

## ECONOMIC DEVELOPMENT COMMISSION

### MEETING MINUTES

March 16, 2023

8:30 a.m. – 11:40 a.m.

#### MEETING DATE

March 16, 2023

1600 Broadway, Suite 2500

Denver, CO 80202

#### MEETING PARTICIPANTS

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

Carrie Schiff, David Drago, Andrew Sparr, Carl Young, Walker Stapleton, Jesse Ogas, Jay Seaton, Simon Tafoya, and Chris Franz.

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

Aldo Svaldi, Aaron Herrera, Bob Cope, Candace Payne, Christine Gallagher, Courtney Rodwell, Danielle Ivanovich, Dave Paul, Elena Lobato, Jesse Hope, John with Project Jade, Laura Schleusner, Lawrence with Project Snowflake, Lucas Workman, Lucas High, Max Walker-Silverman, Morgan Alu, Nick Campanella, Parker Davis, Robin Martinez, Rosalie Flores, Ryan Nalty, Samantha Dosen, Sara Lobato, Sarah with Project Snowflake, Savannah Mehrrens, Seth Pruett, Shannon O'Hara, Shawna Lippert, Suryaprakash Jayaramu, Theresa Metcalf, Tiffany Pehl, Time White, Toni Barrett, Trevor with Project Jade, Vansay Zanubon, Whitney Brierly, and Zhenghua Yang.

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

Eve Lieberman, Jeff Kraft, Sean Gould, Michelle Hadwiger, Leslie Hylton-Hinga, Morgan Vankat, Che Sheehan, Keri Ungemah, Ashley Mount, Alissa Johnson, Arielle Brachfeld, Donald Zuckerman, Mike Landes, Jack Tiebout, Sonya Guram, Rama Haris, Kacie Adair, Elise Hamman, One Luv Hull, Carly Claggett, and Virginia Davis.

#### DECISION/ACTION ITEMS

1. The Economic Development Commission approved the Minutes from the February 16, 2023, EDC Meeting.
2. The Economic Development Commission approved the following projects/items:
  - JGITC:** Project Gudetama, Project Jade, Project Molecule, Project Pothos, and Project Snowflake.
  - SF:** GLO Park, and OZ Admin request.
  - EZ:** Montrose Veterans Memorial Coalition Plaza, Upper Uncompahgre River Watershed Infrastructure, Cedaredge Applefest, Main Street Steamboat Downtown Connections, Tread of Pioneers, Denver Health Foundation WFDC, Habitat for Humanity of Metro Denver, and Food Bank of the Rockies.
  - RJS:** Sponsoring Entity for Yuma County, Zone Formations for Yuma, Kit Carson, and Conejos Counties, Municipalities joining Morgan County, and Annual Reports.
  - AI:** FY23 CU Denver POC Allocation Projects.
  - COFTM:** Ghosts of the Railroad, Untitled Rebuilding Project, Project Iris, and Project Orange.

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

Schiff called the meeting to order.

##### **B. Minutes**

Schiff called for a motion to approve the minutes from the February 16<sup>th</sup>, 2023, EDC Meeting.

Ogas moved approval of the minutes. Sparn seconded the motion. Motion passed unanimously.

M/S/P – Ogas, Sparn – Minutes approved as presented by staff.

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

#### **Project Gudetama**

Hadwiger presented Project Gudetama. The company behind Project Gudetama is a cooperative of shell egg-producing farms primarily in the western United States. Project Gudetama represents the company working to have the farms join forces for economy-of-scale benefits, logistic efficiencies, and risk mitigation.

Staff is requesting approval of up to \$1,163,974 in performance-based Job Growth Incentive Tax Credits over an 8-year period for the creation of up to 80 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 – Sparn, Ogas – Project Gudetama approved as presented and recommended by staff.

