

ECONOMIC DEVELOPMENT COMMISSION

MEETING MINUTES

May 18, 2023

8:30 a.m. – 11:40 a.m.

MEETING DATE

May 18, 2023

1601 Riverfront Dr. #202

Grand Junction, CO 81501

MEETING PARTICIPANTS

A. Commission Members

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

B. Guests

Thaddeus Shrader, Curtis Englehart, Aldo Svaldi, Alliyah Garcia, Annette Ostrander-Fenske, Chris Jerard, Jon Dorn, Kristin Clifford-Basil, Lucas High, Michael Blecha, Nick Farber, Analisa Romano, Trish Thibodo, Patrick McGlew, Mistalynn Meyeraan, Fiachra Stokes, Toni Barrett, Sarah Stoeber, and Donna Sue Torres.

C. Staff

Eve Lieberman, Jeff Kraft, Sean Gould, Morgan Vankat, Sonya Guram, Keri Ungemah, Ashley Mount, Alissa Johnson, Carly Clagget, Mike Landes, Elise Hamman, Samantha Albert, Kat Papenbrock, Tad Johnson, Dana Bakshani, Nikki Maloney, Andres Giraldo, Anna Regan, Arielle Brachfeld, Caitlyn Roth, Che Sheehan, Christy Costello, Donald Zuckerman, Kacie Adair, Leah Bean, Rama Haris, Leslie Hylton-Hinga, Makayla O'Malley, One Luv Hull, Sophia Gonzalez-Mayagoitia, and Virginia Davis.

DECISION/ACTION ITEMS

1. The Economic Development Commission approved the Minutes from the April 20, 2023, EDC Meeting.

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

AI: FY23-2 ESCR and POC Awards, and FY22 CSM POC Allocation Awards.

SF: ORec Outdoor Festival Concept Event Request Samantha Albert, Apex (PTAC) Restructured Funding Request, and Burnham Yard Loan 2-Year Extension Request.

EZ: Steamboat Creates, Southeast Creative Partnership Plaza Block Building, and Region 9 ED District - Broadband Project.

RJS: Approval for Municipality to Join Morgan County Zone, San Luis Valley Hospitality, and Anywhere Cam, LLC.

Meeting Called to Order

Schiff called the meeting to order.

Welcome To Las Colonias

Shrader welcomed the group to Las Colonias Park and provided a history and background of the park and the work that has been done.

Seaton and Englehart provided the Grand Junction overview and perspective.

A. Minutes

Schiff called for a motion to approve the minutes from the April 20th, 2023, EDC Meeting.

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

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

B. Advanced Industries (AI): Rama Haris

FY23-2 ESCR and POC Awards

Haris presented the FY23-2 ESCR and POC Awards totaling \$9,978,669 for final approval.

M/S/P – Franz, Ogas – All FY23-2 ESCR and POC Awards approved as presented and recommended by staff.

FY22 CSM POC Allocation Project

Haris presented the FY22 CSM POC Allocation Project totaling \$26,250 for final approval.

M/S/P – Dragoo, Stapleton – FY22 CSM POC Allocation Project approved as presented and recommended by staff.

AI Budget

Haris provided the AI budget which shows \$27,264,341 total funds remaining.

C. Chips and Science Act Update: Eve Lieberman

Lieberman provided the Chips and Science Act update. Staff will come back in June with a request.

D. Strategic Fund (SF):

EDC Budget Update

Gould provided the EDC Budget update which shows a Long Bill balance of \$5,817,380.

SF Balance Forecast

Gould presented the SF Balance Forecast that shows an approximate, current available balance of \$5,817,380 in annual Long Bill funds, \$4,168,000 in CHIPS Act funds, \$4,876,912 in Just Transition & EDO funds, and \$1,841,912 in RJS Grants.

ORec Outside Festival Funding Request: Samantha Albert

Albert presented the ORec Outside Festival concept funding request. The EDC previously supported the OR trade show when it relocated to Denver in 2018. In partnership with Visit Denver, funding supported annual shows until the trade show was canceled and then scaled back due to the pandemic. Due to unspent funds, and the trade show moving from Denver in 2022, there is a remaining \$440,000 encumbered to support an outdoor recreation industry event. We are seeking your approval for the spend down of this remaining funding.

Outside and OREC will partner with leading local brands, agencies, nonprofits, and community groups to bring consumers and companies from around the world to Colorado for a multiday gathering that expands to multiple cities.

Over 5 years, the festival has the potential to drive \$105M in tourism spending, create new jobs, and help the state attract and retain top talent and brands.

