MEETING DATE
December 17, 2020
Virtual Meeting

MEETING PARTICIPANTS

A. Commission Members
Carrie Schiff, Becky Takeda-Tinker, Chris Franz, Wendell Pryor, Blake Jones, David Dragoo, Benita Duran, Jandel Allen-Davis, Rob Brown, Gretchen Wahl, and Jay Seaton.

B. Guests

C. Staff

DECISION/ACTION ITEMS

1. The Economic Development Commission approved the Minutes from the November 19th and November 30th, 2020 EDC Meetings.

2. The Economic Development Commission approved the following projects/items:

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<tr>
<th>RTA:</th>
<th>USAFA Extension.</th>
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<td>SF:</td>
<td>COFTM SF Infusion.</td>
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<td>COFTM:</td>
<td>Project Chronos; Terra Invicta; Ouray Ice Festival; and My Gorilla Family 3D.</td>
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<td>EO:</td>
<td>Modification of Grant Proof of Concept.</td>
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<td>AI:</td>
<td>CU Boulder Tech Transfer Office AI allocation projects.</td>
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<td>RJS:</td>
<td>Colorado Stone Quarries; and Pagosa Springs.</td>
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<td>EZ:</td>
<td>Discover Goodwill of Southern and Western Colorado; House of Neighborly Service Colorado Mesa University 2026; Venetucci Farm Capital Improvements; Colorado Springs Sports Corporation: Sports Industry Attraction/Retention; Springs Rescue Mission: Welcome Center Capital Campaign; Cultural Office of the Pikes Peak Region (COPPeR): Peak Radar; Springs Rescue Mission: Homeless Housing &amp; Employment Services; Pikes Peak Habitat for Humanity: The Ridge at Sand Creek</td>
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A. Meeting Called to Order
Schiff called the meeting to order.

B. Regional Tourism Act: Jeff Kraft, Che Sheehan, LeeAnn Morrill
Walker provided the Colorado Springs/C4C project update. Things are going great for the C4C project. One of the broader updates is the URA recently signed and engagement agreement with Summit Economics. They will be providing a lot of the details with the out of state tourists and how many are coming for each of the C4C projects as they are opening up. We will be getting some of that data with geofencing and in close partnerships with all the project sponsors making sure we track whose coming in, what zip codes they are coming from and then ultimately be able to present that data to you in our quarterly and annual reporting. Obviously with the Olympic Museum, that has been quite the experience opening up in a pandemic. The timing is a tough but at the same time I couldn’t be more proud of how that core group has brought everything together. We just recently did a bridge placement ceremony and it was a very proud moment for the City.

They Hybl Center opened up in the late summer and early fall, getting a significant amount of student enrollment in that program. Everything there is on track.

Robson Arena and Switchback stadium as still in the construction phase. We thought COVID-19 might slow the construction process down but it didn’t. It actually ramped the process up. Those project are still scheduled to go live in 2021. We will work closely with Summit Economics and the leadership teams of those entities to make sure we are tracking the numbers for those projects.

The board thanked Jariah for the update.

USAFA
Kraft said in November of 2019 the board did approve the USAFA commenced substantial work. As part of that approval we added some new conditions to that project. You added a good progress condition, which at the time said the project needed to issue net bond proceeds of $50M including $25M in series B bonds that would be used to build the Visitor Center itself. They were to issue those bonds by March 31st of 2020. They were within a few days of issuing those bonds when COVID-19 hit and it disrupted the municipal bond market. At that time the EDC did extend that deadline, which was no statutory. It was solely at the discretion of the EDC to do that. You extended it to December 31, 2020. They have still not been able to issue the bonds due to the ongoing disruption in the market.

The current request is to extend the extension for one additional year, from December 31, 2020 to December 31, 2021 to allow them to have time to issue the bonds. This would be a board policy decision. It is not mentioned by the statute so you do have some flexibility here. The Air Force Academy would also need to issue an extension. We have provided information from the Air Force Academy indicating support for that extension.
Cope said this is a project we have all been working on since before 2012. All the project elements are in place. All we need is the bond market to return to normal so we can issue bonds and start construction. You heard in Jariah’s report all the other projects are open or under construction, on time and exceeding expectations and we expect this one to do the same. Bob introduced Dan Schnepf to provide and update.

Schnepf said it’s been a challenging few months and we have been working hard with all the stakeholders to keep the project positioned to go forward with the bonding once the market is ready. Just to remind everyone, we have several different development stakeholders in the project and one of the principle ones is Providence Resource. They have remained steady and excited about the project, working with their team which includes Summit Smith and Coral Tree as an operator, to be ready to move forward with the design and development of that project once we have some financing in play. There are two components to the financing of the project. One is the bonding exercise around the 501 c3 hotel which provides an enormous amount of support to the Visitor Center and the infrastructure for the Visitor Center. Then there are the Visitor Center bid bonds. We formed a business improvement district over the property for the sole purpose of being able to handle the public finance and being able to manage the project into the future as a public agency and an extension of the State of Colorado.

The AFA has been very good about granting us an extension and we will need to process an addendum to the site development lease which should be completed shortly. All the stakeholders are excited about moving forward. But not for COVID-19, we would have some exciting news likely relating to when we would be opening the facility.

Schnepf turned the presentation over to Jon Moellenberg.

Moellenberg said I don’t think I need to go over COVID and its impacts on travel but what I will say is that we’ve had relatively good positive intermediate news about vaccination and people’s willingness to travel again. We have started the process in getting all of our bond documents ready so that in early to mid-January as investors return to the market there won’t be any delay’s in putting together legal documents, updating demand studies and all of the other things investors will want to see post COVID because that’s biggest question. Investor demand for a new travel related project and hospitality. It’s gone from finance to psychology. Investors want to understand the traveling public and the potential for more normal conditions. As Bob said we had great reception for this project when we were marketing it last March. All the feedback we’ve gotten is positive about the project, the market and the prospects for this being a fantastic project for the community. The feedback that we’ve gotten that has held us back is simply that there are a lot of investors that are concerned about stability of travel. Once they get indications that we’re through this, we hope to be in the market as soon as we get those confirmations.

