

ECONOMIC DEVELOPMENT COMMISSION

MEETING MINUTES

January 19, 2023
8:30 a.m. – 12:30 p.m.

MEETING DATE

January 19, 2023
1600 Broadway, Suite 2500
Denver, CO 80202

MEETING PARTICIPANTS

A. Commission Members

Carrie Schiff, Jandel Allen-Davis, David Dragoo, Andrew Sparn, Carl Young, Walker Stapleton, Steven Paletz, Jesse Ogas, and Chris Franz.

B. Guests

Aldo Svaldi, Courtney Rodwell, Dave with RADICL, David McCormick, FloraJane DiRienzo, Jennifer Showell, Laura Rodriguez, Lucas High, Michelle Krug, Sara Lobato, Toni Barrett, and Trish Thibodo.

C. Staff

Eve Lieberman, Jeff Kraft, Danielle Oliveto, Sean Gould, Tad Johnson, Leslie Hylton-Hinga, Morgan Vankat, Che Sheehan, Keri Ungemah, Ashley Mount, Alissa Johnson, Mike Landes, Sonya Guram, Rama Haris, Kacie Adair, Elise Hamman, and Virginia Davis.

DECISION/ACTION ITEMS

1. The Economic Development Commission approved the Minutes from the December 15th, 2022, EDC Meeting.
2. The Economic Development Commission approved the following projects/items:

JGITC: Project Disco.

SF: Cities Summit of the Americas; and ORec Impact Fund.

EZ: Mountain Roots Food Hub & Kitchen Incubator; WCCF - Capital Campaign; St. Mary's Medical Center; Mountain Family Health Centers; Springs Recovery Connection; CCSOCO ReHire; Stanley Film Center; and Adaptive Sports Center Operations.

RJS: Form Zones in Phillips County, Haxtun, and Holyoke; Form Zone in Kiowa County; and Spares in Motion, Inc.

AI: FY23 CU Boulder Allocation Grants; and FY23 NJH Boulder Allocation Grants.

RTA: Reduction of Aggregate Cap for Go NoCO Project.

A. Meeting Called to Order

Schiff called the meeting to order.

Kraft introduced our new EDC board member, Jesse Ogas.

Ogas thanked the commission for welcoming him to the group and provided some background.

B. Minutes

Schiff called for a motion to approve the minutes from the December 15th, 2022, EDC Meeting.

Sparrn moved approval of the minutes. Ogas seconded the motion. Motion passed unanimously.

M/S/P – Sparrn, Ogas – Minutes approved as presented by staff.

C. Job Growth Incentive Tax Credit

Landes presented Project Disco. The company behind Project Disco secures small and medium sized businesses from nation state level cyberthreats. This project entails the expansion of an existing team of entrepreneurs and veterans operating in Boulder County. Project Disco expects its clientele to largely originate from the defense space, and Colorado's concentration of defense companies and US military facilities and personnel provides a supportive ecosystem, potential clients, and labor pool. Project Disco, should it occur in Colorado, expects to create 491 net new jobs at an average annual wage of \$126,812.63, which is 146.9% of the average annual wage in Boulder County. The jobs will include engineers, sales and marketing professionals, product designers, cyber and security analysts, and finance roles.

Staff is requesting approval of up to \$2,425,289 in performance-based Job Growth Incentive Tax Credits over an 8-year period for the creation of up to 491 net new full-time jobs at an average annual wage equal to or greater than the average annual wage of the county the project chooses to locate. The net-new jobs in Colorado must be maintained for one full year before any credits become vested and the Company must create a minimum of 20 net new full-time jobs before any tax credits are issued. Additionally, the company must provide proof, that they have raised \$2.5M in capital, by the end of 2023 prior to the execution of this JGITC award contract.

M/S/P – Paletz, Franz – Project Disco approved as presented and recommended by staff.

D. Strategic Fund

EDC Budget Update

Gould provided the EDC Budget update which shows a Long Bill balance of \$4,071,278.

