

**ECONOMIC DEVELOPMENT COMMISSION
MEETING MINUTES**

May 16, 2024
8:00 a.m. – 10:00 a.m.

MEETING DATE

May 16, 2024
8900 -A Independence Way
Alamosa, CO 81101

MEETING PARTICIPANTS

Commission Members

Carrie Schiff, Chris Franz, Andrew Sparn, David Drago, Jay Seaton, Jesse Ogas, Esther Lee Leach, Carl Young, Simon Tafoya, Walker Stapleton, and Steven Paletz.

Guests

Sarah Stoeber, Tarah Chiles, Clayton Peterson, Ed Sealover, Analisa Romano, Aldo Svaldi, Matt Bell, Curtis Englehart, Katie Plutz, Sara Lobato, Samantha Kelly, Shawna Lippert, Elena Lobato, Courtney Tribble, Candace Payne, Donna Sue Torres, Ethan Rouse, Robb Chiles, Krista Colehower, Morgan Alu, Erin Miller, Lucas High, Jamie Greeman, Bernadette Berdychowski, Karra Walker, Joy Knox, Laura Lewis Marchino, Benilda Samuels, and PJ Johnson.

Staff

Eve Lieberman, Jeff Kraft, Keri Ungemah, Alissa Johnson, Laura Rodriguez, Ashley Mount, Elise Hamman, Dana Bakshani, Cody Pearson, Trey Anderson, Che Sheehan, Leslie Hylton-Hinga, Morgan Vankat, Arielle Brachfeld, Donald Zuckerman, Makayla O'Malley, Katharina Papenbrock, Nikki Maloney, Daniela Santos, Rama Haris, Kacie Adair, Hannah Gutner, Charlie Arnowitz, Hannah Krieger, Katherine Cantillo, Marisela Parraguez, Mike Landes, Sonya Guram, and Virginia Davis.

DECISION/ACTION ITEMS

1. The Economic Development Commission approved the Minutes from the April 18th, 2024, EDC Meeting.
2. The Economic Development Commission approved the following projects/items:
 - Strategic Fund: Just Transition West End Economic Development Corporation, and FY25 OEDIT Admin request.
 - Enterprise Zone: Forge Evolution Teen Center, AYA Foundation, Bent County Historical Society, Pueblo Zoo Event Support, and Contribution Project Policies.
 - Rural Jump-Start: Annual Reports, La Plata County Municipality request, and Sponsoring Entity application for Otero County Economic Development.
 - Advanced Industries: FY24 Proof-of-Concept and Early-Stage Capital and Retention Grants, CU Denver Proof-of-Concept Allocation Grants, and FY24 Institute for Advanced Composites Manufacturing Innovation Project.

A. Meeting Called to Order

Schiff called the meeting to order.

Soteber provided an overview of the local perspective.

B. Minutes

Schiff called for a motion to approve the minutes from the April 18th, EDC Meeting.

M/S/P – Leach, Seaton – Minutes approved as presented.

C. Strategic Fund (SF):

EDC Budget Update

Kraft provided the EDC Budget update which shows a Long Bill balance of \$801,737.

SF Balance Forecast

Kraft presented the SF Balance Forecast that shows an approximate, total current available balance of \$5,010,055 in annual Long Bill, CRPS, CHIPS Act, Just Transition & EDO, and RJS Grants funds.

Strategic Fund Red Yellow Green Report

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

Community Business Preservation Program (CBPP)

Hylton-Hing provided an updated budget for the Community Business Preservation Program (CBPP). Although the amount of funds encumbered for the program is not changing, we are changing one of the line items. Specifically, instead of spending \$10,000 on travel and promotion of the program, we now intend to use those funds to collaborate with the Colorado Office of Film, Television & Media (COFTM) in producing a documentary about CBPP and highlighting a few of the awarded communities and their businesses. COFTM has also encumbered \$10,000 from their division budget for this purpose.

No board action is needed.

Just Transition Community Funding Award (JT)

Vankat presented the West End Economic Development Corporation (WEEDC) proposal. WEEDC is a regional economic development organization serving the West End, which includes the towns of Nucla and Naturita in Montrose County and Norwood in San Miguel County. As part of a regional effort to centralize, coordinate, and enhance grant activity within the region during its transition away from coal, WEEDC and the Towns of Naturita, Norwood, and Nucla are seeking an additional staff member to support grant writing, manage awards, and oversee the general administrative functions of WEEDC.