#### **Project Jade**

Hadwiger presented Project Jade. The company behind Project Jade provides flexible access to a network of classified facilities and associated networks for use by both industry and government partners. Their mission is to engage the best parts of the US economy in the Great Power Competition and increase the pace of innovation and technology adoption by lowering the barrier-to-entry/scale to classified work. The company behind Project Jade is considering Colorado for its 3rd market in which it operates. Should the company land in Colorado, the company expects to provide its services to the western US from its Colorado location. The company offers services to data centers around the country, and it is considering Colorado for its central geographic location and existing potential customer base.

Staff is requesting approval of up to \$763,182 in performance-based Job Growth Incentive Tax Credits over an 8-year period for the creation of up to 80 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. Additionally, the company must provide proof that they have raised \$3M in capital, by the end of 2023 prior to the execution of this JGITC award contract.

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

#### **Project Molecule**

Hadwiger presented Project Molecule. The company behind Project Molecule is a clean energy recycling company that expects to build a waste-to-energy plant that will convert tires and rubber to diesel fuel, recycled carbon black, and clean steel using pyrolysis technology. This technology will convert any type of recyclable and non-recyclable plastic material and uses a closed loop system with near zero emissions, creating a new source of energy and resource recovery with a low carbon footprint. When completed, Project Molecule's plant will have a twenty-five-year operating life and the capacity to process 150 tons/day of waste material. It will produce 5.47m gallons of diesel fuel, 20.8m kg of recycled carbon black, and 6.57 million kg of steel per year. Project Molecule will source feedstock from tire manufacturers,

mining companies, and state & city landfills. Customers will include refineries, state & local municipalities, and tire manufacturers.

Staff is requesting approval of up to \$663,383 in performance-based Job Growth Incentive Tax Credits over an 8-year period for the creation of up to 90 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. Additionally, the company must provide proof that they have raised \$78.75M in capital, by the end of 2023 prior to the execution of this JGITC award contract.

M/S/P – Sparr, Ogas – Project Molecule approved as presented and recommended by staff.

### **Project Pothos**

Hadwiger presented Project Pothos. Project Pothos represents a joint venture between a foreign solar panel manufacturer and a US-based solar panel manufacturer to set up a solar panel manufacturing facility in the US. The company sees great potential in the US market for solar manufacturers, and the company is interested in building a new manufacturing plant to meet the demand it expects to see domestically. The company is considering Colorado as a potential location because the site they are considering is a modernized facility that meets the company's needs for production. The company also sees Colorado as an optimal location with easy access to Denver International Airport and the Denver downtown area. Colorado also provides a top-notch workforce with inviting residential areas nearby and has immediate Access to I-76, 80, 70, and 25 along the Front Range.

Staff is requesting approval of up to \$9,173,689 in performance-based Job Growth Incentive Tax Credits over an 8-year period for the creation of up to 951 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. Additionally, the company must provide proof that they have raised \$18.75M in capital, by the end of 2023 prior to the execution of this JGITC award contract. OEDIT staff will ensure that existing Colorado employees that move to this new entity will not be counted for this incentive.

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

### **Project Snowflake**

Hadwiger presented Project Snowflake. The company behind Project Snowflake is a geohazard mitigation firm. The company behind Project Snowflake is expanding its business operations and looking to form a more centralized location. To accomplish this, they are looking to hire many "back-office" and HQ employees. The plan is to bring on approximately 50 employees a year over 3 years, in order to accomplish this, they will either need to expand their current facility in Adams County in order to hold these additional employees, take over more of their current building or relocate to a new facility.

Staff is requesting approval of up to \$2,324,821 in performance-based Job Growth Incentive Tax Credits over an 8-year period for the creation of up to 129 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, Ogas – Project Snowflake 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 \$4,465,022.

#### **SF Balance Forecast**

Gould presented the SF Balance Forecast that shows an approximate, current available balance of \$4,465,022 in annual Long Bill funds, \$4,000 in CRPS funds, \$4,875,000 in Just Transition & EDO funds, and \$1,983,824 in RJS Grants.