Cruz-Gonzalez said the AFA are still very interested in the project. We still have a requirement to relocate our Visitor Center outside our north gate so we can increase its exposure to the public and traveling community and also make it more accessible. So whenever we have issues on base and security forces us to close our gates, our community and public can still access our Visitor Center. We have been working hard since Dan and his team requested the extension to the bond requirement that we have in the site lease. In addition to that we are internally working on the exhibits portion of the project. We have a team that is actively working the exhibit concept. This fiscal year, I will be awarding the design contracts for the exhibit. Our new Superintendent is very supportive and he’s asked me and the project team to continue to move forward and make the project a reality. We are all in with Dan and his team and hope to break ground in 2021.
Schiff asked the Commission if they had any questions for the representatives.

Franz said he read in the report about the loss of a smaller tenant iFly. Are you out still trying to recruit tenants? How is it laid out because I know it affects your financial model?

Schnepf said iFly was important to the Academy as well because they wanted to do some cadet training without having to use air craft. In that particular case they moved about a mile away across the highway into the Polaris Point development. So there will still be great access but the graduates that own iFly had some financial commitments coming up so they had to start generating revenue. We granted them their release and returned their earnest money. We will still have access and for those that stay at our hotel will understand its open to the public and I’m sure the Academy will seek access because they are currently busing cadets up to the Lone Tree area to get their training done. We still have tremendous interest in the office and retail components. As you’re aware, those components will follow, in terms of their development velocity, behind the Hotel and Visitor Center itself. It’s hard to imagine having four different construction projects going on at the same time. We will have two different constructors for the infrastructure and the Visitor Center itself and there will be a third constructor for the Hotel. In a way, we are excited about the idea the offices will stagger behind that and then the retail component will be staggered behind that maybe even further. The retail has had some significant interest from restauranteurs. We’ve also had some very significant interest from other retail/food service entities. We also have the Pikes Peak Library which is going to go into one of those two sites as well. As far as the office building goes, we still have interest from the Federal Funded Research and Development Corporation which works closely with the AFA and the other with the other DoD entities. We are in a delayed mode due to the pandemic. I will say on the office side many corporations are looking at their office requirements. We have a big window in terms of how big that facility could be. In its original planning phase, it started as 180,000 sf. We haven’t really changed that much. It might be down to 160,000 sf in terms of that opportunity as we respond to the office market condition. There has been a lot of interest from primary and prominent office developers from the Denver Metro area to take a look at that project and maybe lead it forward when the time is right.

Schiff asked the Commission if they had questions. Hearing none the Chair entertained a motion to enter executive session.

Franz said, pursuant to Colorado Revised Statutes Section 24-6-402(3)(a)(II), I move that we go into executive session with our attorney for the purpose of receiving legal advice about the RTA Program and to discuss the federal lawsuit challenging the constitutionality of SB20B-001. Dragoo seconded the motion. Motion passed unanimously.

The EDC is now in Executive Session.

With all executive session items discussed, Schiff entertained a motion to exit Executive Session.

Takeda-Tinker moved the EDC exit Executive Session. Pryor seconded the motion. Motion passed unanimously.

The EDC is now in Open Session.
Schiff thanked everyone for their patience while the EDC was in executive session. I want to thank the Colorado Springs team for their update, in particular the representatives with the AFA project for all of the information and work that you are doing to try and keep this project on track.

Franz said having a lot of experience with the AFA I see it as an underutilized economic potentials and tourism potentials. The difficulty of getting on to the Academy and how they have to close it often has made it inaccessible to people. I think it’s really important for us to take advantage of that economic opportunity. I am very supportive of the extension of the bonding requirement because of the current financial conditions that are out there. I see this project as something that will have a huge impact for Colorado.

Brown said the AFA and Visitor Center is a focal point for the entire southern half of Colorado. It’s a go to venue for everyone that visits here and we need to do whatever we can do in this organization to support that.

Pryor echoed the comments and said we need to continue to move it forward.

Schiff called for a motion to approve the second amendment to the Waiver and Release agreement and direct Schiff to execute on behalf of the EDC.

Franz moved approval of second amendment to the Waiver and Release agreement and direction of Schiff to execute on behalf of the EDC. Wahl seconded the motion. Motion passed unanimously.

M/S/P – Franz, Wahl – Second Amendment to the Waiver and Release agreement approved as presented and recommended by staff.

Schiff called for the second motion to approve those Resolutions provided by staff as amended.

Allen-Davis moved approval of the Resolutions provided by staff as amended. Wahl seconded the motion. Motion passed unanimously.

M/S/P – Allen-Davis, Wahl – Approval of Resolutions to the motion as amended approved as presented and recommended by staff.

Schiff said we wish you the best of luck in the bond market and we can’t wait for the opening ceremony.

Minority Business Office Grant Program
Schiff moved to Section 6 of the board book and said upon the advice of counsel, we will be tabling this discussion item because of the pending litigation. I would like to say on behalf of my fellow Commission members, we are committed to helping all small businesses that are struggling during these times and the times to come as we all get vaccinated. We will still continue to do our best to support all small businesses.

C. Minutes
Schiff called for a motion to approve the minutes from the November 19th and 30th EDC meetings.

Wahl moved approval of the minutes from both meetings. Allen-Davis seconded the motion. Motion passed unanimously.
D. **Strategic Fund (SF): Jeff Kraft, Sean Gould, Donald Zuckerman, Kelly Baug**  
**EDC Budget Update**  
*Gould* presented the EDC Budget update which shows a current balance of $6,327,602 available for future projects.

**Strategic Fund Balance Forecast**  
*Gould* provided the SF Balance Forecast which shows $6,327,602 in projected available funds.

**Unencumber Emerging Industry and Strategic Focus Grant**  
*Gould* said we unencumbered $3.5M for this grant.

*Kraft* said in some of our discussions with the Governor’s Office about this program. Some of the projects we might bring forward with this, it was suggested there might be some other sources of funds within state government. Also given COVID needs, we may bring some smaller projects forward but likely not the full amount that was earmarked for the program.

