

ECONOMIC DEVELOPMENT COMMISSION

MEETING MINUTES

April 20, 2023

8:30 a.m. – 11:40 a.m.

MEETING DATE

April 20, 2023

1600 Broadway, Suite 2500

Denver, CO 80202

MEETING PARTICIPANTS

A. Commission Members

Carrie Schiff, Jandel Allen-Davis, David Dragoo, Andrew Sparn, Carl Young, Walker Stapleton, Jay Seaton, and Chris Franz.

B. Guests

Michael Lowe, Eric with Project Forge, Nadia Patry, Laura Rodriguez, Simon with Project Forge, Richard with Project Forge, Dave with Project Forge, Joey with Project Forge, Bob with Project Forge, Danny with Project Forge, Andrew Blaustein, Kim Woodworth, Lucas High, Aldo Svaldi, James White, Ed Sealover, Audrey Herbison, Maxwell Daffron, Gregg Project Eye in the Sky, Elsa Gartenmann, Candace Payne, Analisa Romano, Emily Fay, Massimo Ruzzene, Brad Decker, Emily CoBabe-Ammann, Wendy Lea, and JB Holston.

C. Staff

Eve Lieberman, Jeff Kraft, Sean Gould, Michelle Hadwiger, Morgan Vankat, Sonya Guram, Keri Ungemah, Ashley Mount, Alissa Johnson, Carly Clagget, Mike Landes, Elise Hamman, Kat Papenbrock, Tad Johnson, Dana Bakshani, Marisela Parraguez, Nikki Maloney, Danelle Chinook, Hannah Krieger, and Virginia Davis.

DECISION/ACTION ITEMS

1. The Economic Development Commission approved the Minutes from the March 16, 2023, EDC Meeting.

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

JGITC: Project Forge, Project Eye in the Sky, and Project Columbia.

SF: Quantum, Regional Tech Hub, Childcare Program, Coventure Year-4 Funding, and EDO Action Grant Awards.

EZ: Tabor Opera House Phase II, Grand Junction Soccer Club, Manitou Art Center, and Cora Street Building.

RJS: Sponsoring Entity Clear Creek ED Council, Burlington join Kit Carson County Zone, Encumbrance for Legacy Businesses, Annual Reports, and Program Manual Updates.

A. Meeting Called to Order

Schiff called the meeting to order.

Farewell to Jandel Allen-Davis

The Commission and staff thanked Jandel for all her work and support throughout her appointment.

B. Minutes

Schiff called for a motion to approve the minutes from the March 16th, 2023, EDC Meeting.

Paletz moved approval of the minutes. Allen-Davis seconded the motion. Motion passed unanimously.

M/S/P – Paletz, Allen-Davis – Minutes approved as presented by staff.

C. Job Growth Incentive Tax Credit (JGITC): Michelle Hadwiger

Project Forge

Hadwiger presented Project Forge. The company behind Project Forge is a global leader in the online sports betting and gaming sector, known for its excellence in technology innovation that has shaped the industry over the last twenty years. The company's many different technology departments, alongside its extensive customer support organization, have enabled it to become one of the most respected names in the industry. Project Forge's expansion seeks to bring the company's reputation and brand awareness to the US as its newest growth frontier.

Staff is requesting approval of up to \$14,055,942 in performance-based Job Growth Incentive Tax Credits over an 8-year period for the creation of up to 807 net new full-time jobs at an average annual wage equal to or greater than the average annual wage of the county the project chooses to locate. The net-new jobs in Colorado must be maintained for one full year before any credits become vested and the Company must create a minimum of 20 net new full-time jobs before any tax credits are issued.

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

Project Eye in the Sky

Hadwiger presented Project Eye in the Sky. The company behind Project Eye in the Sky deploys innovative space communication solutions. This project represents an expansion opportunity that would include an antenna factory to expand production capability and keep pace with customer demand. This will support advanced projects for national defense that will require unique facility and infrastructure needs.

Staff is requesting approval of up to \$4,928,623 in performance-based Job Growth Incentive Tax Credits over an 8-year period for the creation of up to 451 net new full-time jobs at an average annual wage equal to or greater than the average annual wage of the county the project chooses to locate. The net-new jobs in Colorado must be maintained for one full year before any credits become vested and the Company must create a minimum of 20 net new full-time jobs before any tax credits are issued.