- **2023:** Convene core stakeholders in June for planning/steering session
- **2024:** Launch with 3 days of programming, leadership talks, and film/music
- **2025–2027:** Expand to satellite cities and grow Denver footprint to include tech, healthcare, travel, and finance pavilions

We will spur OREC growth by seeding satellite festivals in Pueblo, Grand Junction, Fort Collins, Durango, and Vail.

Proposed Budget:

	Partner	Cost	Details	Timing (from approval)
Phase 1 – Feasibility	OEDIT/EDC	\$50,000	Convene the June 2023 stakeholder meeting, retain an	2 months
	Outside	Outside expects to match 1:1 cash and in-kind resources	event execution agency, conduct feasibility research, and prepare a formal strategy and budget	
Phase 2 – Seed Funding	OEDIT/EDC	\$390,000	To support the strategy and	10 months
	Outside	Outside expects to match 1:1 in cash and in-kind resources.	implementation of the first festival in 2024.	
	Sponsors/Grants/Fees	\$40,000 - \$50,00		

Staff is requesting the EDC approve the following:

- An immediate \$50,000 distribution to Visit Denver, or other nonprofit partner, to work with Outside Inc. to convene a June 2023 stakeholder meeting, retain an event execution agency, conduct feasibility research, and prepare a formal strategy and budget. (Outside expects to match 1:1 in cash and in-kind resources.)
- Obligating the remaining \$390,000 to Visit Denver, or other nonprofit partner, to work with Outside Inc. to help support the summer 2024 launch of the festival. (Outside expects to match 1:1 in cash and in-kind resources.)

The Festival team will provide a full launch proposal in the fall of 2023, with biannual project status updates in January/July of the following years.

Schiff asked for clarification on the request. Are you asking to spend \$50,000 or is the request to unlock the full \$440,000 in bulk.

Kraft said ORec is in the ideation stage and is looking to spend the \$50,000 right away for the idea development process and keep the \$390,000 earmarked and not fully encumbered for approval. Staff will then come back to the EDC and report out on phase 1 of the idea development to determine is it feasible enough to move to the second stage. To make this project take off at full scale, we will need many more sponsorships, partners, and match for the \$390,000.

Albert said staff is also working with the procurement guidance. The \$50,000 allows us to stay within procurement guidelines allowing us to move quickly without needing to do a full solicitation.

Schiff said the motion here is to approve the immediate distribution of the \$50,000 to Visit Denver or other non-profit partner to work with Outside Inc. to convene a June 2023 stakeholder meeting, retain an event execution agency, conduct feasibility research, and prepare a formal strategy and budget. And a further resolution to earmark for later approval after receiving more information about the feasibility study and budget, the use of the remaining \$390,000. Do I have that motion.

Dragoo moved. Sparn seconded.

Tafoya said as it relates to the first and last dollar and ongoing money, what happens in the next tranche when we've already encumbered the money and it goes directly to the entity. Additionally, about the entity, I have some trepidation mostly because its not defined who that is. On the second phase, if we are not seeing support externally in those areas of satellite opportunities, as an idea is great, but how do we guarantee that's going to be an outcome. My last concern is, tradeshows versus festivals, it's important in terms of long-term policy outcome that we make the determination of what we are investing in as a festival and its components. This is a slippery slope in the sense that other entities will look to this body as a source of funding for festivals that occur across the state. How do we define that and how we view this as a true economic engine for the outdoor recreation industry from a true economic perspective, job creation, sales tax increases, etc.

To the motion on the table, which non-profit will it be, and can we limit it to the \$50,000 with the idea that we need to review whether it's feasible.

Schiff clarified that the proposed motion would only unlock the \$50,000 and when I say earmark, there is no guarantee the \$390,000 actually gets distributed. I would also like to further amend the motion to include that in order to come back for any further approval, the issues that Simon identified need to be addressed in any further request. It does leave the question open of the first \$50,000 and who your partner is. Would you speak to that.

Albert said the partner will be Visit Denver. The language in the proposal was used when we were having initial conversations with them trying to figure out if there was another non-profit who would be a better partner for this. Visit Denver has agreed. They are onboard and are willing to help with the technical and financial side of this and we will continue conversations with them.