**COFTM Budget**  
*Baug* presented the COFTM Budget which currently shows $1,908,448 Strategic Funds remaining if the pending projects today are approved. The budget also shows $110,407 in General Funds remaining if the pending projects today are approved.

**COFTM Request for Strategic Fund infusion**  
*Baug* presented the request for Strategic Fund dollars. The COFTM allocation has continued to shrink since FY2017 when the office was last allocated $3M. Fiscal years 2018, 2019, and 2020 all saw allocations of $750,000 from the General Fund, which resulted in a steady decline in Colorado spend and Colorado cast and crew hires. To combat this decline, the EDC approved a $1.25M allocation from Strategic Funds in October 2019. The combined $2M total in film incentive funds in FY2020 encouraged in-state production, resulting in 17 productions, an estimated $11M Colorado spend, approximately $19.5M in economic impact, and 718 cast and crew positions - the highest numbers since FY2017.

This growth abruptly came to a halt due to the COVID-19 public health emergency. In spring 2020, the local industry advocacy group C.I.N.E.M.A. had seen success in advancing a bill through the Colorado state legislature to implement a $5M transferable tax credit. However, when the pandemic hit in March 2020, the legislation was indefinitely tabled. The unexpected and devastating hit to the film industry continued with a cut in General Fund allocation to just $250,000 for FY2021. This has accelerated the already worsening condition of the local industry.

This infusion into the film incentive program is likely to generate a near-immediate economic impact during the COVID-19 pandemic. This is in contrast to other economic development programs that may take a year or more to begin economic activities and hiring Colorado workforce. Film incentive recipients begin spending money in restaurants and hotels, renting equipment, buying materials, and hiring cast and crew almost immediately after EDC approval and the production company’s decision to move forward with their project in Colorado. During the COVID-19 pandemic, this fast-acting stimulus is more important than ever.
Ultimately, providing an additional $2,000,000 for COFTM film incentives is necessary to retain the local film industry and workforce, attract new productions to the state, and support local film and gaming projects, all of which will ultimately encourage economic development across Colorado.

Franz said he is supportive of this request and knows the impact of this industry on Colorado is huge and growing and it’s important for it to be supported. One of the things the EDC has talked a lot about is sustainability. If these are one-time infusions, how do we build it properly so in the future the legislature sees this as an important line item and is funding it properly? Rather than just funding programs should the office be helping to build the case of economic impact and need? We need to make it more sustainable to this doesn’t come up every year.

Schiff said we should direct this question to our legislative liaison and come back to us.

Markey said we will. I will say it is certainly a work in progress. A new administration came in with a lot of new legislators last year who didn’t know much about the film industry. We have been actively educating legislators about the importance of the program and what a great return on investment it is an how it really showcases Colorado. I also want to say it’s a small team. Donald and Kelly just won an international award from Movers and Shakers for the work that they did on their film on the Ute Mountain Nation teaching young Native American high school students how to become film makers. So the work that they do is being recognized internationally.

Takeda-Tinker said great work. The ROI is tremendous. You have done a lot with very little.

Pryor said this grant will also tend to focus more on rural areas and paired with that theater initiative the Governor mentioned, I think it’s helpful. It’s not a big drop in the bucket but it helps pay attention to rural areas and their survival if not revival.

Schiff said she echoes those comments and the value of this program and the ROI on the money we invest in it. I don’t think we have any other program that returns money so fast and at such a high multiple.

M/S/P - Pryor, Duran – COFTM Strategic Fund Infusion of $2M approved as presented and recommended by staff.

E. Colorado Office of Film, Television, and Media (COFTM): Kelly Baug, Donald Zuckerman

Project Chronos

Baug presented Project Chronos. Idol Minds is pitching a new interactive game to an unannounced video game publisher. The studio is proposing to use its industry-leading motion capture processes and pipelines, combined with the local Denver acting talent to deliver a fun, exciting and emotionally engaging story-based game. This will be a premium product with a focus on compelling character graphics, lush environments and nuanced performances of the digital characters. The proposed project is being funded and distributed by a confidential and unannounced international publisher. Distribution plans for the proposed project include home PC, home video game consoles and new devices. The game will be localized into multiple languages and released simultaneously worldwide.

Per the applicant’s estimations, the Office of Film, Television & Media is anticipating a total of $4,850,000 in qualified local expenditures and with the multiplier effect, the economic impact could reach up to $8,721,512. The estimated qualified local expenditures (excluding the wages paid to the Net New Jobs incentivized by the JGITC award) of the application would result in a rebate of $250,000.
Staff is requesting approval of a $250,000 rebate in support of this project.

M/S/P – Pryor, Allen-Davis – Project Chronos approved as presented and recommended by staff.

**Terra Invicta Expansion**

_Baug_ presented Terra Invicta Expansion. Terra Invicta is a grand strategy game planned for release in 2021 on Steam and other platforms. Players will explore and expand across a realistic model of the Solar System, while engaging with a detailed model of geopolitics on Earth. The ultimate aim lies in defeating (or assisting) an alien invasion beginning in the outer Solar System. Terra Invicta is set during modern-day, and everything from Earth’s nations to the positions of the planets and asteroids orbiting the sun reflects that.

Funding was obtained through Kickstarter, equity investment, and additional publishing funds to begin concurrent development of this Expansion, with the aim of releasing Downloadable Content distributed through Steam and other platforms. The Expansion will be produced between January 2021 and December 2022, and will likely involve two separate Downloadable Content releases.

Per the applicant’s estimations, the Office of Film, Television & Media is anticipating a total of $324,000 in qualified local expenditures and with the multiplier effect, the economic impact could reach up to $582,633. The estimated qualified local expenditures (excluding the wages paid to the Net New Jobs incentivized by the JGITC award) of the application would result in a rebate of $64,800.

Staff is requesting approval of a $64,800 rebate in support of this project.

M/S/P – Allen-Davis, Takeda-Tinker – Terra Invicta project approved as presented and recommended by staff.

**Special Guest**

_Schiff_ introduced Governor Polis.

