

## ECONOMIC DEVELOPMENT COMMISSION

### MEETING MINUTES

January 21, 2021

8:30 a.m. – 12:30 p.m.

#### MEETING DATE

January 21, 2021

Virtual Meeting

#### MEETING PARTICIPANTS

##### **A. Commission Members**

Carrie Schiff, Becky Takeda-Tinker, Chris Franz, Wendell Pryor, Blake Jones, David Dragoo, Benita Duran, Alberto Garcia, Gretchen Wahl, and Jay Seaton.

##### **B. Guests**

Aaron Young, Alan Krcmarik, Aldo Svaldi, Alex Carlson, Ben with Project Panther, Brad with Project Panther, Dan Sapienza, Dave Clark, David Jones, Ed Sealover, Eric Lund, James Eke, Jessica Scott, John Cullen, John Fogle, Justin Vause, Kelly Jones, Luis Benitez, Marc Bellantoni, Mary Wickersham, Max Levy, Mayor Wendy Koenig, Michael Raley, Moses Garcia, Nick with Project Panther, Rachel Lyons, Rebecca Gillis, Rob Brown, Sam Bailey, Sara Lobato, Stephanie Pitts, Stewart Olive, Sue Dorsey, Terri Benson, Trey Rogers, and Cindy Mackin.

##### **C. Staff**

Betsy Markey, Jeff Kraft, Sean Gould, Katie Woslger, Ken Jensen, Jill McGranahan, Tad Johnson, Andrea Blankenship, Sonya Guram, Andrew Wallace, Che Sheehan, Mike Landes, David Madsen, John Kovacs, Reid Aronstein, Michelle Hadwiger, Andrew Trump, LeeAnn Morrill, and Virginia Davis.

#### DECISION/ACTION ITEMS

1. The Economic Development Commission approved the Minutes from the December 17, 2020 EDC Meeting.
2. The Economic Development Commission approved the following projects/items

<b>JGITC:</b>	Project Panther.
<b>SF:</b>	U.S. Space Command Sponsorship.
<b>EZ:</b>	PP – Careers in Construction.
<b>RJS:</b>	Kaart Group Extension; Silverton in RJS; and Mancos in RJS.
<b>CCS:</b>	PPP Loan Program request.
<b>TTC:</b>	VF Corporation acknowledgement of Capital Investment.
<b>RTA:</b>	NCRTA/Go NoCO Commencement Extension; and Waiver and Release agreement.

##### **A. Meeting Called to Order**

Schiff called the meeting to order.

Brown provided some parting remarks to the board. The EDC and staff thanked Rob for all his work as a Commissioner and economic developer in Colorado.

Markey introduced Alberto Garcia, the EDC's new Commissioner.

## **B. Minutes**

Schiff called for a motion to approve the minutes from the December 17, 2020 EDC meeting.

Duran moved approval of the minutes. Dragoo seconded the motion. Motion passed unanimously.

M/S/P – Duran, Dragoo – Minutes approved as presented by staff.

## **C. Job Growth Incentive Tax Credit (JGITC): Michelle Hadwiger Project Panther**

Hadwiger presented Project Panther. Project Panther is a privately held American IT consulting firm that is considering establishing a new office in Denver, Colorado. The company behind Project Panther is headquartered in the Midwest and has another office based in a separate Midwestern state. The company provides a range of IT consulting services to a myriad of clients, ranging from schools to private businesses. To support the company's continued operational growth into the Western United States, the company is currently evaluating multiple markets in which to base the additional employees associated with this growth. The company has been growing rapidly over the past several years, and while the company has more than one hundred employees based in the Midwest between its two offices, it does not have any employees based in Colorado today. In establishing an office in Denver to support the company's growth in the Western US, Project Panther would lead to the creation of up to 56 net new full time jobs. The jobs created by Project Panther will include a range of functions including senior management, network support specialists, sales, and customer management and support.

Staff is requesting approval of \$484,628 in performance-based Job Growth Incentive Tax Credit over an 8 year period for the creation of up to 56 net new full-time jobs over the next 8 years at an average annual wage equal to or greater than the average annual wage of the county the project chooses to locate. The maintenance of net-new jobs in Colorado for one full year before any credits become vested. Before any credits are issued, the company must create and maintain at least 20 net new full-time jobs.