M/S/P – Allen-Davis, Sparrn – Project Eye in the Sky approved as presented and recommended by staff.

Project Columbia

Hadwiger presented Project Columbia. The company behind Project Columbia is a leading worldwide provider of innovative solutions for the outdoor environment including turf and landscape maintenance, snow and ice management, underground utility construction, rental and specialty construction, and irrigation and outdoor lighting solutions. Through a strong network of professional distributors, dealers, rental stores, and retailers in more than 125 countries, the company offers a wide range of products across a family of global brands to help golf courses, professional contractors, underground construction professionals, groundskeepers, agricultural growers, rental companies, government and educational institutions, and homeowners – in addition to many leading sports venues and historic sites. The company behind Project Columbia is evaluating locations for a new center of excellence for the research and development functions of their robotics division.

Staff is requesting approval of up to \$519,626 in performance-based Job Growth Incentive Tax Credits over an 8-year period for the creation of up to 45 net new full-time jobs at an average annual wage equal

to or greater than the average annual wage of the county the project chooses to locate. The net-new jobs in Colorado must be maintained for one full year before any credits become vested and the Company must create a minimum of 20 net new full-time jobs before any tax credits are issued.

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

Update of Approved Projects

Hadwiger provided an update of previously approved projects and pending announcements.

D. Strategic Fund (SF):

EDC Budget Update

Gould provided the EDC Budget update which shows a Long Bill balance of \$4,937,326.

SF Balance Forecast

Gould presented the SF Balance Forecast that shows an approximate, current available balance of \$4,937,326 in annual Long Bill funds, \$4,875,000 in Just Transition & EDO funds, and \$2,014,263 in RJS Grants.

Strategic Fund Red Yellow Green Report

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

Quantum: Michelle Hadwiger, Massimo Ruzzene, Brad Decker, Emily CoBabe-Ammann

Hadwiger, Ruzzene, and Decker presented the Quantum request. On March 23, 2023, Governor Polis announced that Colorado is poised to “Excel as a Regional Technology and Innovation Hub.” To be well-positioned for large regional grants through the CHIPs Act or other federal legislation, Colorado should strategically build a strong Quantum ecosystem that includes increasing the number of spin-off companies built from innovation coming out of Colorado’s research labs, as well as creating an organized system of education pipeline and workforce development. This proposal seeks to attack those two priorities with a small State investment of less than \$1.5M.

To ensure that Colorado can capitalize on the emerging quantum economy, two critical pieces of the quantum ecosystem must be put into place, namely 1) ensuring that discoveries from basic and applied research at universities across the state can be effectively translated into market solutions throughout Colorado and 2) providing effective pathways for students across our state to train for and enter the quantum workforce. Here, the University of Colorado Boulder and its quantum initiative, CUbit, propose a suite of activities to address these challenges, emphasizing the need to engage a diverse array of researchers, industries, and students from across the state.

Quantum Two-part Proposal

Part 1) Create an effective bridge between applied research and industry in the very early stages of innovation, through a portfolio that supports the collaboration of academic researchers and industry partners from across the state (\$1,179,900 over 3 years) Rationale: Like many emerging technologies, CU Boulder and other research institutions in our state see significant investment in basic and applied quantum research from federal sponsors (e.g., NSF, DoE). Additionally, we have important state-sponsored programs that can support industries once their veracity has been established (e.g., OEDIT’s Advanced Industry Accelerator program). However, there is a gap between these two that limits the translation of research into job creation. To create an effective research-to-operations continuum is challenging. Sometimes referred to as ‘the valley of death’, the lack of connection between initial

discovery and a market-ready state means that many potentially economically impactful ideas are stuck in the laboratory, unable to be translated into economic growth.

