ECONOMIC DEVELOPMENT COMMISSION
MEETING SUMMARY
September 20, 2018
8:00 a.m. – 2:00 p.m.

MEETING DATE
September 20, 2018
1600 Broadway, Suite 2500
Denver, CO 80202

MEETING PARTICIPANTS
A. Commission Members
   Carrie Schiff, Robert Price, Tara Marshall, Jay Seaton, Denise Brown, Benita Duran, Chris Franz,
   Karen Blumenstein, and Lisa Reeves.

B. Guests
   Bob Cope, Mayor John Suthers, Joe Ellis, Jill Tiefenthaler, Jeff Greene, Robert Moore, Ken Ralph,
   Ed Ragain, Nick Ragain, James Ragain, Kyran Hynes, Laura Neumann, Jariah Walker, David Neville,
   Tom Binnings, Chris Liedel, Bill Lueck, Dirk Draper, Cheryl McCullough, Mark Husma, Jane Morgan,
   Dawn Rickert, Skip Morgan, Monica Hobbs, Joel Miler, Bill Murray, Jill Gaebler Maria with Project
   Half-life, Mark with Project Flapjack, Rita with Project Flapjack, Byron Pelton, Trae Miller, Matt
   with Project Champa, Ismail with Project Champa, Randy Thelen, Emily Barrett, Ryan with Project
   Reverse, Bob with Project Skyline, Devin Mulhern, Andrew Minor, Candace Payne, Cathy Schulte,
   Darren Hollingsworth, HJ Greenwood, Jacob Castillo, Jessica Erickson, Joanne Greek, Karen Tuttle,
   Kevin Wilkins, Laura Marchino, Lisa Harper, Marc Bellatoni, Pat Gleason, Rachel Lyons, Sara
   Lobato, Stephanie Gonzales, Susan Fries, Terri Benson, Terry Blair-Burton, Tiffany Pehl, Walt
   Boulden, Cari Hermancinski, John Bristol, Mike Blakman, Randy Rudasics, Bonnie Peterson, Andy
   Townsend and John Jenkins.

C. Staff
   Stephanie Copeland, Jeff Kraft, Sean Gould, Dan Lane, Sonya Guram, Che Sheehan, Reid Aronstein,
   Dave Madsen, LeeAnn Morrill, Jill McGranahan, Rebecca Gillis, Leasa Schwaebe, Emily Applegate,
   Kelly Manning, Christine Hoffman and Virginia Davis.

DECISION/ACTION ITEMS
1. The Economic Development Commission approved the EDC Meeting Summary from the August 8,
   2018 meeting.

2. The Economic Development Commission approved the following items: JGITC – Project Half-life;
   Project Flapjack; Project Champ; Project Reverse; Project Skyline; EZ – PP-Boundary Amendment
   Request; PP-Mary’s Home Extreme Capital Campaign; SLV-Rio Grande Hospital; MC-Business
   Incubator Center; GJ-Economic Partnership; PC-PEDCO Retention and Expansion; R10-Montrose
   Economic Development Corporation; WC-Weld County Economic Development; SW-The Pagosa
   Springs Medical Center Foundation; SW-Mercy Regional Medical Center; DC-Denver Rescue Mission;
   DC-Colorado Coalition for the Homeless; SLV-La Puente Home Homeless Services; MC-Catholic
   Outreach Homeless; MC-Homeward Bound; MC-Hilltop Community Resources; PP-Partners in
   Housing; WC-Guadalupe Community Center/Shelter; PC-Vocational Training at Pueblo Community
A. Meeting Called to Order
Schiff called the meeting to order and covered Housekeeping items.

Meeting Minutes
Blumenstein moved approval of the meeting minutes from the August 8, 2018 meeting. Franz seconded the motion. Motion passed unanimously.

M/S/P – Blumenstein, Franz – Meeting Minutes approved as presented by staff.

B. Job Growth Incentive Tax Credit (JGITC): Dan Lane, Rebecca Gillis
Project Half-life
Lane presented project Half-life. Project Half-life is a start-up German producer of radiopharmaceuticals that is seeking to establish a North American headquarters. As demand for Project Half-life’s highly specialized nuclear pharmaceuticals has grown, the company has found it necessary to expand operations into North America to better serve the American and Canadian markets, as well as to serve as a backup to their facility in Germany.