#### **Strategic Fund Red Yellow Green Report**

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

#### **Global Energy Park (GLO): Lu Cordova**

Cordova presented the The Global Energy Park (GLO Park) project. On March 1, 2022, the EDC approved \$6.2M for the Build Back Better (BBB) project (\$4.2M from CRPS one-time CO Recovery Plan Stimulus state funds and \$2.0M ARPA). In that application, there was a set aside of \$1.2M for the following project that was part of the overall BBB project.

This request is to re-approve \$1.2M in state funds for the GLO Park without securing a federal match, but instead, seeding a philanthropic campaign. GLO Park is a renewable energy business park visioned to be an epicenter of collaboration between industry, government, and academia focused on renewable energy and decarbonization research and technologies for the global market. The facility will encompass up to 500,000 gross square feet and will operate as a net-zero facility.

GLO Park will be located in Jefferson County and adjacent to the National Renewable Energy Laboratory (NREL). As a partner, NREL has some of the most unique equipment and expertise in the world, with billions of federal dollars invested over the last decades to make it pre-eminently the most well-known and highly respected clean, renewable energy institution in the world. That is why almost 1000 partners, including corporations, governments and NGOs, partner with NREL to reach their own goals for clean energy. However, NREL's highly secure federal lab presents a challenge to on-site access. GLO Park, however, will be positioned alongside NREL to increase accessibility through offering leasing opportunities.

GLO Park should attract companies domestically and internationally to Colorado interested in leasing this strategic space at the new facility, in addition to creating significant advanced industry job opportunities, sparking both innovation and the commercialization of truly groundbreaking technologies.

The Jefferson County EDC estimates that the new facility should create approximately 1,600 new jobs based on the square footage and the mix of both lab and office spaces. Data on energy related job wages suggests that an expected annual average wage could be \$111,923. These new jobs are estimated to put over \$8 million annually into the State budget alone and over \$13 million collectively to all state/local governments. This does not take into account the additional companies and construction impact.

OEDIT staff is recommending earmarking a \$1,200,000 grant award, to be available for use for three years, that is reallocated from the previously awarded Build Back Better project in the Strategic Fund’s CRPS one-time cash infusion to the Strategic Fund. OEDIT would contract with either the Colorado Department of Personnel and Administration (DPA), and the funds would be reimbursed upon proof that the required expenditures on the equipment had been made into their Unused Property Fund (UPF) or the NREL Foundation (whichever makes more sense upon further staff evaluation). The funds would only become available after the contracted entity demonstrated it had achieved a cash match of at least \$1,400,000 and after it was demonstrated that the Global Park facility had closed on its full construction financing and had started the construction process. OEDIT will have the authority to cancel this award after three years from the date of this approval if any of the following condition are not met: the full match has not been secured, construction has not started on the Glopark or there is not an entity that is willing to administer these funds for the use which they are intended for.

Funds may only be used for the following equipment purchases:

- Display panels, interface, audio/video controls
- Projectors, whole room tracking, projection surfaces, and graphics computing equipment
- 80kW Hydrogen fuel cell, 30kw backup system, 20’ PODS of up to 1,000 kg of H2 at 700 BAR
- Ancillary materials or services to procure and install the equipment

Any changes due to technology advancements must be brought back to the EDC for re-approval.

REPORTING: The GLO Park executive committee or their representative will report back to the EDC at least annually on the progress of this project (equipment purchase), progress of the entire GLO Park project, matching funds raised, and the status/balance of the EDC CRPS Strategic Fund grant.

The report on the entire GLO Park project will include an update on progress, such as the Status of construction, securing of the leases, and qualitative description of the benefits that the State is receiving (job creation, companies coming to Colorado, etc.).

After discussion, Schiff requested the proposed motion be modified to include reporting on how the GLO Park is engaging with and benefitting rural Colorado communities. Additionally adding direct indirect, and induced job reporting.

M/S/P – Ogas, Franz – GLO Park modified motion approved as discussed by the Commission.