Part 2) Develop a Quantum Workforce Pipeline Roadmap for Colorado. Supports a 1.5 day convening to be held in Fall of 2023. Attendees include key members of higher education institutions who are already leading in this space, as well as representative industry partners, national labs, and state officials. The goal is to create a Quantum Education and Workforce Roadmap that develops effective educational or professional development pathways and supports students/workers from across the state interested in joining Colorado’s quantum economy. Particular effort will be made to develop pathways between 2- and 4- year institutions, and with institutions that serve a high percentage of underrepresented students. Rationale: A critical component of effectively developing and supporting Colorado as a national hub for the growing quantum economy is creating a networked, coordinated systems of offerings and opportunities to students across the State. By approaching quantum education holistically with the support of 2- and 4-year institutions, with input and advice from industry and national laboratories, Colorado can create a unique and powerful quantum education path for thousands of students from all parts of the state resulting in the skills and knowledge for, with the prospect of high-wage, high-demand positions at the end.

Budget Request Summary

Item	Annual budget	Number of years	Total request
Quantum: Lab-to-Industry Collaboration Grants	\$ 250,000	3	\$ 750,000
Quantum: Use-Inspired Technology Grants	\$ 150,000	3	\$ 450,000
Grant Administration	\$ 63,300	3	\$ 189,900
Education and Workforce Pipeline Convening	\$ 75,000	1	\$ 80,000
Total			\$ 1,469,900 *

*CU Boulder will forego its overhead (F&A) on this award, ensuring that all of the resources will be used to support programming.

Schiff wanted clarification of the motion. In the budget request, the total we are being asked to approve is the \$1,469,900. Does the approval have to be broken out as is in the budget summary. Meaning that when we approve it, the allocations will be as listed, and money will not be moved among the buckets.

Hadwiger said that is up to the EDCs discretion. This is the way the Boulder team sectioned out what they think the annual budget would look like over the 3 years in each perspective area.

Schiff opened the project up for discussion. The board members asked the project representatives questions about the project, budget, and allocation.

Franz volunteered to be on the Quantum project steering committee.

After the Quantum discussion, Schiff clarified the Quantum request and called for a motion.

Schiff said the motion will be to approve the Quantum request as presented providing them the ability to make changes to the allocation of funds that are not material. If they are material in the annual report, Quantum representatives will need to come to the EDC to present that information to us. Additionally, there will be a representative from the EDC on the steering committee, designating Franz as the initial representative. This motion will include the additional requirements of the annual reporting that will also touch on the geographic distribution of the use of the proceeds, and the workforce pipeline planning.

M/S/P – Young, Allen-Davis – Quantum modified motion approved as discussed by the Commission.

Colorado TechHubNow!: Wendy Lea, JB Holsten

Lea, and Holsten presented the Colorado TechHubNow! Request. The Economic Development Administration (EDA) Department of Commerce is overseeing a new initiative called 'Tech Hubs' (Regional Innovation Hubs), which was authorized for \$10 billion last year as part of the CHIPS Act and has \$500 million of appropriated funding for 2023. President Biden has requested a further \$4 billion funding for the program in his 2024 budget submission. The Regional Technology and Innovation Hub Program not only aims to spur innovation in America's science and technology sectors but focuses heavily on geographic diversity and inclusive growth. Thus, increasing and fostering equity, diversity, and inclusion in a Tech Hub formation is essential to not only creating a winning application, but also supporting an equitable economy.

Successful candidates for Federal Tech Hub designation will assemble an inclusive, collaborative, multi-stakeholder coalition and demonstrate an evidence-based regional strategic story that aligns with the highest-level hub program goals of technological innovation for national security and economic development. As a part of these coalition supporting efforts, OEDIT has engaged with partners from rural Colorado, including Grand Junction, as well as Colorado Springs and Denver for representation of a diversity of geographies across the state.

To guide and support this effort, a group has formed from the civic sector and is working closely with OEDIT and a broad range of constituents to ensure that Colorado receives one of these "Tech Hub" designations and is eventually funded. Governor Polis has publicly endorsed the effort, including meeting recently with the group and Assistant Commerce Secretary Alejandra Castillo in Denver. The formation of this group is an important step to success, as the program requires the involvement of a multiplicity of constituents, and the applicant for the designation and funding cannot be OEDIT, or another state government entity, and must include the private sector.