Staff is requesting $2,339,575 in performance-based Job Growth Incentive Tax Credits over an 8-year period. This incentive is contingent upon the creation of up to 109 net new full-time jobs at minimum average annual wage (AAW) equal to or greater than the average annual wage of the following counties or any other county in Colorado in which the project chooses to locate, in support of this project.

M/S/P – D. Brown, Marshall – Project Half-life approved as presented and recommended by staff.

Project Flapjack
Lane presented project Flapjack. Project Flapjack is a major supplier of eggs to some of the largest retail grocery companies in the US. Project Flapjack is a large project that is considering Sterling, CO for the construction of a new cage-free egg laying operation. The project is being undertaken in anticipation of California passing a ballot initiative in November requiring that all eggs and egg-based products sold in the state come from cage-free hens. Sterling presents the company with a cost-effective location and easy market access to California and the rest of the Western US.

Staff is requesting $3,002,434 in performance-based Job Growth Incentive Tax Credits over an 8-year period. This incentive is contingent upon the creation of up to 397 net new full-time jobs at minimum average annual wage (AAW) equal to or greater than the average annual wage of the following counties or any other county in Colorado in which the project chooses to locate, in support of this project.

M/S/P – D. Brown, Seaton – Project Flapjack approved as presented and recommended by staff.

Project Champa
Gillis presented project Champa. Project Champa is an IT company serving students and teachers of all ages. Its education-focused products may be used via the company’s website or via users’ iOS or Android phones. The company is currently headquartered in Northern California and is utilized by more than 30 million students and instructors globally. Project Champa’s leadership is looking for a location to open an
office outside of California. This office will eventually become equal to or of greater size than the company’s headquarters.

Staff is requesting $6,886,074 in performance-based Job Growth Incentive Tax Credits over an 8-year period for the creation of up to 300 net new full-time jobs at minimum average annual wage (AAW) equal to or greater than the average annual wage of the following counties or any other county in Colorado in which the project chooses to locate, in support of this project.

M/S/P – D. Brown, Franz – Project Champa approved as presented and recommended by staff.

Project Reverse

Lane presented project Reverse. Project Reverse is a fast-growing healthcare company based in San Francisco. The company has closed on multiple rounds of funding and is now expanding rapidly. The company is currently looking to expand the engineering and customer support functions of its business outside of San Francisco. Colorado is competing with Michigan, Missouri, and Arizona for this project.

Staff is requesting $1,077,595 in performance-based Job Growth Incentive Tax Credits over an 8-year period. This incentive is contingent upon the creation of up to 56 net new full-time jobs at minimum average annual wage (AAW) equal to or greater than the average annual wage of the following counties or any other county in Colorado in which the project chooses to locate, in support of this project.

M/S/P – D. Brown, Blumenstein – Project Reverse approved as presented and recommended by staff.

Project Skyline

Gillis presented project Skyline. Project Skyline is a Fortune 500 company headquartered in the Midwest region. The company is considering the establishment of a Western regional headquarters for one of its business lines focused on insurance. Project Skyline is currently considering the Metro Denver area and Phoenix for this competitive opportunity. Should the project be deployed in Colorado, Project Skyline will be fully operational in the first quarter of 2019.

Staff is requesting $385,481 in performance-based Job Growth Incentive Tax Credits over an 8-year period for the creation of up to 38 net new full-time jobs at minimum average annual wage (AAW) equal to or greater than the average annual wage of the following counties or any other county in Colorado in which the project chooses to locate, in support of this project.

M/S/P – D. Brown, Franz – Project Skyline approved as presented and recommended by staff.

Update of Approved Projects

Gillis provided an update of a previously approved project. Project Cardinal, also known as VF Corp., has announced they are moving forward in Colorado and recently announced they have chosen a space. BP Lower 48, also known as Project Zygote had their grand opening of their build-to-suit location this past week and Slack has also chosen a space in Colorado.

