

**ECONOMIC DEVELOPMENT COMMISSION
MEETING MINUTES**

October 19, 2023
8:30 a.m. – 10:00 a.m.

MEETING DATE

October 19, 2023
1600 Broadway, Suite 2500
Denver, CO 80202

MEETING PARTICIPANTS

A. Commission Members

Chris Schiff, Jay Seaton, Ester Lee Leach, Carl Young, Walker Stapleton, Chris Franz, Andrew Sparn, David Dragoo, Jesse Ogas, and Steven Paletz.

B. Guests

Simon Tafoya, Curtis Englehart, Steve Jozefczyk, Aldo Svaldi, Jeff Shaw, Judith Kohler, Jessica Gibbs, Morgan Alu, Ed Sealover, and Analisa Romano.

C. Staff

Jeff Kraft, Sean Gould, Michelle Hadwiger, Mogan Vankat, Che Sheehan, Kat Papenbrock, Keri Ungemah, Alissa Johson, Leslie Hylton-Hinga, Carly Claggett, Elise Hamman, Samantha Albert, and Virginia Davis.

DECISION/ACTION ITEMS

1. The Economic Development Commission approved the Minutes from the September 21st, 2023, EDC Meetings.
2. The Economic Development Commission approved the following projects/items:

TCP: Project Danish, and SBDC/CTO Repurpose of funds.

EZ: Community Ag Alliance, Mind Springs Glenwood Springs, Downtown Partnership of Colorado Springs, Greccio Housing, SOAR Foundation: Aviation Center for Excellence, San Luis Valley Health Foundation, San Luis Valley Local Foods Coalition, Rio Grande Hospital, Craig Hospital Foundation, The Pagosa Spring Medical Center Foundation II, San Juan Development Association, Durango Arts Center, Axis Health Systems, and Greeley Creative District.

RJS: Skyhook Solar Corporation.

Meeting Called to Order

Schiff called the meeting to order.

A. Minutes

Schiff called for a motion to approve the minutes from the September 21st, 2023, EDC Meeting.

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

B. Strategic Fund (SF):

EDC Budget Update

Gould provided the EDC Budget update which shows a Long Bill balance of \$5,390,516.

SF Balance Forecast

Gould presented the SF Balance Forecast that shows an approximate, total current available balance of \$16,635,724 in annual Long Bill, CRPS, CHIPS Act, Just Transition & EDO, and RJS Grants funds.

Strategic Fund Red Yellow Green Report

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

Project Danish

Hadwiger presented Project Danish. The company behind Project Danish is a world leading supplier of wind turbine blades. The company offers blade development, manufacturing, service, and logistics. The company's global manufacturing footprint includes production facilities in or close to the major wind energy markets, with over ten production facilities and several technology hubs on four continents.

The company behind Project Danish plans to deploy a two-mold blade manufacturing facility to be maintained in operation for at least 20 years. The company plans to prepare the land and build a warehouse, an administrative building, a blade workshop, a post molding workshop, and a Centre of Excellence (CoE). They are also setting up a waste management system to dispose of the manufacturing waste in order to adhere to the company's high environmental standards. The company also has a robust training program for their employees at the new CoE.

Because of the strategic location, size, sector, impact and based on the competitive dynamics of this Project, OEDIT proposes that the EDC make an exception to its traditional policy of not using both the Job Growth Incentive Tax Credit and the Strategic Fund for the same jobs.

Staff is requesting approval of \$18,532,221 in performance-based Job Growth Incentive Tax Credits over an 8-year period for the creation of up to 2,308 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, staff is requesting \$4,616,000 in a performance-based Strategic Fund incentive over a 5-year period, 60 months, is requested from the EDC at \$4,000 per net new job. This incentive is contingent upon the creation of up to 1,154 net new permanent full-time jobs at a minimum average annual wage (AAW) of \$56,013 (110% of the Pueblo County average annual wage). Or a payout of \$3,000/NNJ for the creation of up to 82 net new jobs if the average annual wage is at least \$50,921 (100% of the Pueblo County average annual wage at the end of the 5-year term). The maintenance of the net new jobs in Colorado for one full year before any grant payments are made. A \$1:\$1 local match of incentives by the Pueblo Economic development Corporation and/or grants from other community partners that match the payout and term structure of the OEDIT incentives and will not result in the possibility of a clawback by the community partners and an under match of OEDIT's payouts.

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

Outdoor Industry Impact Fund Annual Update

Albert presented the Outdoor Industry Impact Fund report. The Outdoor Recreation Industry Impact Fund (ORIIF) is funding from the American Rescue Plan Act (ARPA), State and Local Fiscal Recovery Fund (SLFRF). This fund will support recovery efforts for outdoor industry small businesses and nonprofits that can demonstrate a negative economic impact due to the COVID-19 pandemic. The ORIIF will provide direct-to-organization grants for payroll needs. The goal of the ORIIF is to allow outdoor recreation industry businesses and nonprofits to hire new and/or retain existing employees. Full-time and part-time positions are eligible to receive payroll assistance. Grants will be provided on a reimbursement basis.