Staff recommends that the EDC provides up front seed funds of \$50,000 in Long Bill Strategic Funds to the Colorado Forum Fund 501c3 as the fiscal sponsor of ColoradoTechHubsNow!, subject to the following:

- Expecting best efforts to raise non-state cash matching funds at 4 :1 (i.e. \$200,000) over the life of this process.
- EDC funds may be used before the matching funds are raised to support initial costs.
- Reporting as described above.

Schiff directed the Commission to the request, noting that in the staff recommendation our motion would include that our funds can be used before the matching funds are raised. That's not something we typically do. We usually like to be the last money spent. I wanted to point that out specifically.

M/S/P – Franz, Paletz – Colorado TechHubsNow! approved as presented and recommended by staff. Allen-Davis and Seaton recused themselves from the vote.

Childcare Program SBDC Network: Nikki Maloney, Hannah Krieger, Marisela Parraguez, Danelle Chinook
Maloney, Krieger, Parraguez, Chinook presented the Childcare Program request. Today's request is in reference to programming with the Colorado Department of Early Childhood Education through the pandemic, through the SBDC Network. Over the last two years we've learned a lot from this process. The intent of it was to be statewide but the results were varied. Our request today focuses on shifting the programming in a different way.

Krieger said we have 14 centers around the state. Eight of those are currently running this program. It's a six-week program operating live, in the evening and on weekends, with an option to do one-on-one

consulting. We've spent the last two months talking to all of our centers. What we've learned is that all of them agree it is an impactful program and desperately needed in all of our communities. For our centers that are engaged in the program, they are running in to a few problems. It's inconsistent because each center is running a different program. Each developed their own programs with some commonalities but lack of consistency across the board.

Parraguez said we are proposing to incorporate the accelerated growth program model. We have been developing this program in other areas since September of last year. Receiving program applications to place participants. Set them up with online learning, group training sessions, and on demand one-on-one consultations.

Chinook talked about the impact this program could have. This program will be a part of the Colorado Shines rating. Depending on their rating, is how they get their CCAP funding. The higher their rating the more funding they get for those children. So, it does have an economic impact on these centers. This program will be for home-based as well as center based. This program will also be in partnership with Colorado Department of Early Childhood. Kreiger will be leading a team of center directors who will be creating that content with CDEC.

Staff requests the EDC approves using \$170K, from the remaining Opportunity Zone funds, for the Business Support division to run this "Childcare Program Request to Adapt to Small Business Accelerated Growth (AGP) Model" described in the slides above, via the SBDC Network.

M/S/P – Allen-Davis, Franz – Childcare Program request approved as presented and recommended by staff.

Coventure Year-4 Funding Request: Kat Papenbrock, Michael Lowe

Papenbrock, and Lowe presented Coventure's Year-4 Funding request. When COVENTURE applied to the EDC for initial funding in 2019 their main impact goal was to show a 3.5% positive impact on the Carbondale economy through the growth of their incubator and co-working space, with anticipated growth in co-working members, visitors and incubating businesses contributing jobs, diversity and additional income to the Carbondale economy. During the past two years they have refined their metrics to reflect direct impact from their programs into new jobs created and capital formed for the businesses they serve. The positive impact across both metrics is evident when you compare the 2021's performance to 2018:

- 2018: 4 jobs created, \$1.1 million in capital formation
- 2019 (first year of grant): 60 jobs created, \$13.5 million in capital formation
- 2020 (no EDC grant received; COVID-impacted year): 50 jobs created, \$3.9 million in capital formation
- 2021 (second year of grant; COVID-impacted year): 39 jobs created, \$2.35 million in capital formation
- 2022 (third year of grant): 45 jobs created, \$1.25 million capital formation

Additionally, they have delivered significant impact and growth across the 9 core objectives they identified in their original application.

COVENTURE has also delivered on their expectation of financial support from both public and private sources. In reviewing the match requirements and actual contributions, the majority of the original contributors identified were still engaged in their three- to five-year commitments of support. Where some long-term funders may have dropped out, primarily due to municipal budget pressures, Coventure has successfully replaced them with private industry support. They have also effectively secured

additional one-time community funding through a variety of fundraising and community outreach efforts that they are working at converting into long-term support commitments, which shows their continued commitment to diversifying their funding sources and seeking new partnerships to support the sustainability of the incubator. They are actively working on new private partnerships.