C. Enterprise Zone (EZ): Sonya Guram

Boundary Amendment

Guram presented the Pikes Peak Boundary Amendment Request. The Pikes Peak EZ Administration is requesting an extension of the Pikes Peak enterprise zone to include block 3009 in census tract 21.02 in El Paso County. The proposed area meets the statutory eligibility requirements and the expansion keeps
the Pikes Peak Enterprise Zone within statutory limitations on population (maximum of 115,000 for an urban EZ). The zone administrator, DeAnne McCann, has provided justification, maps, and letters of support for the boundary amendment request.

M/S/P – Marshall, Franz – Pikes Peak Boundary Amendment approved as presented and recommended by staff.

Guram presented the following Enterprise Zone Contribution Project Proposals.

<table>
<thead>
<tr>
<th>EZ – Project Name</th>
<th>Project Type</th>
<th>Completion Date</th>
<th>Project Budget</th>
<th>1 yr. Projected Credits</th>
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<tbody>
<tr>
<td>Pikes Peak - Mary’s Home Extreme Dream Capital Campaign</td>
<td>Capital Campaign: Community Facility</td>
<td>2020</td>
<td>$1,700,000</td>
<td>$100,000</td>
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<tr>
<td>San Luis Valley - Rio Grande Hospital</td>
<td>Capital Campaign: Community Facility</td>
<td>2023</td>
<td>$2,200,000</td>
<td>$25,937</td>
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<tr>
<td>Mesa - Business Incubator Center 2019-2023</td>
<td>Operations: Business Assistance</td>
<td>2023</td>
<td>$1,200,000</td>
<td>$10,375</td>
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<td>Pueblo - PEDCO Retention and Expansion</td>
<td>Operations: Economic Development Organization</td>
<td>2023</td>
<td>$850,000</td>
<td>$90,000</td>
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<tr>
<td>Southwest - The Pagosa Spring Medical Center Foundation</td>
<td>Operations: Healthcare</td>
<td>2023</td>
<td>$461,000</td>
<td>$38,750</td>
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<tr>
<td>Southwest - Mercy Regional Medical Center - Advancements and Expansion Project</td>
<td>Operations: Healthcare</td>
<td>2023</td>
<td>$5,000,000</td>
<td>$350,125</td>
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<td>Denver - Denver Rescue Mission: Homeless Services</td>
<td>Operations: Homeless Support</td>
<td>2023</td>
<td>$17,729,278</td>
<td>$750,000</td>
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<td>Denver - Colorado Coalition for the Homeless: Services to End Homelessness</td>
<td>Operations: Homeless Support</td>
<td>2023</td>
<td>$58,000,000</td>
<td>$225,000</td>
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<td>SLV - La Puente Homeless Services 2019</td>
<td>Operations: Homeless Support</td>
<td>2023</td>
<td>$2,200,000</td>
<td>$136,250</td>
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<td>Mesa - Catholc Outreach Homeless 2019-2023</td>
<td>Operations: Homeless Support</td>
<td>2023</td>
<td>$3,000,000</td>
<td>$628,251</td>
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<td>Mesa - Homeward Bound 2019 - 2023</td>
<td>Operations: Homeless Support</td>
<td>2023</td>
<td>$5,455,630</td>
<td>$200,000</td>
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<td>Mesa - Hilltop Community Resources 2019-2023</td>
<td>Operations: Homeless Support</td>
<td>2023</td>
<td>$34,405,275</td>
<td>$7,875</td>
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<td>Pikes Peak - Partners in Housing: Homeless Family Self-Sufficiency Program</td>
<td>Operations: Homeless Support</td>
<td>2023</td>
<td>$1,005,738</td>
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<td>Weld - Guadalupe Community Center/Shelter</td>
<td>Operations: Homeless Support</td>
<td>2023</td>
<td>$996,600</td>
<td>$145,000</td>
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<td>Pueblo - Vocational Training at Pueblo Community College</td>
<td>Operations: Job Training Program</td>
<td>2023</td>
<td>$1,000,000</td>
<td>$281,250</td>
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<td>Pueblo - Pueblo Riverwalk Improvements and Activities</td>
<td>Operations: Visitor Event/Attraction</td>
<td>2023</td>
<td>$912,546</td>
<td>$29,375</td>
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M/S/P – Duran, Seaton – EZ Contribution Project Proposals approved as presented and recommended by staff.