WEEDC is requesting \$210,680 from OEDIT and the Office of Just Transition's (OJT) joint funding opportunity to support economic development projects in coal transition communities. The requested funding would support capacity building within the organization, specifically by funding an Office and Grant Administrator.

M/S/P - Leach, Ogas – The West End Economic Development Corporation (WEEDC) proposal was approved as presented and recommended by staff.

OEDIT FY 2025 Administration/Operational Funding Request

Kraft presented the OEDIT FY 25 Administration and Operational request. The proposed budget includes the following:

- EDC Meetings and Travel: \$55,000
- One rural commissioner meeting travel = \$600 approximately Total \$15K
- Food for 10 meetings at OEDIT = \$5K

- Travel/Food for offsite meetings = \$20K trip 1 + \$15K trip 2
- OEDIT Distributed/Shared Services: (rent, car leases, HR, Legislative Support, accounting/procurement) \$50,000. We have access to a one-time source of supplemental funding; this would normally be about \$150K
- Computer/Software/Education/Travel/Supplies: \$15,000
- EDC staff ~3.25+ FTE
- Payroll and Benefits: \$396,000

OEDIT hereby requests approval for \$516,000 in new spending authority for FY25 Operational Funding and EDC Administration. Anticipating this will increase next year back towards trend (i.e. \$650K).

Should this be approved, it will take effect on or after July 1, 2024, when the state treasury transfers the FY25 \$5M Long Bill Appropriation (approved and signed) to the EDC's Strategic Fund.

Franz, and Tafoya expressed concerns about using Strategi Fund dollars to fund EDC staff and operations.

M/S/P – Leach, Dragoo – OEDIT FY 25 request approved as presented and recommended by staff.

D. Enterprise Zone (EZ):

Contribution Project Proposals

Sheehan presented the following EZ Contribution Project Proposals for approval.

- Forge Evolution Teen Center.
- AYA Foundztion.
- Bent County Historical Society.
- Pueblo Zoo Event Support.

M/S/P – Sparn, Tafoya – EZ Contribution projects approved as presented and recommended by staff.

EZ Contribution Policies

Sheehan presented the updated EZ Contribution Policies. OEDIT staff has worked closely with all Enterprise Zone administrators to update the contribution project policies and make recommendations to the Economic Development Commission on changes that are in line with the intent of the Enterprise Zone statute.

OEDIT staff have included a redline version of the policies that provides updates to the fees each Enterprise Zone may charge to approved contribution projects in addition to providing several technical fixes throughout the document.

A notable change is a clarification that contribution projects that fall under the category of “Economic Development Organizations” may continue to apply for the program at the end of their project term provided that there is a demonstrated record of the success of the project. In the current policies there was a lack of guidance/alignment on how organizations that are inherently tied to economic development could retain contribution project status without providing “new” activities. This change allows organizations that are essential to achieving the goals set by each Enterprise Zone a clear path on how they can effectively retain contribution project status.

Staff is requesting a motion to approve the changes to the “Contribution Project Policies” as presented in the board book.

M/S/P – Seaton, Franz – Updated EZ Contribution Policies approved as presented and recommended by staff.

E. Rural Jump-Start (RJS):

Annual Report Exception Road Warrior, LLC

Vankat presented the Road Warrior, LLC exception request. Road Warrior Driver Training, LLC, is being recommended at the May 2024 EDC meeting for a suspension exception. Per the Rural Jump-Start program manual.

Using the strategies from the program manual, OEDIT has determined that Road Warrior Driver Training, LLC qualifies for an exception for the following reasons:

- In the last year, Road Warrior Driver Training, LLC has seen growth in its business, but
- has not reached the point where it can hire a full-time employee outside of the owner. In
- the next year, it plans to continue its growth to increase employees.

In the last year, Road Warrior Driver Training, LLC has seen growth in its business, but has not reached the point where it can hire a full-time employee outside of the owner. In the next year, it plans to continue its growth to increase employees.

Staff requests a motion to exempt Road Warrior Driver Training, LLC from suspension.

M/S/P – Ogas, Sparn – Road Warrior Driver Training, LLC, suspension exception was approved as presented and recommended by staff.

