</u> of metropolitan area demand for high-skilled foreign-born workers.
 - O The Denver-Aurora metropolitan area had 2,160 H-1B visa requests in 2010-2011, with 74.5 percent of H-1B visa-holders working in STEM occupations. Major employers with a need for H-1B high-skilled workers include the University of Colorado, Deloitte Consulting, Dish Network, and Fujitsu America Inc.
 - O The Boulder metropolitan area had 575 H-1B visa <u>requests</u> in 2010-2011, with 72.3 percent of visa-holders working in STEM occupations. ¹⁴ Major employers include the University of Colorado, Crispin Porter & Bogusky, and Qualcomm Incorporated.

While the numbers are compelling, they don't tell the whole story.

- Immigrant entrepreneurs not only contribute to large innovative companies, but to small business formation in local communities. In cities across Colorado, immigrant family-owned small businesses contribute to the vitality of their local communities. Although initially aimed at other immigrant customers, many businesses quickly see an expansion of their clientele to include a diverse array of immigrant and native-born customers alike.
 - o In Denver, for example, Latin and Asian immigrant businesses <u>intermingle</u> in Heang Plaza, along South Federal Boulevard. This blending of cultures represents the broader story of immigration to Denver today: people from many diverse cultures and points of origin. ¹⁵
 - The shopping center hosts a variety of small businesses, whose owners are mostly from Mexico and Vietnam, including Vietnamese and Latin insurance businesses, a hair salon a Mexican restaurant, a western wear store, and a Vietnamese restaurant.¹⁶
- Regarding immigration and entrepreneurship in Colorado, Kathy White, deputy project director at the Colorado Fiscal Policy Institute, <u>stated</u>, "immigration in our state is growing. They share our entrepreneurial spirit. While continuing to grow their businesses, they have employed people, and it's becoming an integral part of the local economy."¹⁷

- The Colorado Center on Law and Policy <u>notes</u> that immigrant entrepreneurs "contribute significantly to the entrepreneurial activity" of Colorado, and are "creating small businesses and taking the risk of directly creating jobs for Colorado." ¹⁸
- Sisay Teklu, executive director of Community Enterprise Development Services, based in Denver, stated that Colorado's "business environment is very friendly to small-business startups. Many of the immigrants I see in Denver are coming from Boston; Washington, D.C.; and California, not directly from their country. When you compare rent, Denver is very reasonable." 19

Localities across Colorado have begun recognizing and supporting immigration through local "welcoming" and integration initiatives.

- In 2002, the Colorado Trust launched the **Supporting Immigrant and Refugee Families** initiative (SIRFI). Subsequently, in 2004, SIRFI began its immigrant integration initiative, awarding 19 grants to local communities throughout Colorado. ²⁰
 - O SIRFI <u>defines</u> immigrant integration as a "two-way street that involves adaptation on the part of immigrants themselves and on the part of the broader or receiving community. This process allows immigrants to adjust to a new lifestyle without losing their own identity, while the community, including private and public institutions, is welcoming and responsive. Immigrant integration serves to strengthen community cohesion and is beneficial to both sides."^{21,22}
 - o Communities, organizations and programs received grants for immigrant integration initiatives for 2004-2009 in Aspen to Parachute, Boulder County, El Paso County, Gunnison County, Lake County, the City of Littleton, Mesa County, Morgan County, Pueblo County, and Summit County. ²³
 - Additional communities received grants for 2006-2011 in the City and County of Denver, Cities of Greeley and Evans, Commerce City, La Plata County, Montrose and Delta Counties, Aurora, Routt and Moffat Counties, the San Luis Valley, and the Telluride Region.²⁴
 - O The various immigrant integration plans of these communities <u>include</u> "strengthening local health care providers' ability to offer competent care to people from different cultures, helping immigrant parents to become more involved in their children's schools, improving access to English classes for immigrants, and developing mentoring opportunities among foreign and native-born families."
- **Welcoming Colorado**, a member of <u>Welcoming America</u>, ²⁶ is a statewide initiative whose <u>mission</u> is "community engagement and relationship building between immigrant and non-immigrant communities with the aim of mutual respect and understanding." ²⁷

- O Specifically, Welcoming Colorado offers organizations and groups various <u>ways</u> to explore immigration and the role of immigrants in their community through a variety of programming such as workshops, book and film discussions, and other learning environments.²⁸
- The **City and County of Denver**, through the Office of Community Support, encourage and support immigrant integration and a welcoming environment.²⁹
 - o In particular, the city views immigrants and refugees as a "valuable component of Denver's community" and that they "contribute to the economic, social and cultural fabric of the City." Furthermore, "immigrant integration insists on an interaction between the newcomer and the established community to encourage a sense of belonging and make steps toward each other to foster prosperity."³⁰
 - o The Office of Community Support provides immigrant integration resources through a resource <u>directory</u>, information about area organizations offering English and ESL <u>classes</u>, workshops, and community events.³¹
- In Boulder, the **Immigrant Advisory Committee**, developed in 2006, <u>serves</u> "to encourage immigrant involvement in city government and to advise the city on issues related to the immigrant community."³²
 - o The committee <u>serves</u> in an advisory capacity to the city manager and helps craft policies and services that "better serve the immigrant community and to encourage access by this community to the full benefits, opportunities and services provided by the city." 33
- In Littleton, the **Littleton Immigrant Resource Center**, in an effort to integrate all newcomers into community life, helps immigrants <u>participate</u> in the broader community by connecting to community services, learning English, and applying for citizenship.³⁴
 - Among the Center's <u>aims</u> are to "create a community in which all people feel like they belong" by supporting services and programs for local immigrant families, and bridging cultural and language differences through international and cultural events.³⁵

Endnotes

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¹ Robert W. Fairlie, <u>Open for Business: How Immigrants are Driving Small Business Success in the United States</u> (New York: Partnership for a New American Economy, 2012).

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³ The sample of new immigrant business owners during this time period includes individuals who do not own a business in the first survey month and report starting a business in the second survey month with 15 or more hours worked per week.

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⁸ Partnership for a New American Economy, "Map the Impact of Immigrants Across America: Colorado" (New York: Partnership for a New American Economy, 2013).

⁹ Office of Foreign Labor Certification, <u>Annual Report: October 1</u>, 2010 – September 30, 2011 (Washington, DC: U.S. Department of Labor, 2012).

¹⁰ U.S. Census Bureau, "State & County Quick Facts: Colorado" (Washington, DC: U.S. Department of Commerce, 2011).

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- ²⁰ The Colorado Trust, "Overview: Immigrant Integration" (Denver, CO: The Colorado Trust, 2013).
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- ²⁵ Ibid.
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Read more at ImmigrationPolicy.org