Strategic Fund (SF): Sean Gould
SF Balance Forecast

Gould presented the SF Balance Forecast which shows a current available balance of $5.3M.

EZ Local Administrative Costs

Guram presented the EZ Administrative Costs request for CY 2019. Staff is requesting $366,500 of SF Funds for Enterprise Zone administration for calendar year 2019. This amount is consistent with funds granted by the EDC in 2016, 17, and 18. The $366,500 will provide grants for local zone administration and funds to cover travel and costs associated with meetings and trainings for local zone administrators organized by OEDIT. Staff will allocate $358,500 for administrative grants and $8,000 for meeting and travel costs. Any funds not utilized will revert back to the Strategic Fund.
Brown said she knows first-hand what the EZ Administrators do so why do we not give an increase to the Administrative Costs.

Guram said for some of the organizations there is a dollar-for-dollar match. We could look at setting a higher threshold as long as they can keep within that match amount.

Brown moved approval of the request with the idea that the door is open for the Administrators to come back with an alternative proposal that might involve an increase at a future meeting. Marshall seconded the motion. Motion passed unanimously.

M/S/P – D. Brown, Marshall – EZ Administrative Cost for CY 2019 approved as presented with the opportunity for a future request for an increase in funds.

D. Regional Tourism Act (RTA): Jeff Kraft, Ken Jensen
Program Update
Jensen provided an RTA monthly scorecard update.

Aurora/Gaylord
OEDIT to meet with Aurora team about eligible cost certifications in October.

Pueblo/PBR University
PURA provided data on small business, minority, women, veteran contractors (see board book). OEDIT worked with PURA to clarify eligible cost issue. Staff will present the final amended Resolution today.

Colorado Springs/City For Champions
OEDIT is planning on combining all amendments for C4C into one resolution if timing allows. Hard hat tour for USOM and site visits for other elements following October EDC meeting in Trinidad. OEDIT requested bond document when available. OEDIT followed up on commission direction around project details (see board book for more information). OEDIT planning on meeting with AFA architect late September/ early October. A fully presentation will be presented today for the Downtown Stadium and Arena.

Northern Colorado Regional Tourism Zone/Go NoCO
OEDIT is planning on meeting with the Go NoCO attorney on final resolution in the end of September. The Stanley Film Center is interested and focused on moving this project forward with pending new partners.

Denver/National Western Center
Project is developing draft of written resolution amendment about changes to Exhibit B.

Pueblo/PBR University
Kraft provided the redline version of Resolution No. 1 as a second amendment and Resolution 1-A concerning the Commencement of Substantial Work.

On May 17, 2017, Stephanie Copeland sent a letter to Chair Schiff of the Economic Development commission recommending actions that the EDC should take related to the Pueblo RTA project. During the following May 18th EDC meeting the Commission moved to “modify its approval of the project and direct the staff to expeditiously codify the seven conditions outlined by staff in the form of a Resolution for approval and adoption by the EDC.” This motion passed unanimously.
The PURA board approved a resolution authorizing the execution and acceptance of a city of Pueblo $14.4 Million loan. This loan was formulated as two promissory notes valued at $12.2 Million and $2.2 Million respectively. One of the specific conditions outlined in the May 17th letter was to “Require funds from the March 14, 2017 promissory notes to be spent on the construction of the Facility that will house PBR University in advance of or concurrently with proceeds from bonds backed by a pledge of state sales tax increment revenue which will also be spent to fund the Project. PURA may continue to use state sales tax revenue on administrative costs associated with the project.”