_Governor Polis_ thanked the Commission and Staff for all their work this year and the continued effort to support businesses in Colorado.

**Ouray Ice Festival and Competition**

_Baug_ presented the Ouray Ice Festival and Competition project. Every January, for three days and four nights, the town of Ouray transforms into an ice climbing mecca, where ice climbers, both novice and pro, travel from around the world to celebrate the growing sport. Now in its 26th year, the Ouray Ice Festival and Competition will be live-streaming the finals for the first time to both accommodate COVID-19 pandemic precautions, and to engage with a wider audience than ever before. Burst Marketing and Citizen Pictures will produce the live coverage from start-to-finish with 2.5 to 3 hours of the thrilling jaw-dropping, nail-biting finish of the competition on Sunday, January 24th when the top 16 men and women race to the finish up a 150-foot canyon of sheer rock and ice. This is an opportunity for the Colorado-based, world-class climbing event to announce itself on the global stage.

In addition to live streaming, the production team will create highlight packages of the qualifying climbs on Friday and Saturday, to be distributed via live streaming and social media, as well as bonus footage of every competitor’s climb, approximately 45 climbers, to be posted on the Ouray Ice Park website for social
sharing. The team will also create a 30-60-minute documentary television show of the competition highlights for fans to see around the world. Distribution of the live stream will be hosted by partner websites including the International Climbing and Mountaineering Federation, and Climbing and Rock and Ice Magazines, among others. Distribution of the highlight TV show will happen 30 days after the event, and will go to cable and satellite channels, such as Altitude Sports, Colorado TV channels, OTT networks, partner websites, and other streaming services.

Per the applicant’s estimations, the Office of Film, Television & Media is anticipating a total of $120,000 in qualified local expenditures and with the multiplier effect, the economic impact could reach up to $215,790. The estimated qualified local expenditures (excluding the wages paid to the Net New Jobs incentivized by the JGITC award) of the application would result in a rebate of $24,000.

Staff is requesting approval of a $24,000 rebate in support of this project.

Kraft pointed out that this project is being sponsored by multiple divisions within OEDIT and we are including that $20k delegation that Betsy has from Strategic Fund. So we are putting in $20k in sponsorship money. There is obviously financial strain on the overall project this year because of COVID. Normally they have a lot of entrance fees and merchandising because of all the people that go to the event but that will basically be eliminated this year.

M/S/P – Dragoo, Seaton – Ouray Ice Festival and Competition approved as presented and recommended by staff.

My Gorilla Family

Baug presented the My Gorilla Family project. My Gorilla Family 3D is a feature film project designed for the IMAX screen. The film follows the remarkable come-back story of Rwanda’s mountain gorillas and the people who have formed a unique bond with them, protecting them day and night. Set in Rwanda’s Volcanoes National Park, My Gorilla Family 3D will showcase the bonds and behavior of these charismatic creatures that share 98 percent of our human DNA. This film will celebrate these animals, their families, and their environment as only the 80x60-foot IMAX screen can, as it immerses viewers into this unforgettable world.

Dorsey Pictures has a strong track record in creating and distributing conservation-minded projects, including television episodes Wolf Vs Grizzly: Battle for the West and Wild Ops, and Wings Over Water, another film for IMAX. My Gorilla Family 3D will also have a strong conservation campaign attached to it. Dorsey is partnering with SK Films, a company established in 1998 by IMAX co-founder and former Chairman, Robert Kerr, and by IMAX’s former Head of Production and Distribution, Jonathan Barker. SK Films is an award-winning and industry-leading production and distribution company for IMAX/Giant Screen films.

Per the applicant’s estimations, the Office of Film, Television & Media is anticipating a total of $1,013,293 in qualified local expenditures and with the multiplier effect, the economic impact could reach up to $1,822,154. The estimated qualified local expenditures (excluding the wages paid to the Net New Jobs incentivized by the JGITC award) of the application would result in a rebate of $125,000.

Staff is requesting approval of a $125,000 rebate in support of this project.
M/S/P – Pryor, Allen-Davis – My Gorilla Family 3D project approved as presented and recommended by staff.

F. Employee Ownership (EO): Glenn Plagens, Nikki Maloney, Jeff Kraft

Modification of Grant Proof of Concepts

Kraft said a little over a year ago the EDC approved some funding for the EO initiative. Glenn is going to give you a more detailed update on what’s been done for this initiative at the next meeting. You previously approved a grant structure for him and he wants to relaunch the structure with some slight changes. We thought it was important that he run the grant structure through you before he launched it. This is a refresher of work that was launched previously.

Plagens said we will be back in January for a more thorough update on the work being done. Today Nikki Maloney, our EO Manager will present the grant and grant concept.

Maloney said, the Colorado EO Trial Grant makes funding accessible to small businesses headquartered in Colorado that are actively transitioning their business to a Colorado Employee Owned Company option. The option must be offered to at least 20% of their employee base, which is a threshold recognized by the IRS for a firm to be considered employee owned. The feedback from businesses that eventually moved to an Employee Stock Ownership Plan indicated they started with a Colorado Employee Owned Company method. Our goal with this grant is to make the transition process more accessible and easier to activate for Colorado businesses, ultimately increasing the number of employee owners in Colorado.

This is a re-approval of our original request made in December of 2019 to pilot the Grant. We had two businesses apply in the 2019 version, neither of which met the more restrictive grant criteria. The new Trial Grant would support up to 20 Colorado headquartered businesses. Awardees will be granted funds as a reimbursement, pending completion of their Colorado Employee Owned Company transition by May 28, 2021. Receipts from legal, accounting or business valuation services rendered will be required for reimbursement. Documentation of the businesses updated Operating Agreement or other official legal demonstration of the change, or formal registration of the new structure form with the Colorado Secretary of State’s Office are required.

The program will be administered by the Colorado Employee Ownership Office staff, who will review all applications per the eligibility requirements set forth below. If the business does not complete their transition by May 28th, 2020, the funds held for that business will be rolled back into the Grant Program for a future round. The maximum amount awarded will be $3,000. There is no minimum award amount.