2022 also marked the year that Coventure made the financial transition out of the COVID impacts, with a net positive year for the organization. We also would like to note that their co-working space rental, while not contributing to the match requirements for this grant, reached its highest revenue to date, even exceeding the budgeted projections, which is a great marker of future sustainability. The private sources continue to match or exceed the public sources of contributions and they continue to exceed their 2:1 match requirement with a 2021 ratio of 2.64 to 1 (local support versus EDC grant support) so they are continuing to demonstrate an increase in local public and private funding to demonstrate future viability. While their projections account for only guaranteed long term funding, that positive change in 2021 with new funding sources predicts that their sustainability will continue to increase when they complete the grant.

Staff recommends that the EDC continue their support of COVENTURE for the fourth tranche, \$50,000, of their incubator funding. We feel strongly that supporting our existing incubators, COVENTURE in Carbondale and the Estes Park EDC’s Entrepreneur Center (provided they are successfully meeting their goals), is important for their future success and that of their local entrepreneurial and business communities.

M/S/P – Stapleton, Franz – Coventure’s Year-4 Funding of \$50,000 approved as presented and recommended by staff.

**E. Enterprise Zone (EZ): Sonya Guram
Contribution Project Proposals**

Guram presented the following EZ Contribution Project Proposals for approval.

EZ	Project Name	Type	Category	Completion Date	Budget	1 yr. Proj. Credits
CEN	Tabor Opera House Phase II	Capital Campaign	Tourist Attraction	12/31/2028	\$20,000,000	\$31,375
MESA	Grand Junction Soccer Club Operations	Visitor/Event	Attraction	12/31/2028	\$665,000	\$6,250
PP	Manitou Art Center	Operations	Business Assistance	12/31/2028	\$75,000	\$8,750
REG10	Cora Street Building	Capital Campaign	Community Facility	12/31/2028	\$600,000	\$13,750
TOTAL					\$21,340,000	\$60,125

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

**F. Rural Jump-Start (RJS): Morgan Vankat
Sponsoring Entity Application: Clear Creek Economic Development Council**

Vankat presented the sponsoring application. The Clear Creek Economic Development Council 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 the Clear Creek Economic Development Council as a Sponsoring Entity in the Rural Jump Start program.

M/S/P – Sparr, Allen-Davis - Clear Creek Economic Development Council application approved as presented and recommended by staff.

Municipality to Join Kit Carson County Zone

Vankat presented the City of Burlington request. The City of Burlington has passed a resolution to join the Kit Carson County Rural Jump-Start Zone. The municipality is sponsored by Morgan Community College and does not include a pipeline of potential companies.

Staff requests a Motion to approve the request for the City of Burlington to join the Kit Carson County Rural Jump-Start Zone.

M/S/P – Stapleton, Franz - Request for the City of Burlington to join the Kit Carson County Rural Jump-Start Zone approved as presented and recommended by staff.

Full Encumbrance of Legacy Businesses

Vankat presented the request to encumber legacy businesses. After receiving approval for the New Hire grants at the March 2023 EDC meeting, it was brought to staff's attention that Legacy Businesses have not been approved for an accounting encumbrance. It is standard procedure for New Businesses admitted into RJS after the implementation of the grant program on July 15, 2021, to have an encumbrance approved for the estimated total grant amount based on the New Hire allocation and projected timeline. The EDC approved the Legacy Businesses into the grant program at the June 2022 meeting. This is the first round of New Hire grant money being paid out; therefore, prompting procurement/accounting action for the Legacy Businesses.

Staff requests a Motion to approve an increase in New Hire Allocations for FHE USA, LLC to 13; Jabil, Inc. to 75; and Kaart Group, LLC to 17.

M/S/P – Allen-Davis, Seaton – Increase in New Hire allocations approved as presented and recommended by staff.

Qualified New Hire Allocations and Encumbrances

Staff is requesting a Motion to approve the Total Number of Qualified New Hires and the Total Encumbrance Amounts for Colorado Stone Quarries to 28 New Hires and \$70,000; FHE USA, LLC to 4 New Hires and \$10,000; Jabil, Inc. to 16 New Hires and \$42,500; Kaart Group, LLC to 5 New Hires and \$12,500; Phoenix Haus to 10 New Hires and \$25,000; and ProStar Geocorp, Inc. to 5 New Hires and \$12,500.