SF Balance Forecast

Gould presented the SF Balance Forecast that shows an approximate, current available balance of \$5,021,278 in annual Long Bill funds, \$4,878,303 in Just Transition & EDO funds, and \$1,983,824 in RJS Grants.

Strategic Fund Red Yellow Green Report

Gould provided the SF RYG update which shows progress on approved programs/projects.

Cities Summit of the America's

Mount, Oliveto, DiRienzo, Showell, and Landes, presented the Cities Summit of the America's request.

The Cities Summit of the Americas (CSOA) is seeking sponsorship support in the amount of \$150,000 from the EDC Strategic fund. The opportunity would provide high profile marketing and official sponsor recognition, including the opportunity to network with attendees through the Innovation Plaza that will highlight a variety of innovative products, technology, and resources to CSOA delegates.

These dollars will go directly toward programming and operations for the three-day convening through the Cities Summit of the Americas' fiscal sponsor, the Biennial of the Americas. The Biennial of the Americas is a non-profit 501(c)3 whose mission is to create connections, build community and inspire change across the Americas. Started in 2009, its mission has been to connect local leaders in the Americas to learn from one another, to create new relationships both business and cultural, and to center Denver and Colorado as a hub for the Americas. The Biennial has a proven track record of working internationally, hosting several biennials, events, and summits across the Americas, including in Canada, Mexico, Cuba, Brazil, Colombia and here in Denver.

Staff is requesting \$150,000 in funding from the Strategic Fund Long Bill Appropriation for the Cities Summit of the Americas (CSOA) Sponsorship, to be contracted with the non-profit Biennial of the Americas.

OEDIT staff have considered the sponsorship opportunity in close partnership with the Governor’s Office and recommend moving forward considering the potential foreign investment, networking opportunities, and platform for business retention and recruitment. GBD will provide a written summary following the event to help inform the benefits of this type of investment within our industry vertical focuses and country-focused engagement strategy. This will include an assessment of outcomes from invites to companies considering expansion in the Western United States, as well as showcasing retention efforts for Colorado-based companies that do business in the Western Hemisphere. In light of these economic benefits generated for the State, OEDIT requests that the EDC approve \$150,000 in sponsorship dollars to be provided for the Cities Summit of the Americas.

This request does not include a possible maximum rebate of \$100,000 from the CTO Meeting and Events cash rebate program.

M/S/P – Allen-Davis, Franz – Cities Summit of the America’s proposed motion moved as presented and recommended by staff.

ORec Impact Fund

Hall, and Albert presented the ORec Impact Fund request. The Outdoor Recreation Industry Impact Fund (ORIIF) is funding from the American Rescue Plan Act (ARPA), State and Local Fiscal Recovery Fund (SLFRF). This fund will support recovery efforts for outdoor industry small businesses and nonprofits that can demonstrate a negative economic impact due to the COVID-19 pandemic. The ORIIF will provide direct-to-organization grants for payroll needs. The goal of the ORIIF is to allow outdoor recreation industry businesses and nonprofits to hire new and/or retain existing employees. Full-time and part-time positions are eligible to receive payroll assistance. Grants will be provided on a reimbursement basis.

Previously the EDC approved the following budget for the ORIIF:
\$2,000,000 total

- Admin support of ~\$165,000 for 2 years
 - ~\$1,835,000 in grants for 30+ businesses
 - Grant min: \$2,500
 - Grant max: \$60,000

Staff is requesting approval to increase the Outdoor Recreation Industry Impact Fund administrative budget to \$200,000, which is an increase of \$35,000 from the previously approved budget. This request will not add additional budget dollars to the program, it is a shift of already approved funding as follows:

\$2,000,000 total

- Admin support of \$200,000 for 2+ years
 - \$1,800,000 in grants for 30+ businesses
 - Grant min: \$2,500
 - Grant max: \$100,000

M/S/P – Dragoo, Sparn – ORec Industry Impact Fund adjustment approved as presented and recommended by staff.