Only Colorado-headquartered businesses are eligible to apply for the EO Trial Grant. Incomplete applications will not be considered, and businesses can only receive this assistance once. Eligible businesses must meet these additional requirements:

- Actively engaged with service provider(s) to transition to an employee ownership structure (Colorado Employee Owned Company)
- In operation for at least one year, or are a newly formed cooperative
- With at least three full-time employees
- With an annual net revenue of $3 million or less
- Offering the employee ownership opportunity to at least 20% of employees
- All applicants are required to submit signed 1) Certification of Health, Safety, and Working Conditions and 2) Legal to Work in the United States Certification
• If selected, transition and proof of the new employee owned structure must be completed by May 28, 2021 to receive the reimbursement grant payment.

Grant funds are offered to reimburse the business for services rendered by legal counsel, CPA or business valuator to create the new Colorado Employee Owned Company structure between December 2020 - May 28, 2021. Grant awardees will submit their Awardee Report by May 28, 2021 confirming their addition of a Colorado Employee Owned Company structure. Receipts and documentation of the legal or accounting structure are required. Our goal is to initiate a Trial Round as soon as possible. And then to take what we learn through this round to further refine the program for future offerings.

The Colorado Employee Ownership Office requests the use of Strategic Funds in the amount of $60,000 for a Strategic Fund Trial Grant via the Colorado Employee Ownership Office budget, to offer up to 20 businesses grants of $3,000. This is a re-approval of our original request in December or 2019 to pilot the Grant.

M/S/P – Jones, Franz – EO Grant Modification approved as presented and recommended by staff.

G. Advanced Industries (AI): Katie Woslager

AI Projects

Woslager presented the CU Boulder Tech Transfer Office AI allocation projects for final approval.

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<thead>
<tr>
<th>AI Sector</th>
<th>TTO – Project Name</th>
<th>Principal Investigator</th>
<th>Funding Request</th>
<th>Matching Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bioscience</td>
<td>Single Use Robotic Endoscope to Enable Complete Deep Enteroscopy</td>
<td>Mark Rentschler, PhD</td>
<td>$93,750</td>
<td>$31,250 Venture Partners</td>
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<td>Bioscience</td>
<td>A Class-Wide Screen for Biosynthetic Inhibitors with Therapeutic Applications</td>
<td>Jerome Fox, PhD</td>
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<td>Infrastructure Engineering</td>
<td>Minus Materials</td>
<td>Wil Srubar III, PhD</td>
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<tr>
<td>Advanced Manufacturing/Energy, Natural Resources and Cleantech</td>
<td>OTORO Energy: High Performance Battery Materials for Affordable Grid Scale Energy Storage</td>
<td>Michael Marshak</td>
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<td>Aerospace</td>
<td>Hybrid Small Satellite Radio Frequency and Optical Communication System</td>
<td>Scott Palo, PhD</td>
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<td>Bioscience/Electronics</td>
<td>Non-Invasive Compact Internal Body Thermometer</td>
<td>Zoya Popovic</td>
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<td>Electronics/Energy, Natural Resources and Cleantech</td>
<td>Resonant Inclusions — A New Technology for Efficient Thermoelectric Conversion in Bulk Silicon</td>
<td>Mahmoud Hussein</td>
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<td>Energy, Natural Resources and Cleantech</td>
<td>Dynamic Windows Based on Reversible Metal Electrodeposition</td>
<td>Michael McGehee</td>
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<td>Advanced Manufacturing/Bioscience</td>
<td>Gene-Lock — A Novel Approach to Gene Assembly</td>
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<td><strong>TOTAL</strong></td>
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</tbody>
</table>

M/S/P – Pryor, Franz - CU Boulder Tech Transfer Office AI allocation projects approved as presented and recommended by staff.
## Al Budget

Woslager presented the AI budget which shows $11,245,282 in remaining funds for future projects. We have completed final payments for a number of fiscal years so you will see the budget pages significantly reduced.

### H. Rural Jump-Start (RJS): Andrea Blankenship

**Colorado Stone Quarries Application**

Blankenship presented the Colorado Stone Quarries (CSQ) Application. CSQ is a new division of R.E.D Graniti which will be processing raw marble blocks, weighing between two and thirty tons, for distribution to wholesalers. This company is using specialized machinery imported from Italy to razor cut large marble blocks into slabs, which are then sold to companies who use the slabs in construction for finished marble products and tiles. CSQ is locating their processing plant in Delta County, which is a Just Transition county, and will stimulate economic diversification in the area.

OEDIT has reviewed the application from CSQ and concludes that the company meets all of the requirements of the Rural Jump Start Program. OEDIT recommends approval of this application.

CSQ is not operating as defined by the Rural Jump-Start Program. In 2011, the Colorado Yule Marble Quarry was purchased by Mr. Enrico Luciani, whose company, R.E.D. Graniti, took over operations. In 2012, they started removing stone from a new site just up the slope, where a new vein of stone in the mountain was located and called it “Lincoln Gallery”, to honor the Italian/American connection. This new vein, referred to as Calacatta Lincoln, is now a worldwide, top-selling stone and is celebrated as one of the most pure marbles. This stone features a clean, white background with thin grey and taupe veins with a homogeneous texture.

Luciani’s primary goal is to translate the tried-and-true tradition of the Italian Carrara methods to the Colorado Yule Marble Quarry. At current time, the large two to thirty ton blocks of marble have been removed from the mine and shipped overseas to be cut by the Carrara methods, then shipped to customers all over the world. To save on production time and costs, the company has invested in recreating the same razor-cutting process in Delta to process the large blocks of marble removed from the mine into slabs which can be sold to wholesalers for the finishing of the marble into products, such as countertops, tiles, and other marble products.

In spite of the fact that they have brought in engineers and have made a substantial investment in plant and equipment, OEDIT concludes that CSQ was not operating in the zone at the time the application was submitted, as defined by the guidelines of the Rural Jump-Start program.