RJS Removals

Vankat presented the following companies for removal. After receiving a 90-day grace period and 30-day final revocation notice, three companies have not turned in their 2023 Annual Report, therefore, being removed from the program: Cold Case Gear, Inc., and Spring Born, Inc. Cold Case Gear, Inc. received \$20,000 and will be unencumbering \$12,500. Panadero Ski Corporation received \$11,740.60 and will be unencumbering \$13,259.40. Spring Born, Inc. received \$20,000 and will be unencumbering \$62,500.

Panadero Ski Corporation is run by a volunteer board, and there was some turnover in the last few months. But we're in conversation with them, and they plan to be up to date on their requirements. So, we're going to give them just a little bit more flexibility. And we will provide an update on that at the June meeting.

Staff requests a motion to remove Cold Case Gear, Inc., and Spring Born, Inc. from the Rural Jump Start program.

M/S/P – Seaton, Stapleton - Cold Case Gear, Inc., and Spring Born, Inc. Cold Case Gear, Inc. approved as presented and recommended by staff.

Tax Certificate and Grant Distribution Approvals

Vankat presented a list of companies that turned in their Annual Reports on time and are eligible for their certificates and grant benefits distributions. The only new tax certificate being approved in May 2024, is Road Warrior Driver Training, LLC. There are no new grant benefits being awarded. This completes the 2023 Annual Report cycle.

Staff requests a motion to approve the tax certificates and grant benefits as listed in the EDC memo.

M/S/P - Young, Leach - Tax Certificate and Grant Distributions approved as presented and recommended by staff.

Municipalities to Join La Plata County Zone

Vankat said the Cities of Ignacio and Durango have passed resolutions to join the La Plata County Rural Jump-Start Zone. The municipalities are sponsored by the Region 9 Economic Development Corporation and do not include a pipeline of potential companies.

Staff requests a Motion to approve the requests for the Cities of Ignacio and Durango to join the La Plata County Rural Jump-Start Zone.

M/S/P - Dragoo, Franz – Cities of Ignacio and Durango approved to Join La Plata County Zones approved as presented and recommended by staff.

Sponsoring Entity

Vankat said Otero County Economic Development has submitted an application as a Sponsoring Entity in the Rural Jump Start Program. Per current statute, a Sponsoring Entity can be either a Designated Institute of Higher Education or an Economic Development Organization. The application certifies that the Sponsoring Entity has read the Program Manual, has the resources available to launch and administer the program quickly and vigorously, has a single point of contact, and has the capacity to qualify and review applications for the program.

Staff requests a Motion to approve the application of Otero County Economic Development as a Sponsoring Entity in the Rural Jump Start program.

M/S/P - Young, Sparn – Otero County Economic Development approved as a RJS Sponsoring Entity as presented and recommended by staff.

F. Advanced Industries (AI)

FY24-2 AI POC and ESCR Grants

Haris presented the FY24-2 AI POC and ESCR Grants for final approval.

M/S/P - Franz, Leach - FY24-2 AI POC and ESCR Grants approved as presented and recommend by staff.

FY24 AI CU Denver POC Allocation Grants

Haris presented the FY24 AI CU Denver POC Allocation Grants for final approval.

M/S/P - Ogas, Stapleton - FY24 AI CU Denver POC Allocation Grants approved as presented and recommend by staff.

FY24 IACMI Project

Haris presented the FY24 IACMI Project for final approval.

M/S/P - Dragoo, Franz - FY24 IACMI Project approved as presented and recommend by staff.

G. Other:

Project @B Update

Schiff entertained a motion to enter executive session.

Franz moved, pursuant to Colorado Revised Statutes Section 24-6-402(3)(a)(III), I move that we go into executive session for the purpose of discussing documents that contain trade secrets and/or confidential commercial or financial information about the Project @B, which are required to be kept confidential by Colorado Revised Statutes Section 24-72-204(3)(a)(IV). Dragoo seconded the motion. Motion passed unanimously.

The EDC is now in executive session.

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

Franz made a motion to exit executive session. Ogas seconded the motion. Motion passed unanimously.

The EDC is now in open session.

Schiff said the next EDC meeting will be June 20th, 2024.

With all items discussed, the meeting was adjourned.