M/S/P – Pryor, Takeda-Tinker – Project Panther approved as presented and recommended by staff.

## **Update of Approved Projects**

Hadwiger said the deal flow continues to be strong in Colorado. We do have a number of significant projects in the pipeline. It's great to see that in spite of the pandemic, Colorado is still on the radar. I also want to highlight the great work that the Telluride/Gunnison area have done mining their outdoor recreation ecosystem. They have a great accelerator program open right now that I think will bring a lot of visibility into the West Slope and the opportunities for the outdoor recreation community. It's called the Moosejaw Accelerator Partnership with Walmart. Moosejaw is the second largest online outdoor retailer outside of REI, so it's a really great corporate partnership between Walmart and the Valley. They also anticipate having really great crossover relationships with the mountain biking season between Bentonville and the Telluride/Gunnison area.

## **D. Strategic Fund (SF): Jeff Kraft, Sean Gould, Michelle Hadwiger EDC Budget Update**

Gould presented the EDC Budget update which shows a current balance of \$4,412,486 available for future projects.

## Strategic Fund Balance Forecast

Gould provided the SF Balance Forecast which shows \$3,032,486 in projected available funds.

## U.S. Space Command

Hadwiger presented the U.S. Space Command request. Over the past year, the United States Department of the Air Force has been engaged in a process led by the Assistant Secretary of the Air Force (Installations, Environment & Energy) to select the permanent home for the United States Space Command Headquarters. In May of 2020, the Department of the Air Force announced that Peterson Air Force Base in Colorado Springs would be the Provisional Headquarters for USSPACECOM for the next six years, and that a permanent home for the command headquarters would be selected in early 2021. Following the six year provisional base, USSPACECOM would move to whichever location is ultimately selected. As part of this attraction process, the Colorado Springs Chamber & EDC has pursued a marketing campaign that highlights both the local and statewide aerospace ecosystem in Colorado. As part of this funding scheme, the Colorado Springs Chamber & EDC, with support from the Metro Denver EDC and the Colorado Space Coalition have requested that the State contribute a total of \$50,000 of Strategic Fund dollars to the funding of this ongoing marketing campaign.

The state has already committed \$20,000 to this effort in December 2020 using EDC Marketing Funds (funds that have been pre-approved by the EDC for use by the Executive Director of OEDIT in amounts up to \$20,000 without further EDC approval). This request is for the EDC to approve the remaining \$30,000 requested for this effort. While the ultimate basing of the U.S. Space Command would be within Colorado Springs exclusively should the Air Force select Peterson Air Force Base, the economic impacts to the State's economy and aerospace industry cannot be overstated.

M/S/P – Takeda-Tinker, Wahl – U.S. Space Command request approved as presented and recommended by staff.

## E. Enterprise Zone (EZ): Andrew Wallace

### EZ Contribution Projects

Wallace presented the following EZ Contribution Project Proposals for approval.

EZ	Project Name	Type	Category	Completion Date	Budget	1 yr. Proj. Credits
Pikes Peak EZ	Careers in Construction: Job Training	Operations	Job Training	12/31/2026	\$425,490	\$81,250

M/S/P – Franz, Duran – EZ Contribution project approved as presented and recommended by staff.

## EZ Program Board Training

Wallace provided EZ Program training for the board in compliance with HB 18-1198 C.R.S. 24-3.7-102.

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

### Kaart Group

Blankenship presented the Kaart Group extension request. Kaart Group has applied for an extension of Rural Jump-Start program benefits. This application requests a 4 year extension for the business income tax exemption, the employee exemption, and the state sales tax exemption. Kaart Group is the second company to have submitted an application for extension. At the November 2019 EDC meeting, the EDC approved a set of criteria for reviewing an application for extension of benefits. These criteria are listed in the table below, along with OEDIT's opinion on Kaart Group's performance on the criteria. Based on

these criteria, OEDIT concludes that Kaart Group has made a strong case for approving the extension of benefits. Kaart Group was initially approved by the EDC on June 16, 2016, one of the first companies approved for the program. Since then, the company has grown significantly, as this table shows. Kaart was originally approved for the program with an allocation of 8 new hires. Given the level of demand for New Hire spots, OEDIT recommends maintaining this allocation at this time, with the caveat that this number can be adjusted at a later date.