CSQ is a new division of R.E.D. Graniti, which will be processing raw marble blocks, weighing between two and thirty tons, for distribution to wholesalers. This company is setting up a slabbing & tiling plant in Delta which will be using specialized machinery imported from Italy to razor cut large marble blocks into slabs, which are then sold to companies who use the slabs in construction for finished marble products and tiles.

OEDIT has concluded that CSQ passes all metrics for participation in the Rural Jump-Start program, and therefore recommends approving CSQ for participation in the Rural Jump-Start program with fifty New Hires.
M/S/P – Dragoo, Takeda-Tinker - Colorado Stone Quarries (CSQ) Application approved as presented and recommended by staff.

**Pagosa Springs RJS Inclusion**

Blankenship presented the Pagosa Springs request. Pagosa Springs has passed a resolution to become a Rural Jump-Start Zone. Archuleta County has been an RJS Zone since September 21, 2017. The application does not include a pipeline of potential companies, and there are no companies currently identified to apply for the program.

OEDIT recommends the approval of Pagosa Springs for inclusion in the Archuleta Rural Jump-Start program.

M/S/P – Pryor, Allen-Davis – Pagosa Springs approved as presented and recommended by staff.

I. Enterprise Zone (EZ): Andrew Wallace

**EZ Contribution Projects**

Wallace presented the following EZ Contribution Project Proposals for approval.

<table>
<thead>
<tr>
<th>EZ</th>
<th>Project Name</th>
<th>Type</th>
<th>Category</th>
<th>Completion Date</th>
<th>Budget</th>
<th>1 yr. Proj. Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adams EZ</td>
<td>Discover Goodwill of Southern and Western Colorado</td>
<td>Operations</td>
<td>Job Training</td>
<td>12/31/2025</td>
<td>$13,000,000</td>
<td>$32,500</td>
</tr>
<tr>
<td>Larimer EZ</td>
<td>House of Neighborly Service</td>
<td>Operations</td>
<td>Homeless Support</td>
<td>12/31/2026</td>
<td>$572,325</td>
<td>$36,375</td>
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<tr>
<td>Mesa EZ</td>
<td>Colorado Mesa University 2026</td>
<td>Capital</td>
<td>Community Facility</td>
<td>12/31/2026</td>
<td>$8,700,000</td>
<td>$131,250</td>
</tr>
<tr>
<td>Pike Peak EZ</td>
<td>Venetucci Farm Capital Improvements</td>
<td>Capital</td>
<td>Community Facility</td>
<td>12/31/2025</td>
<td>$750,000</td>
<td>$21,875</td>
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<tr>
<td>Pike Peak EZ</td>
<td>Colorado Springs Sports Corporation: Sports Industry Attraction/Retention</td>
<td>Operations</td>
<td>Visitor Event/ Attraction</td>
<td>12/31/2026</td>
<td>$1,035,000</td>
<td>$2,500</td>
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<tr>
<td>Pike Peak EZ</td>
<td>Springs Rescue Mission: Welcome Center Capital Campaign</td>
<td>Capital</td>
<td>Community Facility</td>
<td>12/31/2026</td>
<td>$2,408,250</td>
<td>$522,062</td>
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<tr>
<td>Pike Peak EZ</td>
<td>Cultural Office of the Pikes Peak Region (COPPeR): Peak Radar</td>
<td>Operations</td>
<td>Visitor Event/ Attraction</td>
<td>12/31/2026</td>
<td>$202,355</td>
<td>$5,000</td>
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<tr>
<td>Pike Peak EZ</td>
<td>Springs Rescue Mission: Homeless Housing &amp; Employment Services</td>
<td>Operations</td>
<td>Homeless Support</td>
<td>12/31/2026</td>
<td>$7,699,615</td>
<td>$750,000</td>
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<tr>
<td>Pike Peak EZ</td>
<td>Pikes Peak Habitat for Humanity: The Ridge at Sand Creek</td>
<td>Capital</td>
<td>Workforce Housing</td>
<td>12/31/2026</td>
<td>$7,812,500</td>
<td>$4,750</td>
</tr>
<tr>
<td>Pike Peak EZ</td>
<td>Pikes Peak Habitat for Humanity: Micah’s View and Jacob’s Run</td>
<td>Capital</td>
<td>Workforce Housing</td>
<td>12/31/2026</td>
<td>$2,500,000</td>
<td>$4,750</td>
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<tr>
<td>Pike Peak EZ</td>
<td>Space Foundation Discovery Center Capital Campaign</td>
<td>Capital</td>
<td>Tourist Attraction</td>
<td>12/31/2026</td>
<td>$61,000,000</td>
<td>$251,250</td>
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<tr>
<td>Pike Peak EZ</td>
<td>Space Foundation and Discovery Center</td>
<td>Operations</td>
<td>Visitor Event/ Attraction</td>
<td>12/31/2026</td>
<td>$8,561,925</td>
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<tr>
<td>Northwest EZ</td>
<td>Northwest Colorado Land Conservation and Economic Development Project</td>
<td>Operations</td>
<td>Visitor Event/ Attraction</td>
<td>12/31/2025</td>
<td>$1,700,000</td>
<td>$7,750</td>
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<tr>
<td>Northwest EZ</td>
<td>Courts Sports For Life - Operations &amp; Capital Campaign</td>
<td>Operations</td>
<td>Visitor Event/ Attraction</td>
<td>12/31/2025</td>
<td>$6,000,000</td>
<td>$193,750</td>
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<tr>
<td>Pueblo EZ</td>
<td>Pueblo Diversified Industries</td>
<td>Operations</td>
<td>Job Training</td>
<td>12/31/2026</td>
<td>$50,000</td>
<td>$2,562</td>
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<tr>
<td>Pueblo EZ</td>
<td>Catholic Charities of Pueblo</td>
<td>Operations</td>
<td>Job Training</td>
<td>12/31/2026</td>
<td>$500,000</td>
<td>$25,000</td>
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<tr>
<td>Pueblo EZ</td>
<td>Pueblo Arts Alliance Artist Training</td>
<td>Operations</td>
<td>Business Assistance</td>
<td>12/31/202</td>
<td>$300,000</td>
<td>$43,750</td>
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<tr>
<td>Pueblo EZ</td>
<td>Pueblo Library Capital Campaign</td>
<td>Capital</td>
<td>Community Facility</td>
<td>12/31/2026</td>
<td>$2,000,000</td>
<td>$125,000</td>
</tr>
<tr>
<td>Pueblo EZ</td>
<td>Keating School</td>
<td>Capital</td>
<td>Community Facility</td>
<td>12/31/2025</td>
<td>$18,000,000</td>
<td>$51,250</td>
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<tr>
<td>Southwest EZ</td>
<td>Habitat LPC - Bayfield New Construction</td>
<td>Capital</td>
<td>Workforce Housing</td>
<td>12/31/2025</td>
<td>$1,790,000</td>
<td>$27,500</td>
</tr>
</tbody>
</table>