Based on the language included in the notes which were issued March 14, 2017, OEDIT understood that the entire $14.4 million would be used for constructing the PBR facility “Such monies are to be used by the Authority to finance the design, construction and improvement of an approximately 45,000 square foot expansion to the Pueblo Convention Center, Exhibition Hall and an approximately 18,000 square foot attached facility on the real property more particularly described in Exhibit A.” Per information provided by Don Banner Chair or PURA and Sam Azad City Manager Pueblo would like to clarify that the intended use of the $2.2 Million note was always intended to be used as a match to an EDA Grant for the Gateway Plaza (which is an eligible improvement in Phase II and located adjacent to the PBR facility at the convention center). Given that the $2.2 million is still being used for an RTA Eligible Improvement and the Phase I Improvements (the PBR facilities and the parking structure are fully funded), OEDIT believes that this variance from the text of the promissory note should not prevent the approval of the two resolutions to be voted on today including modifications suggested by Pueblo.

Staff is requesting the EDC approve the Second Amendment to Resolution No. 1 as written and provided to the board today which will allow our EDC Chair to sign this Amended Resolution and send to Pueblo for their acknowledgement.

M/S/P – Duran, Seaton – Amendment approved as presented and recommended by staff.

Staff is also requesting the EDC approve Resolution No. 1-A for the Commencement of Substantial Work with the modification that we will add a reference to their certifying that they’ve spent at least $13M on the project as of the most recent report in July 2018.

M/S/P – Duran, Blumenstein – Resolution No. 1-A approved as presented and recommended by staff.

**Pueblo/PBR University Contractors**
Staff provided the EDC with the Minority/Women Owned Contractors information for the project, saying there are three groups working on the project classified as minority-owned businesses. The total value of contracts for the three groups translates to about five percent of the total project cost. There is approximately fifteen percent of the overall $30M left to be awarded, and there are several groups that are being considered that would also fit the minority classification, the work done to-date,

**Colorado Springs (COS)/City For Champions Sports and Events Center**

Mayor Suthers provided an overview of the Sports and Events Center Presentation.

Several Colorado Springs City For Champions Partners talked about the Sports and Events Center Project and Partnerships which included project requirements of the Resolution, the business plan, the financing, the net new out of state visitors and the progress made to date.
Kraft said, we had very little limited requirements from a resolution perspective. There were some size requirements, but this design and project far exceeds what the Commission required of them. They used some really innovated and clever financing to figure out how to do this.

**Public Comment**
Schiff began the public comment for this project.

The following people provided public comment: Mark Husma, Jane Morgan, Dawn Rickert, Skip Morgan, Monica Hobbs, Joel Miler, Bill Murray, Jill Gaebler.

The public comment centered around the parking requirements for the Sports and Events Center. Although the community is in favor of the project, they have concerns regarding the parking and what the Project representatives are going to do to address the parking issues.

Cope wrapped up the presentation by making the following requests:

1. Formal approval of the business plan as contemplated in Section 5 (h) of Resolution No. 3.
2. Upon filing the Articles of Incorporation of the Colorado Springs Sports Authority with the State of Colorado, written acknowledgement of satisfaction of the requirement of Section 5 (c) of Resolution No. 3.
3. Written acknowledgement of compliance with the approximate and minimum size requirements and the required components listed in Exhibit B and as contemplated in Section 5 (b) of Resolution No. 3 express approval of the deviation by more than twenty percent from the storage component approximate size requirement listed in Exhibit B for the indoor venue.
4. Written acknowledgment and approval of the net new out of state visitor analysis, requested by OEDIT staff.
5. In accordance with the RTA Statute, Resolution No. 3, and OEDIT/EDC Policy, formal acknowledgement of a determination of Commencement of Substantial Work for the Colorado Sports and Events Center project element of City For Champions.

Blumenstein asked Cope to speak to the “but for” for this project element. Without Colorado College’s facilities, would you still be delivering a unique and extraordinary project.

Cope said yes we would. Many of the NGBs would be able to use the Robeson Arena by itself. Robeson Arena by itself would be unique and extraordinary by being able to attract NGB events, other small amateur sporting events and also to work in collaboration with other City For Champions projects.

Tiefenthaler said our current facilities would not be large enough to do a lot with the NGBs, but putting Robeson Arena together with our existing facilities would allow us to host more of those NGB events.

Blumenstein asked, do you believe that the change of the size of Robeson still puts you in a position to deliver the same venue as before.

Cope said, absolutely. The Visitor Plan and the Out of State analysis proves that up.