OEDIT has reviewed this application, and based on the criteria approved by the EDC, recommends approving Kaart Group for the 4 year extension of benefits for the company income tax benefit, the employee income tax benefit, and the company sales tax benefit maintaining the allocation of 8 New Hires.

M/S/P – Seaton, Wahl – Kaart Group extension approved as presented and recommended by staff.

### **Silverton**

Blankenship presented the Silverton request. Silverton has passed a resolution to become a Rural Jump-Start Zone. San Juan 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 Silverton for inclusion in the San Juan Rural Jump-Start program.

M/S/P – Dragoo, Pryor – Silverton approved as presented and recommended by staff.

### **Mancos**

Blankenship presented the Mancos request. Mancos has passed a resolution to become a Rural Jump-Start Zone. Montezuma 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 Mancos for inclusion in the Montezuma Rural Jump-Start program.

M/S/P – Dragoo, Pryor – Mancos approved as presented and recommended by staff.

### **G. Cash Collateral Support for Paycheck Protection Program (CCS for PPP): Jeff Kraft, Andrea Blankenship, Sue Dorsey**

Kraft, Blankenship, and Dorsey, presented the CCS for PPP request. The Colorado Cash Collateral Support (CCS) program was created to increase the amount of capital made available by private lenders to Colorado small businesses. The SBA's Paycheck Protection Program (PPP) provides a unique, time-limited opportunity to provide capital access to businesses that lack collateral for operating funds during COVID-19. The Gates Family Foundation is able to re-use money from the previously approved facility. Lending from the first round is almost fully paid off, and First Bank would like to repurpose the money from the first facility to be used as new capital for this new round of PPP funding.

OEDIT requests authorization from the EDC to add \$2 million in CCS Funds, bringing the total invested in PPP to \$4 million, in order to extend PPP dollars and Gates Family Foundation funds to support SBA-

approved non-profit lenders to channel PPP loans to Colorado unbanked, under-banked, and women and minority owned small businesses.

This would allow us to:

- Modify collateral position from “last-in” to “proportional shared-loss” risk (as done in the first rounds)
- Allow collateral as percent of loan to be as high as 30% (normally 25%)
- Lift the per loan max for collateral support to \$4,000,000 (from \$250,000) on this new tranche
- Allow loans of up to \$40M to be supported (from \$10M)
- Waive the normal 3% lender fee

The EDC contract with CHFA implicitly allows the use of these funds in the manner suggested. This project leverages state dollars to obtain much larger private sector contributions to help fill the access to capital gaps for small, under-banked, under-served businesses in Colorado. The funds will support small business loans in the face of the unprecedented negative impact of the COVID-19 pandemic resulting in a very extensive and critical public benefit.

Blankenship noted a typo in the presentation saying that the maximum CHFA contribution would be lesser of 30 percent collateral of \$4M from the CCS account as opposed to the \$3M number provided in the board book.

Wahl moved approval with the noted \$4M modification. Takeda-Tinker seconded the motion.

Wahl asked about the amount that has not been paid off. Is that because those companies have not requested forgiveness.

Kraft said most of the non-profit lenders that we fronted the money for the first time, took out the loan from Gates with the Federal Reserve facility. One of the lenders wanted to use the Federal Reserve facility as well as our money to stay liquid given the current lending environment, so it wasn't paid off then. I think in general PPP loan forgiveness is taking longer from a bureaucratic perspective with the SBA. As far as I understand none of the loans have defaulted or gone bad. Even if they do go bad they are SBA guaranteed. There are so many different mechanisms that should make our collateral safe. I think it's more of the fact that one of the non-profits didn't use the Federal Reserve facility to pay off our funds and the process of loan forgiveness is just longer and more bureaucratic.

Dorsey concurred with Jeff. The reimbursement SBA programs has been slow to take off especially for small businesses and any PPP loans under \$150,000. There is a more simplified version for the forgiveness application and that didn't come out until December of last year. So most were holding off and waiting for that more simplified version. It's not anything around forgiveness it's more around cheaper capital and the balance of liquidity.