Schiff called for a motion to approve all of the EZ Contribution projects with the exception of All Points Transit which did not receive unanimous approval from the EZ project review board.
M/S/P – Duran, Granz – EZ Contribution projects, with the exception of All Points Transit, approved as presented and recommended by staff.

Schiff asked Andrew to brief the EDC on All Points Transit.

Wallace said All Points Transit is a Regional transportation hub that encompasses four counties in the Southwest EZ. All of their service network is located inside the EZ. Because this region doesn’t have public transportation like we see in larger cities like Denver, All Points is the major form of public community transportation for people who do not have access to a vehicle or are not able to drive in certain weather conditions in Southwest Colorado. They are not only seen as a business assistance tool, because they allow employees to travel to their businesses using the transportation but they are also seen as a tool to bring people to medical care facilities, to shop and use businesses in town rather than using delivery services that do not support the local economy. They are an all-encompassing service that really provides transportation to a region that doesn’t have public transportation.

They chose the Business Assistance category because they’ve seen really strong support from the business community that allows these employees from around the region be able to get to work consistently without having to rely on vehicles.

All Points Transit did not receive unanimous approval because one EZ Administrator felt that it was abstract for the Business Assistance category and fell too much into the Social Services side of things in regards to providing transportation for people. The Administrator felt like there wouldn’t be enough direct correlation to Business Assistance. The argument against that was more of a but for argument that but for this service, what would be the negative economic consequences not only to the businesses in regards to having the ability for their employees to get to work but also for those businesses and having people come into town to actually shop at those businesses and help the economic activity of the businesses. That was the one not vote for this project.

<table>
<thead>
<tr>
<th>Southwest EZ</th>
<th>All Points Transit (not unanimously approved)</th>
<th>Operations</th>
<th>Business Assistance</th>
<th>12/31/2026</th>
<th>$600,740</th>
<th>$1,250</th>
</tr>
</thead>
</table>

Pryor said in rural areas trying to economically develop in order to be sustainable especially if you are in or near a tourism or heavily populated area, the labor shed can be as large as fifty miles. You wouldn’t think that transportation is an issue in a rural area but it is. Secondarily, sometimes the only way you can piece together funding to sustain a transportation network is through Social Services.

Dragoo said Sarah Fergus, with All Points Transit, does and amazing job in the Montrose community. They have a bus stop I can walk to from my office. They are very active in the community. I see them operating every day. They are an essential service. This organization does an amazing job in rural Colorado let alone being a catalyst for economic development.

Brown said $1,250 is small credit. Is that the right number?

Wallace said that is the correct number. Andrew asked Trish Thibodo to elaborate.

Thibodo said Sarah Fergus may have underestimated. They are really needing to increase their private sector support because government funding is more limited to support this project. I suspect it will be higher than that.
Wallace said after the first year they will complete and annual report and they can update their following year expected contributions.

With no other discussion, Schiff called for a vote.

M/S/P – Pryor, Dragoo – All Points Transit EZ Contribution Project approved as presented by staff.

Enhanced Rural EZ Update

Wallace is a designation we have to update based in statute. The Enhanced Rural Enterprise Zone (EREZ) program provides greater financial incentives to businesses to promote and encourage new job creation in designated economically lagging rural Enterprise Zone counties. This designation will be for calendar years 21 and 22.

EREZ’s are counties in an Enterprise Zone that meet two of the following five criteria:

1. County unemployment rate greater than 50% above state average.
2. County per capita income less than 75% of state average.
3. County population growth rate less than 25% of state average.
4. Total non-residential assessed value ranks in lower half of all counties.
5. County population less than 5,000.

The state promulgates a revised list of eligible counties every two years. When a county is removed from the EREZ list, taxpayers who have previously committed to future job creation plans in such county may file a certification for an extension of up to five additional years to continue claiming EREZ credits based on additional job creation.

We will have 31 counties with this designation for calendar years 2021 and 2022 based on our most up to date data. We will be notifying those county commissioners as well as our local economic development agencies before the end of the year. We will also be updating our online map.

J. Regional Tourism Act (RTA): Jeff Kraft

Kraft introduced Tykus Holloway and Brad Dodson to present the semi-annual update.

Holloway introduced the NWC partners. I want to address the impacts of COVID before I move into the update. Construction progress on the campus has been tremendous. All of our partners have been very committed as well as the City to realizing our vision to be the global destination for agriculture heritage and innovation. There has been a lot of construction updates performed by the City and also by CSU. As a result of COVID on the campus, there is no doubt that it has had a tremendous impact on the City’s tax revenues and entertainment venues, both of which are key for this campus. This City and its partners are assessing the sequencing of the remaining buildings for the campus. While construction continues the City is evaluating the appropriate timing to go to market for our next bond issuance.

The Stock Show being cancelled was devastating but it also allowed us to accelerate our horizontal construction elements that we will share in our update. As some of you may know there is a parallel project with us called the Triangle which is the future phases of the buildout of the campus. It was paused early on as a result of the COVID impacts that we were seeing at the City level. With public engagement, getting out into the community and talking about it more and the potential review sources for it. Since then, the City has been looking at opportunities to get it going again. That includes the arena as part of
those next phases. Our mission and investments remain the same around the Globeville and Elyria Swansea neighborhoods but also the campus itself to be that urban food hub and agriculture discovery are for revenue and also the home of the Stock Show for the next four hundred years.