Kraft addressed Simon's concerns about tradeshows versus festivals. Staff did think through and talked about this. As we build this festival, we want to make sure we are designing and reinforcing all those dimensions around the festival including aspects of a consumer trade show. You've heard a lot from Outside team and obviously from a media perspective they have rolled up so many other media companies, we are fortunate to have them here. There are a lot of spillover benefits because they do all this publishing and interactive media, video media, including collaborative relationships with our institutions of higher education. These are pieces of a multi-prong strategy to center the industry in Colorado. We do want to be convinced, before unlocking the vast part of the money, that we have built unique parameters so that we are not just doing any festival anywhere.

Albert said we are coming at this from a very diplomatic perspective. It was great to have OR here when we had it. Now we're moving on to the next big thing and we believe this is the next big, better, outdoor event. As we've heard from companies across Colorado and the U.S., the traditional tradeshow model is changing. Companies no longer want just a business-to-business experience. They want a business-to-consumer experience. They want the education. They want to mix with tech and health so there is a greater conversation. SXSW has grown and done amazing things for that region. We want to take that model and apply it here in Colorado and have it outdoor industry specific, while bringing other industries to the table to have those conversations because we all touch the outdoors in some way.

Young asked that the motion clarify that the partner is actually Visit Denver and the request for the remaining \$390,000 should include information about job creation for rural and disadvantaged communities and how those issues are being addressed.

Schiff requested the motion be amended to include the concerns from Simon and Carl.

Amended motion:

- Approve the immediate distribution of the \$50,000 to Visit Denver to work with Outside Inc. to convene a June 2023 stakeholder meeting, retain an event execution agency, conduct feasibility research, and prepare a formal strategy and budget.
- Approve a resolution to earmark the \$390,000 for later approval after receiving more information about the feasibility study and budget.
 - The proposal must clearly identify the projects economic outcomes, job creation for rural and disadvantaged communities and how that is being addressed.

M/S/P – Dragoo, Sparr – Motion for the ORec Outside Festival Funding Request approved as amended.

Apex (PTAC) Request: Patrick McGlew

McGlew presented the Apex request. The purpose of the APEX Accelerator (PTAC) is to provide consultation services to companies who aspire to enter or expand their business to government agencies. The Colorado PTAC links agency acquisition needs to interested and able companies and guides these emerging companies throughout the entire acquisition process.

The EDC previously approved the following expansion plan in 2021:

- \$60,000 per year for 5 years as state Investment
- Add additional staff to Grand Junction, Pueblo, Trinidad, and Durango. This will bring Grand Junction to 1 FTE, and establish new offices in Pueblo, Trinidad, and Durango.

Goal 1: Increase CO-PTAC presence outside the Front Range to meet the needs of rural and minority-owned businesses.

Goal 2: Support HUBZone business participation at the Federal level.

Goal 3: Increase contract awards by approximately \$10M per added location (Durango, Trinidad, Pueblo) within 3 years.

Staff proposing the following revised expansion plan with the subsequent goals:

Plan

- \$60,000 per year for 5 years as state Investment.
- Make best efforts to hire additional qualified staff at Grand Junction & Pueblo.
- Increased Rural Colorado Outreach in-person and virtual.

Goals

- Goal 1: Increase CO-PTAC presence outside more of the Front Range to meet the needs of rural and minority-owned businesses.
- Goal 2: Support HUBZone business participation at the Federal level.
- Goal 3: Increase contract awards by approximately \$10M in rural Colorado within 3 years.
- Goal 4: Increase rural new client intakes by 10% annually.
- Goal 5: Increase frequency of rural RFP submissions.

Measure

- Measure: Monitor federal awards in rural communities to gauge impact/adjust.

The modified expansion plan is superior, more cost effective, and will have better participation metrics.

Staff requests approval of the modified expansion plan as presented.

Schiff wants to clarify the request to make sure we are all on the same page. In 2021 we approved a total grant of \$300,000 to be used as \$60,000 a year over a five-year period. We had an MOU in place but never contracted and none of the funds have been spent. What you're asking to do now is restart the clock today for the full five years for the full \$300,000, \$60,000 a year with the modifications to the original plan as outlined.

McGlew confirmed that is correct.

Schiff called for a motion to restart the clock on this previously approved grant with the modifications as outlined.

M/S/P – Dragoo, Seaton – Apex (PTAC) modified expansion plan approved as presented and recommended by staff.

CDOT Burnham Yard Loan 2-year Extension: Jeff Kraft, Nick Farber

At the 4/15/2021 EDC meeting, the commission approved a one-year interest free loan to CDOT in order for the agency to acquire the Burnham Yard property from Union Pacific Railroad (UPRR), with the option to extend the loan by one year under new terms and conditions. Per the Interagency Agreement between OEDIT and CDOT, the one-year term was to start on the date the funds were transferred to the CDOT which was 6/21/21, making the payment of the funds due on 6/21/22. On April 22, 2022, the EDC approved a one-year loan extension making the due date 6/21/23.