**State and Local Fiscal Recovery Funds (SLFRF): Pat Meyers, Hana Sayeed, Sean Gould**

Meyers, Sayeed, and Gould presented the SLFRF changes. Authorized by Senate Bill 21-291, \$40M from the Federal American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds (SLFRF) was placed into the Strategic Fund to aid the state’s economic recovery from the pandemic, with \$10M earmarked for rural counties. Since receiving the funding, OEDIT has been in the process of developing and implementing programs to distribute the funding to Colorado’s businesses for economic recovery.

Each program receiving funding approved by the EDC is required to complete quarterly and annual reporting to the EDC. In November 2022, OEDIT staff recommended the reporting parameters to the EDC.

TABLE 1: REPORTING GUIDELINES

Report Type	Description
Quarterly Reports	Include data from the monthly OSPB financial reports in the appendix of the EDC Board Book. Also provide pertinent metrics per program from the OEDIT Stimulus Metric Tracking sheet.

Annual Reports	Annual, in-person updates from each OEDIT department on a rolling basis. Schedule to be developed by BF&I Program Manager.
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Upon further review, OEDIT staff noticed small nuances while comparing the OSPB financial reports for the U.S. Treasury and the monthly EDC Strategic Fund update and although both are accurate, these slight differences in definitions and reporting dates may not provide a clear update if we provided them to you in the board book alone. For example, OEDIT in many cases considers EDC funds “encumbered” upon EDC approval (to ensure that the available balance is clear). Whereas the US Treasury generally considers funds to be “encumbered” upon contract execution (which could occur months after EDC approval).

Today, OEDIT staff is suggesting that instead of moving forward with the quarterly guidelines as outlined in Table 1, that we continue to provide the Strategic Fund budget update (by Sean Gould) and invite the OEDIT Recovery Office to provide a guided and curated presentation twice per year to complement these monthly reports.

The Office of Recovery is a work unit, operating across OEDIT and the Governor’s Office that supports economic recovery in the State of Colorado through the planning, development, rollout, and monitoring of American Recovery Plan Act, CARES Act, State Stimulus, and Infrastructure Investment and Jobs Act funding by creating, implementing, and coordinating departmental spending plans across the state system to ensure the advancement of key priorities for the state of Colorado and incorporate equity throughout the recovery process. The Office of Recovery has been working closely with KPMG to ensure fiscal and regulatory compliance. Along with hiring an OEDIT Stimulus Compliance Manager, OEDIT has a robust team working diligently to administer, monitor, and guide the use of these funds. In sum, the OEDIT Recovery Office has a state-wide lens on all recovery programs, tracking data and progress on all ARPA funding.

Annual reporting is moving forward as approved in November, with in-person updates from each OEDIT department occurring on a rolling basis (no changes). The following schedule includes the dates of anticipated in-person reporting to the EDC. Reporting may be subject to change depending on when contracts are executed.

The EDC thanked the team for the update of reporting changes and requested staff bring any interim necessary updates to the EDC as needed.

**Opportunity Zone Report (OZ): Jack Tiebout**

Tiebout presented the OZ Report providing the board with a report that included information on the impact of the program and the lessons learned.

Approximately \$360,000 remains in the OZ budget. Staff is requesting to transfer \$100,000 of the \$360,000 to the Rural Opportunity Office for their project-based technical support grants and video spotlight grants. Staff will work on developing a proposal for the remaining \$260,000 and will bring that request to the EDC for review at a future meeting.

M/S/P – Dragoo, Sparrn – OZ Budget request approved as presented and recommended by staff.

**E. Colorado Office of Film, Television, and Media (COFTM): Arielle Brachfeld, Donald Zuckerman  
COFTM Budget Update**

Brachfeld provided a budget update that shows \$54,563 in available funds if today’s projects are approved.

## **Project Orange**

Ogas said, 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 Project Orange, which are required to be kept confidential by Colorado Revised Statutes Section 24-72-204(3)(a)(IV). Sparn seconded the motion. Motion passed unanimously.

The EDC is now in Executive Session.