M/S/P – Franz, Paletz – Qualified new hire allocation and encumbrances approved as presented and recommended by staff.

Brightly Software, Inc. Annual Report

Vankat said Brightly Software, Inc. has not turned in its annual report for 2022. They are currently in their 60-day grace period. Next we will give a 30-day final revocation notice before they will be removed from the RJS program. No action is needed at this time.

Suspension Exceptions for SCORD, LLC and Geyser Technologies

Vankat said four Rural Jump-Start businesses did not meet the New Hire requirements for 2022 and received exceptions to being suspended at the March 2023 EDC Meeting. Two more companies, SCORD, LLC and Geysler Technologies, have requested a suspension exception. Per the Rural Jump-Start program manual, OEDIT staff analyze out-of-compliance businesses accordingly. Using the strategies from the program manual, OEDIT has determined that SCORD, LLC and Geysler Technologies qualify for an exception for the following reasons:

- SCORD, LLC - SCORD, LLC completed the Annual Report, but was unable to hire its first New Hire this year due to delays in essential business projects. The owner has adapted accordingly and plans to increase business enough this year to meet hiring requirements in 2023.
- Geysler Technologies - Geysler Technologies completed the Annual Report, but it was unable to meet the requirements of three employees qualifying as New Hires because of the average annual wage requirement specifically. The business currently has one employee who qualifies for New Hire benefits. Geysler Technologies currently has eight full-time employees and 12 part-time employees. The company plans to implement an equity sharing plan, which should aid in meeting New Hire requirements in 2023.

Staff requests a motion to exempt SCORD, LLC and Geysler Technologies from suspension.

M/S/P – Paletz, Franz – Motion to exempt SCORD, LLC and Geysler Technologies from suspension approved as presented and recommended by staff.

Tax Certificate Distribution Approvals

Vankat presented the request to approve tax certificate distributions for ProStar Geocorp, Inc, Jabil, Inc., and Geysler Technologies.

Staff requests a motion to approve two additional tax certificates for ProStar Geocorp, Inc., one additional tax certificate for Jabil, Inc., and one additional tax certificate for Geysler Technologies.

M/S/P – Allen-Davis, Paltez – Motion for additional tax certificates for ProStar Geocorp, Inc, Jabil, Inc., and Geysler Technologies approved as presented and recommended by staff.

Road Warrior Driver Training, LLC Update

Vankat updated the Commission on Road Warrior Driver Training, LLC. At the August 2022 EDC meeting, Road Warrior Driver Training, LLC was approved into the RJS program. However, during the procurement process OEDIT staff discovered that the business was actually registered as a sole proprietorship under the owner of the business. OEDIT staff explained to the business owner that we would need to ensure his information in our system matched his formal registration documents and recommended the owner reconsider registering his company as an LLC for a variety of reasons. Ultimately, the business owner decided to re-register as an LLC, and his documentation in our system now reflects his original application as an LLC. This item is for the EDC's awareness only (given he applied and was approved into the program as an LLC without being one at the time), but the situation encouraged staff to reconsider program manual language re: sole proprietorship.

No motion required.

Program Manual Updates

Vankat said staff requests the following three updates be made the RJS Manual. The first two updates are to re-include things that were lost during staff transitions and in the most recent overhaul of the Program

Manual. The third update arose as a result of the Road Warrior LLC versus sole proprietorship situation referenced today.