Wahl agreed with this. Our experience is that it's taking a long time for forgiveness applications to be processed both on the bank side and the SBA side just because of the changes and the evolution of what forgiveness looks like. I don't think the \$150,000 application process has been solidified at this point so I suspect people are still waiting to apply as well as some larger companies because of the tax implications. We just opened our portal and in the first day we had 2000 applications. That compares to 7400 in the first round so I think it's an indication that this round is needed and I'm glad it's out there. I also think that

there is more clear understanding that this round will not run out of money. So if you're talking to companies make them aware.

Schiff asked for clarification of the request. Are we actually approving the change in the collateral of the percent of loans to be 30 percent versus 25 percent or was that in the program initially.

Kraft said the general CHFA rules, and we have made exceptions before, say that we can't be more than 25 percent collateral. I think we had the 30 percent in the exception that you approved last time for this particular version of the program so it's not new and it's not at all unprecedented. CHFA does have the ability to make those changes even without EDC approval normally. But since this is a bigger dollar amount and higher profile, we wanted to be clear and visible and transparent.

Schiff asked about the per loan max is increased to \$4M from \$250,000. Is that new for this tranche of PPP loans or was that previously the number.

Kraft said we increased it higher than the normal level. Typically the loans that we guarantee are made to small businesses and so we only go up to \$10M loan that we support because if they are bigger than that there are other tools for getting guarantees. In this case the loan is being made to Gates but then being subdivided to lenders who then subdivide it to businesses we want to make it clear we are breaking our normal policies and using collateral to guarantee and event bigger loan. Sue might have a lot of success with other philanthropic partners who are going to help guarantee this. We won't commit more than \$4M but the ultimate loan could be as big as \$40M and we didn't want to have a policy preventing us from doing that.

M/S/P – Wahl, Takeda-Tinker – CCS for PPP approved as corrected and recommended by staff. Pryor abstained from the vote.

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

##### **VF Corporation**

Jensen provided a brief background of the VF Corporation project. VF Corporation is currently executing on their Job Growth Incentive Tax Credit project to move their corporate headquarters from Greensboro, North Carolina to 1551 Wewatta in downtown Denver. Since VF Corporation is not expected to have the tax liability to utilize all the credits it is expected to receive, the company was approved for the Transferable Tax Credit Program, and the EDC has pre-certified \$13 million of these Job Growth credits for transferability.

One of the statutory conditions that a company must meet in order to be able to transfer credits under the Transferable Tax Credit Program is that the company must make a Strategic Capital Investment of at least \$100 million between August 8, 2018 and December 31, 2029. Under the program guidelines approved by the EDC, one way to satisfy this requirement is through the signing of a financing lease on a capital asset such as real estate. Staff has received and confirmed documentation that they have met the requirement.

If the EDC passes a motion to acknowledge this investment, then VF Corporation will have the option of applying to make specific tax credits transferable. VF Corporation was issued a Job Growth tax credit certificate for \$2 million in the summer of 2020, and is expected to receive a credit at least this large in 2021.

Staff recommends that the EDC pass a motion acknowledging that VF Corporation has met the Strategic Capital Investment requirement.

M/S/P – Franz, Takeda-Tinker – VF Corporation acknowledgment of investment approved as presented and recommended by staff.

#### **Evraz**

Evraz anticipates presenting their project status at the February EDC meeting. EVRAZ has announced on August 6, 2020 that they intend to build the rail facility in Pueblo. Total improvements are expected to be \$480 million, and the project is expected to encompass 1,000 jobs, some new and some retained.

The EDC has approved a Job Growth Incentive Tax Credit award for \$2.8 million. In addition, the project is also expected to generate \$14.25 million in Enterprise Zone credits. Through this program, the company has the right to transfer \$17 million of these credits in the next 10 years, provided all program requirements are met. At this point, none of these credits have been earned, and so no credits have been transferred.

#### **I. Regional Tourism Act (RTA): Ken Jensen, Jeff Kraft, Che Sheehan, LeeAnn Morrill**

##### **RTA Program Update**

Jensen provided the RTA program update saying Aurora/Gaylord and Pueblo/PBR are both commenced and operating with nothing to report at this time. Colorado Springs/C4C has four project elements three of which are commenced and operating. The one that is not is the AFA Visitor Center. OEDIT continues to work with the project principles on that and we hope to have something to report on that soon but nothing at this meeting.