E. Enterprise Zone (EZ): Che Sheehan

Contribution Project Proposals

Sheehan presented the following EZ Contribution Project Proposals for approval.

EZ	Project Name	Type	Category	Completion Date	Budget	1 yr. Proj. Credits

REG 10	Mountain Roots Food Hub & Kitchen Incubator	Capital Campaign	Community Facility	12/31/2028	\$1,100,000	\$62,500
MESA	WCCF - Capital Campaign	Capital Campaign	Community Facility	12/31/2028	\$3,600,000	\$562,500
MESA	St. Mary's Medical Center	Operations	Healthcare	12/31/2028	\$500,000	\$118,750
NW	Mountain Family Health Centers - Garfield County	Operations	Healthcare	12/31/2028	\$10,775,000	\$26,250
PP	Springs Recovery Connection: Workforce Development Program	Operations	Job Training Program	12/31/2028	\$169,220	\$25,125
PUEB	CCSoCO ReHire	Operations	Job Training Program	12/31/2028	\$500,000	\$100,000
LAR	Stanley Film Center	Operations	Visitor Event/Attraction	12/31/2028	\$60,000,000	\$525,000
REG10	Adaptive Sports Center Operations	Operations	Visitor Event/Attraction	12/31/2028	\$3,614,082	\$65,625
TOTAL					\$80,258,302	\$1,485,750

M/S/P – Allen-Davis, Franz – EZ Contribution projects approved as presented and recommended by staff.

F. Rural Jump-Start (RJS): Morgan Vankat

Application to Form a Zone in Costilla County

Vankat presented the Application to Form a Zone in Costilla County. Costilla County has passed a resolution to become a Rural Jump-Start Zone. The application is sponsored by the San Luis Valley Development Resources Group (SLVDRG) and does not include a pipeline of potential companies. The town of San Luis has also passed a resolution to join the Costilla County Rural Jump-Start Zone and is included with the application. OEDIT recommends the approval of Costilla County and the town of San Luis for inclusion in the Rural Jump-Start program.

Staff requests a Motion to approve the application for Costilla County, including the town of San Luis, to become a Rural Jump-Start Zone.

M/S/P – Ogas, Young – Costilla County zone formation request approved as presented and recommended by staff.

Program Manual Updates

Hylton-Hinga presented the updates to the RJS program manual. The Rural Jump-Start program manual was last updated in April 2022. The primary reason for updating the program manual now is to request changes to the annual report process, which will begin when annual reports are distributed to participating businesses at the end of January 2023. However, this round of requested updates follows a comprehensive review of the manual in its entirety and addresses a number of technical issues, as well as substantive issues.

The board reviewed the requested program manual updates supplied by staff.

Staff requests that the EDC approve the updated program manual provided in the board book.

M/S/P – Allen-Davis, Ogas – RJS Program Manual updates approved as presented and recommended by staff.

G. Advanced Industries (AI): Rama Haris

Board Education

Haris provided training on the AI Program as required by C.R.S. 24-3.7-102.

No AI budget update this for this month.

H. Regional Tourism Act (RTA): Che Sheehan

RTA Program Update

Sheehan provided the RYG update.

I. HB22 – 1418 Extension of Certain Unused Tax Credits

Kraft, Gould, and Johnson provided the background of HB22 – 1418. Staff held a public comment session regarding HB22 – 1418 on December 12, 2023, via Zoom.

After taking public comment, staff worked to draft the Program Guidelines, Policies and Procedures for the Extension of Certain Unused Tax Credits and presented those to the EDC for feedback.

The board discussed the guidelines and provided feedback to staff.

Schiff opened it up for additional public comment.

No one requested the opportunity to provide comment.

Staff will take the EDC feedback and make necessary updates to the Program Guidelines and bring those to the EDC at the next meeting.

J. Other

Next EDC Meeting

The next EDC meeting will be February 16, 2022.

With all items discussed, the meeting was adjourned.