1. **Re-Inclusion of the Competition Analysis Flow Charts** - In the overhaul of the Program Manual that the EDC approved in January 2023, staff mistakenly removed reference to and from an appendix the competition analysis flow charts that former staff had developed. Staff recommends re-including those flow charts in an appendix at the end of the program manual and a reference to the flow charts in the New Business requirements section. Below in italics you'll find the January 2023 approved language plus the requested additions of the flowcharts in red.
2. **Re-Inclusion of the June 2022 Updates** - In the staff transition of summer 2022 and during the overhaul of the Program Manual that the EDC approved in January 2023, staff inadvertently left out previously approved Program Manual updates. Specifically, in June 2022, the EDC approved updates to the grant benefits section of the Manual to help clarify those benefits and the timelines associated with them. These additions do not change anything from a practical standpoint in terms of how grant benefits have been calculated; rather they simply provide further clarification. Staff recommends re-including them in the Program Manual, as all changes made to the Program Manual since this time took into consideration the June 2022 changes. Below in italics you'll find the January 2023 approved language plus the requested additions in red.
3. **Prohibit Sole Proprietorships from Participation** - Both the RJS statute and the Program Manual are silent on the type or structure of business that is allowed to participate in the program. Staff recommends sole proprietorships not be allowed to participate in the program because of 1) the liability implications and 2) the New Hire/W-9 requirements of the program. First, in sole proprietorships, the owner's personal assets and liability are at risk. Creditors can claim assets (like your home, car, or savings) that are not owned by the company. Also, an owner can be sued because of the actions of their employees or their partners. Second, the RJS statute and Program Manual are clear that W-2s are required for all "New Hires". This means that sole proprietors would need to either have an employee(s) with a W-2 – in addition to themselves as the owners – that meets the New Hire requirements or they would need to have a W-2 for themselves, which may be an additional burden and negate some of the benefits of a sole proprietorship. Staff recommends adding the following requirement to the New Business requirement section in the Program Manual.

Staff requests a motion to approve three updates to the Program Manual, including the re-inclusion of the competition analysis flow charts, the re-inclusion of the June 10, 2022, updates, and the prohibition of sole proprietorships from participation in the program.

M/S/P – Allen-Davis, Paletz – Motion to approve the program manual updates approved as presented and recommended by staff.

G. Other

EDO Action Grants

Mount presented the EDO Action Grant Committees recommended awards for approval.

OEDIT staff received a total of 85 applications. Of those 85 applications, 12 organizations did not meet the grant's baseline eligibility criteria, which included non-profit status and a primary organizational focus on economic development activities. Next, the selection committee scored the applications according to a standard rubric and met to discuss the scoring of applications as they aligned with grant objectives with consideration of geographic diversity of awards across the State of Colorado. The selection committee included representatives from OEDIT, the EDCC, the EDC, and the Department of Local Affairs.

Below is a summary of the selection committee’s recommendations for funding for the EDC’s approval.
High-level Awards Profile:

- Total awards: 27
- Award Range: \$25,000 - \$40,000
- Almost half of all award recommendations primarily focus on supporting historically under-resourced businesses.

Organization Name	Committee Recommended Funding
Alamosa County Chamber of Commerce	\$30,000
Asian Chamber of Commerce	\$40,000
Chaffee County Economic Development Corp	\$40,000
City & County of Denver	\$40,000
Eagle Chamber Of Commerce	\$35,540
First Southwest Community Fund	\$40,000
Fremont County Economic Development Corporation	\$40,000
Grand Junction Economic Partnership	\$31,600
Huerfano County Economic Development Inc.	\$37,966
Hugo Main Street	\$40,000
Jeffco EDC	\$40,000
Lincoln County Economic Development Corp	\$25,000
Main Street Steamboat Springs	\$34,950
Mancos Valley Chamber of Commerce	\$29,000
Mi Casa Resource Center	\$40,000
Montezuma County	\$26,000
Montrose Economic Development Corp.	\$37,400
Pagosa Springs Community Development Corp.	\$33,000
Prairie Development Corp.	\$40,000
Prairie Rose Development Corp.	\$25,000
Southwest Colorado Accelerator Program for Entrepreneurs (SCAPE)	\$30,000
Southwest EZ	\$25,000
The City of La Junta	\$33,000
Town of San Luis	\$36,544
West End Economic Development Corporation	\$40,000
Western Colorado Business Development	\$40,000
Yuma County Economic Development	\$40,000

Staff requests a motion to approve the Committee recommendations for the EDC Action Grants.

M/S/P – Stapleton, Paletz – EDO Action grants approved as presented and recommended by staff. Young abstained from the vote.

Next EDC Meeting

The next EDC meeting will be May 18, 2023.

With all items discussed, the meeting was adjourned.