Sheehan clarified that all the C4C projects have commenced. There are just some additional requirements that need to be met on the AFA Visitor Center.

Jensen concurred with Che. Ken continued saying the Denver/NWC has commenced and moving along with nothing to report at this meeting.

##### **NCRTA/Go NoCO**

Kraft provided a timeline of the project thus far. A few key points that you are potentially considering today as part of the written Motion is that you are allowing for, at a future date, subject to the mutual consent of the EDC and all the partners, for another financing entity to serve as the financing entity for the Stanley Film Center instead of the NCTRA. There have been extensive discussions with the City of Aurora who is actively considering this. They have a few issues to work through and they will need the final approval from their URA board.

You will also be revoking the Peligrande project which was the project in Windsor that is not moving forward. We have seen a formal letter from the developer saying they are not moving forward. As part of revoking the Peligrande project you are going to reduce that cap on the total award by almost \$13M. So you've reduced the cap too approximately \$84M previously and you're going to reduce it again. So if both projects still on the table move forward the award would be \$71,488,491.00. If only the Stanley Film Center moves forward it would get \$46,399,582.00. If only the White Water Adventure Park moves forward it would get \$25,088,909.00.

You are also reaffirming a few other things. Even though the Hotel and White Water amenities will be built adjacent to each other and by the same developer, they may have a different ownership structure. You will be reaffirming they will still operate as a cohesive unit. You are also reaffirming that all the entities involved need to sign a cooperation agreements with each other before they can spend state sales tax money and you're also reaffirming, from the original application, that the developer will implement a PIF which is a manufactured tax increment financing tool that they charge to help with the development and that the City of Loveland will dedicate three percent of their municipal sales tax for thirty years as part of tax increment financing locally as well as similarly property tax revenue to the Loveland project.

Given that the Peligrande is dropping out, the revenue stream is being split differently between the projects. You will be reaffirming how those splits occur. We have also provided you with the draft of the Go NoCO Waiver and Release agreement you asked us to put in place. We also have signatures from all of the different local entities that were applicants to execute and sign the waiver.

This is where we stand today. We will talk about approving the agreement and making a motion to extend the Commencement of Substantial Work for another year to November 12, 2021.

Schiff asked if the project representatives would like to say a few words.

Fogle said both projects are important. One will service Estes Park very well and the Water Park Hotel will act as a conduit up to that project also. The placement of this project will be on the input road 234 on its way to Estes. For many years now Loveland has been a destination tourist attraction. While we're the mecca for artistic things in Colorado, we have sculptures and painters, but unfortunately we don't have much for kids. That's a hard reality to admit. We need a destination for families. With COVID and the whiplash that it will cause to our society, I think more and more people are going to be traveling by automobile because they are going to be scared of airliners for some time to come. And allowing people a place to stop and soak their feet and be washed away on the White Water River, if that's their thing, I think is an incredible tourism opportunity for Colorado. The part of this project that truly fascinates me is the number of hotel nights that will be spun off over and above the number of stays. It will also benefit Windsor. We look forward to it and I'm happy the state is getting behind.

Koenig said we are excited about the SFC project. There was a lot of work done on the main building to support the SFC. We believe that with the SFC we will have more year-round opportunities for tourism, which fortunately the White Park has an indoor facility too so people can enjoy the Water Park and then come to Estes for the SFC. A letter of support for having the City of Aurora as the fiduciary was sent out yesterday to Mayor Kaufmann and the Council for the City of Aurora. So we are hoping they will serve as the fiduciary for the SFC project. The Town of Estes Park simply doesn't have the manpower or bandwidth to handle that and Aurora has so much experience. We're hoping the approval of the extension will come through. I know John Cullen has secured funding for that extension to come through. Thank you.

Jones said P3 has commenced our master planning efforts with the land owner. We have also updated our budget and pricing with our subcontractors, general contractors and consulting groups. With the approval of the extension we are prepared to finalize our packet for underwriting so we can continue to move the project forward and gain momentum. We thank you again for your consideration and support.

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

Takeda-Tinker 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. Pryor 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. Takeda-Tinker seconded the motion. Motion passed unanimously.

The EDC is now in Open Session.