After discussing Project Orange, Schiff entertained a motion to exit Executive Session.

Franz moved to exit Executive Session. Sparn seconded the motion. Motion passed unanimously.

The EDC is now in Open Session.

Brachfeld presented the Project Orange. Project Orange is a multi-part documentary series. Production is slated to begin in July of 2023 and finish in January of 2024. Due to the nature of the company and project, further identification would jeopardize the company and projects confidentiality.

Per the applicant's estimations, the Office of Film, Television & Media is anticipating a total of \$4,997,495 in qualified local expenditures and with the multiplier effect, the economic impact could reach up to \$8,986,745.38.

The project has a total preliminary Colorado budget of \$4,997,495:

- Payroll spend: \$3,013,157
- Vendor spend: \$1,984,338
- CO Crew hires: 16
- CO Cast hires: 1
- Total CO hires: 17, which equals 53% of the total crew hired for this project

The estimated qualified local expenditures of the application would result in a rebate of \$500,000 which is a 9.99% rebate.

Staff recommends approval of this project with the noted project conditions.

M/S/P – Franz, Sparn – Project Orange was approved as presented and recommended by staff.

## **Ghosts of the Railroad**

Brachfeld presented Ghosts of the Railroad. Vzion Entertainment, Inc is a Colorado based company that will be producing Ghosts of the Railroad. Ghosts of the Railroad is a paranormal thriller. Jade, a beautiful and recently divorced Asian Caucasian woman, takes her psychoanalyst's advice to spend a solitary week at the family's mountain estate with the hope of overcoming her disturbing sleep disorder. She tries her best to fight her fears, but episodes of sleep paralysis become more disturbing with revelations of a demonic presence that ostensibly tries to harm her. Vivid dreams take her back to the late 1800s, a brutal time for Asian railroad workers dealing with harsh working conditions and subject to abject racism, events that once took place at her family's estate. Thus begins a disturbing journey for answers as she digs into the history of her ancestors. Filming will take place in Woodland Park, Colorado. Production is slated to begin in August and wrap in September of 2023.

Per the applicant's estimations, the Office of Film, Television & Media is anticipating a total of \$878,496 in qualified local expenditures and with the multiplier effect, the economic impact could reach up to \$1,579,755.

The project has a total preliminary Colorado budget of \$878,496:

- Payroll spend: \$506,827
- Vendor spend: \$371,669
- CO Crew hires: 23
- CO Cast hires: 6
- Total CO hires: 29, which equals 70% of the total crew hired for this project

The estimated qualified local expenditures of the application would result in a rebate of \$100,000 which is a 11% rebate.

Staff recommends approval of this project with the noted project conditions.

M/S/P – Spurn, Franz – Ghosts of the Railroad was approved as presented and recommended by staff.

### **Untitled Rebuilding Project**

Brachfeld presented the Untitled Rebuilding Project. Crowded Table LLC is a Colorado based company created for the purpose of filming Untitled Rebuilding Project. Untitled Rebuilding Project is a feature length narrative drama film. It tells the story of a cowboy who loses the old family ranch to a wildfire and must rediscover a relationship to the land, his legacy, and the community around him. It asks questions about home, and family, and the things that make us who we are. It also revolves around the theme of how communities respond to climate change and is a search for hope and beauty in the difficult choices they face. The project will be shot over six weeks in the San Luis Valley using real locations and landscapes.

Per the applicant's estimations, the Office of Film, Television & Media is anticipating a total of \$3,008,380 in qualified local expenditures and with the multiplier effect, the economic impact could reach up to \$5,409,819.

The project has a total preliminary Colorado budget of \$3,008,380:

- Payroll spend: \$1,295,490
- Vendor spend: \$1,712,890
- CO Crew hires: 40
- CO Cast hires: 40
- Total CO hires: 80, which equals 64% of the total crew hired for this project

The estimated qualified local expenditures of the application would result in a rebate of \$600,000 which is a 19.9% rebate.

Staff recommends approval of this project with the noted project conditions.