Moving into the project update, Tykus provided an overview and reminder of the vision and master plan of the project and the roles and responsibilities of the project.

We are in phases 1 and 2 of the project. For 2020 we hit the following milestones: EDC Commencement of Substantial Work, horizontal construction, M&O completion, SYEC construction CSU construction began, campus energy agreement is in place and the water tower move was completed. Every contract is currently underway on the campus now for the things we need to move forward and build. An aerial photogram of construction was provided. In 2021, one of the items will be working on is the new bridge across the river to Globeville. North Denver has a lot of manmade and natural features are actually barriers to access and mobility. This is one of our first bridges that will increase access across the river and make a connection to North Denver but also to and from the campus. The stock yards event center was started early this year prior to COVID. Our construction teams have made tremendous progress with this building. Photos of the inside of the event center were shown. The maintenance and office building renovation was completed earlier this year. Images of the Water Tower were shown. It has been restored and moved to its new location. The rail relocation was one of our most critical items on the campus in order to open up and realize the vision of having an open campus without rail cars running through the heart of it. We had an official event called the rail cut over. The rail cars and trains that were using the river front rail now are on the rail tracks to the West of the buildings on the image shown. We still have about 30 days of track burn in to test the tracks.

Dodson talked about the special initiatives for the project and integration of those initiatives with the project. The goal is to have energy efficient buildings, heating and cooling them from waste water. That’s part of a portfolio initiatives we are working on the build a low carbon campus. We are looking at constructing LEED gold and above certified buildings where possible. We are working with our partners at Xcel energy looking at opportunities for solar and micro grid to develop critical facilities that could be a place of respite during events. Additionally we are advancing key initiatives around historic, public art, and small business utilization program.

The NWC Authority was unable to make this meeting but provided the following update. The Livestock Exchange Building is to be restored and revived as an ag-business hub. They are administering the Colorado Farm and Food System Restore and Rebuild fund for farmers and ranchers. They continue to build the platform for the mission and vision of the NWC.

Dodson introduced Jeff Childs with the Western Stock Show Association (WSSA) for their partner update.

Childs said we had to postpone the Stock Show this year which was a difficult decision for us but with the current circumstances we’ve postponed it until January 2022. We continue to make excellent progress towards our $100M Legacy campaign. We have raised over $76M and we continue to focus on major gifts and naming opportunities. In January the Capital Campaign has numerous events to keep interest in the Campaign going into 2021.

Dodson introduced Jocelyn Hittle for the CSU partner update.
Hittle said we are under construction on all three of our facilities. Terra and Hydro broke ground in September and October. So they are underway. Vida has been under construction since April and we’ve made significant progress there. The next time we present, we will show construction photos so you can see some of that progress in real time. In addition to the City’s one percent for art we also have a one percent for art program. Along with our designs we created, in collaboration with Colorado Creative Industries, a master plan for public art and procured eight different artists through the CCI process and we’re excited about the progress they have made on their designs. We had our third annual Water in the West Symposium virtually in November. We are also hiring program staff and an education director with more coming in the next year as we get ready for the opening of the Vida building, hopefully in time for the 2022 Stock Show. We are also continuing our work with community engagement. We have created a set of online resources that we will continue to expand on for folks who are looking at good educational resources with their kids as they are learning from home.

Holloway thanked the EDC for the continued partnership.

Shiff said, on behalf of the Commission, I want to thank you for coming and providing us with this update. It’s incredible to see the progress and we’re looking forward to further updates.

NCRTA
Sheehan said we consider the October 22nd meeting where we went into extreme detail about the status of the Go NoCO projects as satisfaction for their semiannual meeting requirement as part of the Resolution.

Kraft said on November 30th at our special meeting we went through some issues that had come up about some potential modifications to the Resolution. We received legal advice from LeeAnn to determine a path forward to get to the ability to approve the extension for Commencement of Substantial Work where the five year clock hit the deadline. Since that meeting, legal counsel, OEDIT staff, and all of the stakeholders have been meeting multiple times a week. We’ve basically hashed things out. There are a few more items to address so what we think that means is in terms of approving the extension at this meeting the approval will likely be tabled. We think some additional advice from counsel is warranted at this point. We expect that we will be doing this approval at the January meeting.

Schiff asked the Commission if they had questions. Hearing none the Chair entertained a motion to enter executive session.

Franz said, pursuant to Colorado Revised Statutes Section 24-6-402(3)(a)(II), I move that we go into executive session with our attorney for the purpose of receiving legal advice about the RTA Program. Allen-Davis seconded the motion. Motion passed unanimously.

The EDC is now in Executive Session.

With all executive session items discussed, Schiff entertained a motion to exit Executive Session.

Pryor moved the EDC exit Executive Session. Seaton seconded the motion. Motion passed unanimously.

The EDC is now in Open Session.
Schiff said nothing has changed in terms of our support we are favorably inclined to grant the extension. We’ve been informed there is a lot of hard work going on behind the scenes on the agreement among the Commission and all the different government entities. There are still steps to be taken to have the agreement finalized and approved. From our perspective, there is an order of operation we require and the first is that an approved agreement is presented to the Commission that the EDC approves and directs me to sign on their behalf before we can take up the actual motion. What I understand is that we are on track to close this out in January. We also understand there has been a lot of hard work going on with the financing entity for SFC with City of Aurora. We are interested in the progress there. Our hope is if that decision is going to be made to separate the Financing Entity it will be a part of what we are asked to approved in January. In the meantime thank you for all your hard work and we look forward to taking this up in January.

K. Other

Transferrable Tax Credit

Jensen provided a TTC program update. No major program events. OEDIT is working with Evraz to confirm the status of their Job Growth project, and working with VF Corporation to submit their confirmation of Strategic Capital Investment.

Update of EDC Approved Projects

Gould said there are no specific updates at this time.

Next EDC Meeting

The next EDC meeting will be on January 21, 2021. This meeting will be virtual.

With all items discussed, the meeting was adjourned.