The EDC used “standard” Long Bill Strategic Fund dollars that were designated as the “Strategic Reserve”. The reserve at the time the loan was made, was \$9.5M. Strategic Reserve funds were set aside by the commission to be used for critical projects to the state of Colorado. After EDC approval of this loan to CDOT for the purchase of the Burnham Yard property, the Strategic Reserve fund balance was \$2M for the remainder of fiscal year 2021. When the EDC was appropriated in the Long Bill, by the general assembly, \$5M was transferred to the EDC on 7/1/2021 for the state fiscal year 2022. The EDC then allocated those funds to replenishing the Strategic Reserve, which now stands at a \$9M balance. This loan extension request does not draw additional dollars from the EDC’s Strategic Fund.

Staff is requesting to extend the \$7,500,000 loan with CDOT an additional two-years, interest free. The loan will now be due on 6/21/25. The terms of the interagency agreement does allow the EDC loan to be converted to a quasi “equity” position on the property should CDOT not be able to repay the loan within the specified term. CDOT and OEDIT anticipate that this “equity” conversion may be exercised in prior to the due date in 2025.

M/S/P – Franz, Stapleton – Burnham Yard Loan extension 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
NW	Steamboat Creates	Operations	Business Assistance	12/31/2028	\$458,000	\$20,625
SE	Southeast Creative Partnership Plaza Block Building	Capital Campaign	Community Facility	12/31/2028	\$100,000	\$16,250
REG9	Region 9 ED District - Broadband Project	Capital Campaign	Infrastructure	12/31/2028	\$16,000,000	\$62,500
TOTAL					\$16,558,000	\$99,375

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

F. Rural Jump-Start (RJS): Morgan Vankat

Municipality to Join Morgan County Zone

Vankat presented the City of Fort Morgan request. The City of Fort Morgan has passed a resolution to join the Morgan County Rural Jump-Start Zone. The municipality is sponsored by Morgan Economic Development Corporation and has one company in the pipeline for discussion in the May 2023 EDC meeting.

Staff requests a Motion to approve the request for the City of Fort Morgan to join the Morgan County RJS.

M/S/P – Seaton, Dragoo - Request for the City of Fort Morgan to join the Morgan County RJS approved as presented and recommended by staff.

San Luis Valley Outdoor Hospitality (SLVOH) Business Application

Vankat presented the SLVOH request. San Luis Valley Outdoor Hospitality (SLVOH) is an outdoor hospitality business providing services throughout the San Luis Valley and is located in Alamosa County.

The owners of SLVOH initially started a glampground in Alamosa County and quickly realized that finding staffing support for outdoor resorts and campgrounds in the area was difficult. After completing research in the San Luis Valley, the owners found that they were not alone in this struggle and decided to start SLVOH. SLVOH provides outdoor hospitality services such as front desk services, on-call overnight guest management, transportation to tourist attractions, and grounds maintenance to local outdoor resorts, campgrounds, RV parks and glampgrounds.

After completing the competitive analysis, OEDIT has determined that SLVOH will not compete with existing businesses in the area and will provide critical new services for the growing tourism industry in the Valley. The business plans to hire seven employees in the next four years to perform the various services that SLVOH will provide to local outdoor hospitality businesses in the San Luis Valley. SLVOH is sponsored into the program by the San Luis Valley Development Resources Group and will be the first Rural Jump-Start business in Alamosa County, if approved.

Overview of Eligibility Criteria:

Metric	OEDIT Opinion
Operation Clause	Pass on this metric. At the time of application SLVOH was not operating in Colorado as defined by the RJS program.
Not Moving Jobs	Pass on this metric. SLVOH is not moving jobs within Colorado.
Hires at least 5 New Hires	Pass on this metric. SLVOH expects to hire 7 New Hires.
Competition Clause	Pass on this metric. OEDIT has not identified a Colorado company that directly competes with SLVOH in an adjacent economically distressed county.
Adds to Economic Base and Exports Outside the County	Pass on this metric. SLVOH would add to the economic base and export outside of Alamosa County.
Endorsed by Sponsoring Entity	Pass on this metric. SLVOH is endorsed by the San Luis Valley Development Resources Group, who has submitted a signed letter of support.