M/S/P – Franz, Young – Untitled Rebuilding Project was approved as presented and recommended by staff.

### **Project Iris**

Brachfeld presented the Project Iris. Serenity Forge, a Colorado limited liability company, is a video game development studio and publisher founded by Zhenghua Yang in Boulder, CO in 2014, and was further



developed while he attended CU Boulder. Project Iris is a story-driven first-person mystery game with compelling, nuanced characters and clever, tactile gameplay. It is built upon an innovative non-linear narrative system and grounded with unexpected dramatic depth. Project Iris has secured a third-party partnership with one of the largest video game companies in the world, who will be providing not only funding for the project but an additional commitment of significant marketing support through their sizable international audience. Through this partnership, the full project will receive external funding of \$3,000,000 for development through Q3 2024. They are targeting a release date in late 2024 on PC and console, with additional platforms and content in 2025, all developed and published by Serenity Forge.

Per the applicant’s estimations, the Office of Film, Television & Media is anticipating a total of \$1,311,381 in qualified local expenditures and with the multiplier effect, the economic impact could reach up to \$2,358,208.

The project has a total preliminary Colorado budget of \$1,311,381:

- Payroll spend: \$1,170,941
- Vendor spend: \$140,450
- CO Crew hires: 11
- CO Cast hires: 0
- Total CO hires: 11, which equals 58% of the total crew hired for this project

The estimated qualified local expenditures of the application would result in a rebate of \$129,945.00 which is a 9.9% rebate.

Staff recommends approval of this project with the noted project conditions.

M/S/P – Spurn, Stapleton – Project Iris was approved as presented and recommended by staff.

**F. Enterprise Zone (EZ): Che Sheehan Contribution Project Proposals**

Sheehan presented the following EZ Contribution Project Proposals for approval.

EZ	Project Name	Type	Category	Completion Date	Budget	1 yr. Proj. Credits
REG 10	Montrose Veterans Memorial Coalition Plaza	Capital Campaign	Tourist Attraction	12/31/2028	\$750,000	\$27,500
REG 10	Upper Uncompahgre River Watershed Infrastructure	Capital Campaign	Infrastructure	12/31/2028	\$283,000	\$3,750
REG 10	Cedaredge Applefest	Operations	Business Assistance	12/31/2028	\$64,560	\$6,875
NW	Main Street Steamboat Downtown Connections	Operations	Business Assistance	12/31/2028	\$600,000	\$13,750
NW	Tread of Pioneers	Operations	Vistor Event/Attraction	12/31/2028	\$450,000	\$8,000
DEN	Denver Health Foundation WFDC	Operations	Job Training	12/31/2028	\$2,082,263	\$281,250
DEN	Habitat for Humanity of Metro Denver	Capital Campaign	Workforce Housing	12/31/2028	\$17,000,000	\$428,125
ADAMS	Food Bank of the Rockies	Capital Campaign	Community Facility	12/31/2028	\$60,000,000	\$750,000
TOTAL					\$81,229,823	\$1,519,250

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

**G. Rural Jump-Start (RJS): Morgan Vankat Sponsoring Entity Application: Yuma County EDC**

Vankat presented the sponsoring application. 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 Yuma County Economic Development Corporation as a Sponsoring Entity in the Rural Jump Start program.

M/S/P – Young, Dragoo - Yuma County Sponsoring Entity application approved as presented and recommended by staff.

#### **Application to Form a Zone in Yuma County**

Vankat presented the Application to Form a Zone in Yuma County. Yuma County has passed a resolution to become a Rural Jump-Start Zone. The application is sponsored by the Yuma County Economic Development Corporation and does not include a pipeline of potential companies. There are no municipalities being presented with Yuma County's application at this time.

Staff requests a Motion to approve the application for Yuma County to become a Rural Jump-Start Zone.