Schiff said we've all been living through the RTA program for a number of years now. It's complicated and that reflects frankly the difficulty and the complications to these large scale projects which are incredibly important and beneficial for our economy, not just in the building of the projects and the jobs they create but also in the activities we're all going to be able to enjoy and the out of state visitors that are going to come and enjoy them and spend money. These projects are very important for us.

First I will ask if there is a motion to approve the agreement that has been presented to us that the applicants have all entered into. From our perspective the purpose of this agreement is to reflect which modifications requested by the applicants that we are actually approving and what is the relationship going to be moving forward related to these projects including the revocation of the Peligrande project.

With that context I ask if there is a motion from the Commission to authorize me to enter into the Release and Waiver agreement setting out the Modifications that we are approving for the applicant.

Takeda-Tinker moved the authorization to enter into the Release and Waiver agreement. Franz seconded the motion. Motion passed unanimously.

M/S/P – Takeda-Tinker, Franz – Authorization to execute the Waiver and Release agreement approved as presented and recommended by staff.

Secondly I will ask for a motion to approve the written motion as outlined in the board book in section 8 with the modification to the motion the reference to \$86M should actually be \$84,479,494.

Wahl moved approval of the written motion with the modification of \$84,479,494 as referenced. Franz seconded the motion. Motion passed unanimously.

M/S/P – Wahl, Franz – Written motion with modification of \$84,479,494 approved as presented and recommended by staff.

Schiff said that motion has been approved. I want to thank the applicant and the members of the four local governments who have been patient with us and worked so hard along with Jeff and his team. We know how important this project is and we really want you to be successful. There is nothing like a shovel ready project when you are needing to work on economic recovery and so we really want this for you.

I would like to provide a little unsolicited advice. We know there is an agreement that needs to be made among the Stanley and the Applicant in order to flesh out whatever agreements you need to make to accomplish the change in the financing entity. We strongly encourage you to move heaven and earth to get that done. Please remember that the request for extension dates back to November and the longer it takes to get to the point to get the right financing entity moving on that project the more difficult and challenging it might be to pull off. So we strongly encourage you to do what you need to come together to come to agreement and get that done.

Thank you all. We look forward to hearing updates.

### **SB 21-001 Modification of COVID-19 Relief Programs for Small Business**

Schiff said we will now going to go back into executive session to receive advice from counsel regarding SB 21-001 modification.

Schiff called for a motion.

Takeda-Tinker 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 on SB-2101 Modification of COVID-19 relief programs for small business. Jones 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.

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

The EDC is now in Open Session. No further discussion was had on SB 21-001.

### **J. CLIMBER Update**

Kraft introduced Jim Eke and Mary Wickersham to present the CLIMBER program update. The global pandemic created by the COVID-19 respiratory virus in the spring of 2020, has caused a painful economic recession. Mandatory shut-and slow-downs of commerce are required to control the virus' spread. Federal programs, while beneficial, were sized too small. For example the PPP program, based only on two-and-a-half months of payroll, could only be used on payroll, rent/interest, and utilities. Many once successful small businesses will need additional working capital to move forward toward recovery. The CLIMBER Loan Program is intended to provide capital to help these once successful small businesses "climb" out of this recession and get back on the top of their sectors.

Small businesses account for 40% of the state's private sector jobs. Pre-COVID, Colorado had 44,774 small businesses with between 5 and 99 employees employing 711,901 Coloradans. There are about 17,300 firms in Colorado with 5 to 99 employees in the targeted industries. As many as 50% could go out of business but many could be saved.

CLIMBER is a state-wide loan program providing up to \$250 million in capital to Colorado small businesses over the next two years and is complementary to the federal PPP loans and the Energize Colorado Gap Fund that they EDC has made an investment in. The current target program launch date is January of

2021. The program is designed to catalyze loans that would not otherwise happen, and at below market rates with favorable terms too small to mid-size businesses that were financially strong pre-COVID.

There is no request of the EDC today. However, we do anticipate returning to the EDC for a Strategic Fund request.

**K. Other**

**Advanced Industries (AI): Katie Woslager**

**AI Budget Update**

Woslager provided the AI Budget update which shows \$7,333,092 in remaining funds.

**Next EDC Meeting**

The next EDC meeting will be on February 18, 2021. This meeting will be virtual.

**With all items discussed, the meeting was adjourned.**