Schiff asked if the other Colorado College facilities are necessary to contribute to underwrite the number of net new out of state visitors that you need to hit.
Binnings said we were involved in the analysis and putting together the numbers and helped to come up with the 118,500 net new out of state visitors. The question is, are the other CC Venues needed to hit that 188,500 and the answer is no. We believe that those two venues program well within the constraints of CC, needing to also server students, can handle just under 130,000. In regards to splitting the two venues as opposed to having on co-located venue, our conclusion was that it would enhance the net new out of state visitors. There were two primary reasons for that conclusion, less congested parking and access, because you now have multiple access points to downtown and secondly there are two entities accountable and both of them have incredible experience in sports marketing and creating sports events.

Duran asked for a response related to the parking issues we heard today.

Tiefenthaler said we have done a study as part of our application to the City to be considered and asked Moore to provide some background to the study.

Moore said the parking study said that we can accommodate everyone. Our is have faculty and staff vacate parking by 4:00 when there are home games which will free-up 800 spaces. We have also had initial discussions with Palmer High School and the Methodist Church about the possibility of contracting for their lots. But, because it’s 2021, we don’t have an agreement. We are trying to construct a parking lot. There is still a lot of work to be done on parking.

Marshall asked if the City’s Planning and Zoning variance procedures require you to get a Conditional Use Permit or anything relating to meeting those parking requirements.

Moore said yes. We have a lot of discussion time to look forward to with the City.

Marshall said, I assume those procedures will happen during public hearings with the Planning and Zoning Committee so the neighborhood will have the opportunity through that public process to work with the City.

Moore said the 55 space lot being considered has had a lot of public input.

Tiefenthaler said we know we have a lot to do on parking but that seemed to be putting the cart before the horse because we don’t have the money to do the project. Until we have the money, we haven’t hired an architect. We have sited yet on the block where the Arena will be. And we haven’t fully addressed the parking but all those things are on our agenda.

Marshall said, pursuant to Colorado Revised Statutes Sections 24-6-402(3)(a)(II) and (III), I move that we go into executive session with our attorney for the purpose of discussing and receiving legal advice about Commencement of Substantial Work, which are required to be kept confidential by Colorado Revised Statutes Section 2-3-103.7. Seaton seconded the motion. Motion passed unanimously.

The EDC is now in Executive Session.

Marshall moved the EDC exit Executive Session. Franz seconded the motion. Motion passed unanimously.

The EDC is now in Open Session.
E. Rural Jump-Start (RJS): Ken Jensen

Routt County

Jensen presented the Routt County Request. In August of 2017, at the request of local economic developers, the EDC approved making Routt County eligible for the Rural Jump-Start program, with the stipulation that Steamboat Springs would not be eligible. Routt County was originally not included in the list of eligible counties, as it had not met the requirements for economic distress in the last two annual county reviews. In February of this year, the EDC approved Routt County and the town of Hayden to form a Rural Jump-Start zone. Last month, VF Corporation announced that it will be moving its corporate headquarters to the Denver Metro area. Part of this move will involve consolidating the 70 Smartwool employees in Steamboat Springs to the corporate headquarters. The local officials in Routt County view this loss as a significant event, and are interested in tools such as Rural Jump-Start that might mitigate the impact of this event.

Based on this new forthcoming loss OEDIT is now recommending allowing Steamboat Springs into the Routt County Rural Jump-Start zone. In the course of reviewing this application, OEDIT employed a spreadsheet tool created by the state demographer's office in the Department of Local Affairs (DOLA). This tool translates job changes between counties based on existing workforce numbers. According to this tool, the 70 lost jobs in Routt County are the equivalent of 2,095 lost jobs in Denver County relative to the overall workforce. That is comparable to losing an employer like Great West Financial in Denver.

Marshall asked, in the initial analysis, they didn’t meet the criteria needed. Is your suggestion now, that they will meet the criteria?
Copeland said, they won’t meet the criteria. We made the exception by excluding Steamboat Springs. We are now requesting a roll back of the exception.

M/S/P – Duran, Blumenstein – Routt County request approved as presented and recommended by staff. Marshall voted against this request.