#### **Application to Form a Zone in Kit Carson County**

Vankat presented the Application to Form a Zone in Kit Carson County. Kit Carson County has passed a resolution to become a Rural Jump-Start Zone. The application is sponsored by Morgan Community College and does not include a pipeline of potential companies. There are no municipalities being presented with Kit Carson County's application at this time.

Staff requests a Motion to approve the application for Kit Carson County to become a Rural Jump-Start Zone.

#### **Application to Form a Zone in Conejos County**

Vankat presented the Application to Form a Zone in Conejos County. Conejos County has passed a resolution to become a Rural Jump-Start Zone. The application is sponsored by the San Luis Valley Development Resources Group and does not include a pipeline of potential companies. There are no municipalities being presented with Conejos County's application at this time.

Staff requests a Motion to approve the application for Conejos County to become a Rural Jump-Start Zone.

M/S/P – Tafoya, Sparr – Yuma, Kit Carson, Conejos, and Morgan County's zone formation approved as presented and recommended by staff.

#### **Municipalities to Join Morgan County Zone**

Vankat presented the Municipalities requesting to join the Morgan County Zone. The Cities of Brush and Wiggins have passed resolutions to join the Morgan County Rural Jump-Start Zone. The municipalities are sponsored by the Morgan County EDC and do not include a pipeline of potential companies.

Staff requests a motion to approve the requests for the Cities of Brush and Wiggins to join the Morgan County Rural Jump-Start Zone.

M/S/P – Tafoya, Sparn – Cities of Brush and Wiggins to join the Morgan County Rural Jump-Start Zone approved as presented and recommended by staff.

### **Annual Reports**

Vankat said, we just wrapped up our annual reporting and at this time, we have only one annual report missing for 2022. Per the program manual we provided the annual report to businesses on January 31<sup>st</sup> with a due date of February 28<sup>th</sup>, with multiple notifications in between that time. Business that failed to file the report on time have already received notice of the 60-day grace period. After the 60-day grace period, businesses will receive a final 30-day notice of removal from the program if they fail to submit the report.

### **RJS Suspension Exceptions**

Vankat presented the following for companies for a suspension exception. Using the strategies from the program manual, OEDIT has determined that four of the six companies qualify for an exception: Cold Case Gear, Inc., Sasquatch Campers, LLC, Town Hall Public Benefit Corporation, and Valkyrie Recovery Systems.

Staff requests a motion to exempt these four companies for suspension.

M/S/P – Seaton, Franz – Cold Case Gear, Inc., Sasquatch Campers, LLC, Town Hall Public Benefit Corporation, and Valkyrie Recovery Systems Suspension Exception approved as presented and recommended by staff.

### **RJS Suspension**

Vankat said SCORD, LLC completed the Annual Report, but was unable to hire its first New Hire this year due to delays in essential business projects. At this time, the business will be suspended from receiving benefits unless it can prove that SCORD, LLC will be able to meet the requirements of Rural Jump-Start in the future.

There is currently no action needed from the EDC on this one. We are also currently analyzing some information for Geiger Technology Systems. They did turn in the annual report on time, but we have received some additional data we want to analyze before bringing it to the EDC.

### **RJS Removals**

Vankat said Scenic Express, Inc. and Certek Heat Machine, USA have requested to be removed from the Rural Jump-Start program after receiving numerous requests to turn in the Annual Report. Scenic Express, Inc. and Certek Heat Machine, USA have not received any Rural Jump-Start grant funds.

Staff requests a motion to remove Scenic Express, Inc. and Certek Heat Machine, USA from the RJS program.

M/S/P - Tafoya, Young – Scenic Express, Inc. and Certek Heat Machine, USA removal from the RJS program approved as presented and recommended by staff.

### **RJS New Hire Re-allocations**

Vankat said two companies, Jabil, Inc. and Kaart Group, LLC, have more employees qualifying for New Hire benefits than allocated by the EDC. Jabil, Inc. received a re-allocation approval to 57 New Hires and Kaart Group, LLC to 10 New Hires in 2022.