OEDIT has concluded that SLVOH passes all metrics for participation in the Rural Jump-Start program, and therefore recommends approving it for acceptance with seven New Hires.

SLVOH will qualify for \$30,000 in grant funding: \$20,000 for new operations and \$10,000 for 4 New Hires in 2023/2024. To qualify to be a New Hire in Alamosa County, the employee will make at least \$44,733 annually, based on 2023 Average Annual Wage calculations.

Staff requests a motion to approve SLVOH for participation in the Rural Jump-Start program with seven New Hires and \$30,000 in grant funding.

M/S/P – Sparn, Young – SLVOH request approved as presented and recommended by staff.

Anywhere Cam, LLC Business Application

Vankat presented the Anywhere Cam, LLC business application. Anywhere Cam, LLC provides surveillance camera footage, cloud storage, and a mobile application using cellular service and is located in Morgan County.

The owner currently owns an entertainment technology company, renting out speakers and equipment necessary for concerts and other live events. During COVID-19, the owner increased his capacity to audio/visual production to help livestream events. This growth prompted him to look into other types of technology, leading him to the surveillance industry.

Located in Fort Morgan, the owner saw a huge need for surveillance services that did not rely on high-speed internet. In many rural communities, high speed internet is unavailable, leaving farmers, ranchers, and businesses without a way to monitor the security of their building, equipment, animals, and more.

Using this background knowledge, the owner spent two and a half years developing the product and technology for Anywhere Cam, LLC, a surveillance system relying on cellular service. In addition to finding success among family and friends who tested the service, Anywhere Cam, LLC piloted the surveillance system with Viaero Wireless, who recently placed its third purchase order in for additional cameras.

The business has already sold over 200 cameras and has installed close to 150 with a success rate of over 95%. In March 2023, the business launched an e-commerce website, launched a regional advertisement campaign, and began selling to the public. Anywhere Cam, LLC’s biggest customers are farmers, ranchers, outdoor leisure enthusiasts (hunting and fishing, primarily), rural business/residences, and existing relationships through the partnership with Viaero Wireless, both in Colorado and in other surrounding rural states. There are no competitors within the state. Outside of Colorado, RioLink, Arlo, Vosker, CamPark, and Eufy all provide products for remote location surveillance, but many are foreign-based products that do not offer quality post-purchase services or support.

Anywhere Cam, LLC is currently operating a space out of Fort Morgan, and hopes to build/or expand into a new building upon growth of the company. In the next four years, Anywhere Cam, LLC plans to hire 34 New Hires, consisting mainly of customer support representatives and technicians to install the product. The business is sponsored into the program by the Morgan County Economic Development Corporation and will be the first Rural Jump-Start business in Morgan County, if approved.

Overview of Eligibility Criteria:

Metric	OEDIT Opinion
Operation Clause	Pass on this metric. At the time of application Anywhere Cam, LLC was not operating in Colorado as defined by the RJS program.
Not Moving Jobs	Pass on this metric. Anywhere Cam, LLC. is not moving jobs within Colorado.
Hires at least 5 New Hires	Pass on this metric. Anywhere Cam, LLC expects to hire 34 New Hires.

Competition Clause	Pass on this metric. OEDIT has not identified a Colorado company that directly competes with Anywhere Cam, LLC in an adjacent economically distressed county.
Adds to Economic Base and Exports Outside the County	Pass on this metric. Anywhere Cam, LLC would add to the economic base and export outside of Morgan County.
Endorsed by Sponsoring Entity	Pass on this metric. Anywhere Cam, LLC is endorsed by Morgan County Economic Development Corporation, who has submitted a signed letter of support.

OEDIT has concluded that Anywhere Cam, LLC passes all metrics for participation in the Rural Jump-Start program, and therefore recommends approving it for acceptance with 34 New Hires.

Anywhere Cam, LLC will qualify for \$60,000 in grant funding: \$40,000 for new operations and \$20,000 for four New Hires in 2023/2024. To qualify to be a New Hire in Mesa County, the employee will make at least \$51,831 annually, based on 2023 Average Annual Wage calculations.

Staff requests a motion to approve Anywhere Cam, LLC for participation in the Rural Jump-Start program with 34 New Hires and \$60,000 in grant funding.

M/S/P – Dragoo, Ogas – Anywhere Cam, LLC approved as presented and recommended by staff.

G. Other

RTA Program Update

Sheehan said we will have 3 semiannual project presentations at the June meeting.

Next EDC Meeting

The next EDC meeting will be June 15, 2023.

With all items discussed, the meeting was adjourned.