Dude Solutions

Jensen presented the Dude Solutions request. Dude Solutions, currently bases in North Carolina, provides work flow and asset management software. The company has been working with New Energy Technology, a Grand Junction company that has created a web application called the EnergyCenter, an energy management program for commercial-scale energy users. Dude Solutions has acquired exclusive rights to The EnergyCenter, and the company is developing a team in Grand Junction to support the implementation of this software.

Dude Solutions is a software company based in North Carolina that is creating a new division to implement energy management software that will be marketed to the education and government markets. OEDIT has reviewed Dude Solutions’ application, and based on our review, OEDIT recommends approving Dude solutions for the Rural Jump-Start program.

M/S/P – Seaton, Marshall – Dude Solutions approved contingent upon staff’s investigation of Terra Firma.

Visual Globe

Jensen presented the Visual Globe request. Visual Globe produces software that displays high definition 3D models of geophysical data. Projects include subways, airports, oil & gas well sites and refineries, gold mines, hotels, casinos and Army Corp of Engineers critical infrastructure sites. Visual Globe's software integrates data feeds from multiple sources to create a 3D representation of this data.
Visual Globe is a software company that produces an application that displays high definition 3D models of geophysical data. OEDIT has reviewed Visual Globe’s application, and based on our review, OEDIT recommends approving Visual Globe for the Rural Jump-Start program.

M/S/P – Seaton, Marshall – Dude Solutions approved as presented and recommended by staff.

F. Opportunity Zone (OZ): Stephanie Copeland

Copeland presented the Opportunity Zone Initiative. Opportunity Zones were enacted as part of the 2017 tax reform package (Tax Cuts and Jobs Act) to address uneven economic recovery and persistent lack of growth that have left many communities across the country behind. In the broadest sense, the newly enacted federal Opportunity Zone (OZ) program provides a federal tax incentive for investors to invest in low-income urban and rural communities through favorable treatment of reinvested capital gains and forgiveness of tax on new capital gains.

We are proposing to stand up a small team to be focused solely on the Opportunity Zone Program that will Create a sustainable support structure to maximize Colorado’s benefit from the OZ program. The goal is the lever an existing entity with a shared mission and statewide reach. Staff is proposing to transition the OZ program from OEDIT to the selected entity and hire staff.

Staff requests $2.1M be earmarked from the SF, over the next five years in support of this initiative. Staff will bring a formal request to the EDC at a future meeting.

The Commission directed staff to move forward with this initiative.

G. Certified Small Business Communities (CSBC): Jeff Kraft

Manning and Hoffman provided the CSBC report and request.

The Certified Small Business Community Program offers assistance to rural communities who want to help their community through entrepreneurship growth, retention and expansion.

The Certified Small Business Community Program is a three (3) year pilot program to assist rural communities in Colorado with economic diversification through entrepreneurship. The Year 1 request for $200,000 was approved in December 2016. This included funding for staff and the first year of grant awardees. Staff was hired in March 2017 and grants were awarded in October 2017 and needed to be used by June 30, 2018. In Year 1 an additional $150,000 in Federal funding was leveraged for the SBDC based on the CSBS funding. These funds are to be utilized in rural disadvantaged communities.

Staff is requesting funding of $100,000 to pay for the Program Manager and associated expenses to keep the program running. The Program Manager is currently overseeing the eight (8) awarded communities (implementing Year 2 and Year 1 programs for awardees) and promoting the next year of the program across the state.

M/S/P – Marshall, Duran – Year 3 CSBC Funding approved as presented and recommended by staff.

H. Transferrable Tax Credit (TTC): Ken Jensen:

Jensen provided a TTC update. Project Cardinal (VF Corporation) was approved for $3 million in precertification at the last EDC meeting. Chair Schiff signed the precertification before this meeting, and
the pre-certification will be sent to the company. The unsigned pre-certification follows. Project 5000 intends to present a project status update at the November EDC meeting.

I. Other:
   EDC Budget
   Kraft provided the EDC Budget which currently shows an available balance of $1,915,509.

Next EDC Meeting
The next meeting will be on October 17, 2018.

With all items discussed, the meeting was adjourned.