Jabil, Inc. is requesting a re-allocation to 67 New Hires and Kaart Group, LLC to 14 New Hires. Including the proposed increase, Mesa County’s New Hire allocation total will be 263 New Hires. Mesa County has a maximum New Hire allocation of 300.

Staff requests a motion to approve New Hire re-allocations to 67 New Hires for Jabil, Inc. and 14 New Hires for Kaart Group, LLC.

M/S/P – Seaton, Dragoo - New Hire re-allocations to 67 New Hires for Jabil, Inc. and 14 New Hires for Kaart Group, LLC approved as presented and recommended by staff.

**Tax Certificate and Grant Distributions**

Vankat presented the following eligible companies for approval of the Tax Certificate and Grant distributions (noting SCORD, LLC below should be highlighted in grey):

	Per NH Grant Amount	# of Qualified NH	TOTAL NH GRANT BENEFITS PER COMPANY IN 2022
Alpenglow Beverage, LLC	\$5,000.00	0	\$0.00
Automated Widget Systems, LLC	\$2,500.00	0	\$0.00
Gate 6 Enterprises, LLC dba Bar-U-Eat	\$5,000.00	3	\$15,000.00
Certek Heat Machine USA, LLC*	\$2,500.00	0	\$0.00
Cold Case Gear, Inc.	\$2,500.00	0	\$0.00
Colorado Herbs, LLC*	\$2,500.00	0	\$0.00
Colorado Stone Quarries, Inc.*	\$2,500.00	13	\$32,500.00
Brightly Software, Inc.*	\$2,500.00	0	\$0.00
Epiveris, LLC	\$5,000.00	0	\$0.00
FHE USA, LLC*	\$2,500.00	1	\$2,500.00
Geyser Technologies*	\$2,500.00	0	\$0.00
Jabil, Inc.*	\$2,500.00	9	\$22,500.00
Kaart Group, LLC*	\$2,500.00	2	\$5,000.00
Lyttle's Fleet Maintenance, Inc.	\$2,500.00	1	\$2,500.00
Panadero Ski Corporation	\$2,500.00	0	\$0.00
Phoenix Haus*	\$2,500.00	2	\$5,000.00
ProStar Geocorp, Inc.*	\$2,500.00	1	\$2,500.00
Road Warrior Driver Training, LLC (Gerald A. Whipple II)	\$2,500.00	0	\$0.00
Sasquatch Campers, LLC	\$2,500.00	0	\$0.00
Scenic Express, Inc.	\$2,500.00	0	\$0.00
SCORD LLC	\$2,500.00	0	\$0.00
Sky Peak Technologies	\$2,500.00	1	\$2,500.00
Spring Born, Inc.	\$2,500.00	10	\$25,000.00
Town Hall Public Benefit Corp.	\$5,000.00	0	\$0.00
Valkyrie Recovery Systems	\$2,500.00	0	\$0.00
<b>TOTALS</b>		<b>43</b>	<b>\$115,000.00</b>
* Indicates Legacy Businesses who joined the program before Has not turned in Annual Report			

M/S/P – Sparr, Franz – Tax Certificates and Grant Distributions approved as presented and recommend by staff.

Vankat said staff will be holding the first annual RJS meeting in April with our sponsoring entities and stakeholders. We had 10 new zones this past year and we thought now would be a good time to bring everyone together to share ideas, brainstorm strategies and combined promotions and collaborations.

**H. Regional Tourism Act (RTA): Che Sheehan  
RTA Program Update**

Sheehan provided the RYG update.

**I. Advanced Industries (AI): Rama Haris  
FY23 CU Denver POC Allocation Projects**

Haris presented the 8 FY23 CU Denver POC Allocation Projects totaling \$923,524 for final approval.

M/S/P – Franz, Sparn – All 8 FY23 CU Denver POC Allocation Projects approved as presented and recommended by staff.

**AI Budget**

Haris provided the AI budget which shows \$21,364,960 total funds remaining.

**J. Other**

**Next EDC Meeting**

The next EDC meeting will be April 20, 2023.

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