ORIIF Funding Breakdown

- **\$2,000,000 total**
 - \$90,000 for grant administrator (Colorado Enterprise Fund)
 - \$110,000 for OEDIT administrative, reporting, and compliance
 - \$1,799,233 awarded to 23 grantees

Timeline

- **August 1, 2023:** Grant begins
- **September 1, 2023:** First claims processed
- **October 2023 - June 2024:** Monthly claims continue
- **June 30, 2024:** Grant closes

Breakdown of Impact

	Count	Dollars Allocated
Rural	12	*\$882,319
Front Range	11	\$916,914
Business	13	\$1,094,350
Nonprofit	10	\$704,883

*Commitment of 50% of the total grant (\$900,000) supporting rural Colorado; ~\$18,000 less due to final grantee requests and final award decision

SBDC/CTO Repurpose of Funds

Maloney presented the SBDC/CTO request. Office of State Planning & Budget reviewed OEDITs SLFRF/ARPA Recapture Plans during the annual budgeting cycle this fall. OSPB recommends shifting \$300,000 from funds originally allocated to the Colorado Tourism Office (CTO) to the Small Business Development Center Network (SBDC). CTO has agreed to this partial shift of funds and can still maintain effective programing for the Tourism Workforce by activating the remaining \$200,000 in collaboration with tourism industry to advance skill sets, educational opportunities & highlight career pathways. At this time, this is the only proposed shift that was advanced from OSPB and allows these SLFRF funds to remain for use within OEDIT.

The Business Support Division and Small Business Development Center (SBDC) propose to repurpose \$300,000 in SLFRF funds from CTO’s Tourism Workforce Section to the SBDC. This has been initially approved by OEDIT and Andrew Streight, Interagency Recovery Officer. The SBDC proposes to use this funding to hire an Outreach and Communications Program Manager (1.0 FTE based at OEDIT) to ensure Colorado small business owners impacted by COVID-19 around the state understand and can take advantage of the SBDC and other resources available to them.

Staff requests the EDC approves the repurposing of \$300,000 CTO Tourism Workforce Section SLFRF to the Small Business Development Center Network. This is a reduction of the \$500,000 CTO Tourism Workforce budget to \$200,000.

M/S/P – Leach, Paletz – SBDC/CTO Repurpose of funds approved as presented and recommended by staff.

C. Enterprise Zone (EZ): Che Sheehan

Contribution Project Proposals

Sheehan presented the following EZ Contribution Project Proposals for approval.

EZ	Project Name	Category	Completion Date	Budget	1 yr. Proj. Credits
NW	Community Ag Alliance	Business Assistance	12/31/2028	\$450,000	\$5,625
NW	Mind Springs Glenwood Springs	Healthcare	12/31/2028	\$11,255,365	\$571,875
PP	Downtown Partnership of Colorado Springs	Economic Development	12/31/2028	\$645,000	\$6,250
PP	Greccio Housing: Workforce Housing Preservation	Workforce Housing	12/31/2028	\$376,000	\$20,500
PP	SOAR Foundation: Aviation Center for Excellence	Community Facility	12/31/2028	\$5,500,000	\$81,250
SLV	San Luis Valley Health Foundation	Community Facility	12/31/2028	\$5,000,000	\$38,125
SLV	San Luis Valley Local Foods Coalition	Community Facility	12/31/2028	\$664,000	\$18,750
SLV	Rio Grande Hospital 2024-2028	Community Facility	12/31/2028	\$8,500,000	\$186,250

SM	Craig Hospital Foundation	Visitor Event/Attraction	12/31/2028	\$6,417	\$750,000
SW	The Pagosa Spring Medical Center Foundation II	Healthcare	12/31/2028	\$2,000,000	\$53,750
SW	San Juan Development Association	Workforce Housing	12/31/2028	\$3,660,000	\$8,750
SW	Durango Arts Center	Community Facility	12/31/2028	\$140,000	\$7,625
SW	Axis Health Systems - Capital Renovation Project	Healthcare	12/31/2028	\$36,277,382	\$25,000
WELD	Greeley Creative District	Business Assistance	12/31/2028	\$9,200,000	\$500,000
TOTAL				\$83,674,164	\$2,273,750

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

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

Skyhook Solar Corporation

Vankat presented the Skyhook Solar Corporation business application. Skyhook Solar, Corp. is a manufacturer of mobile, industrial-grade, and solar powered generators. The business is located in Grand Junction. Skyhook Solar, Corp.'s products provide power/charging capability for electric bikes, vehicles, and resilient communication systems (off-grid device charging and LTE internet access). The generators are engineered for rapid deployment and are either independent of or supplementary to the electric grid.

Over the last five years, the company has been building prototypes, developing fleet management software, and conducting pilots among its customer base. Since 2019, Skyhook Solar, Corp. has piloted solar stations off-grid in the Navajo nation of Arizona, Colorado, Canada, and Europe. These solar stations provide a transportable, easy-to-deploy and sustainable source of solar power.

Overview of Eligibility Criteria:

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

OEDIT has concluded that Skyhook Solar Corporation passes all metrics for participation in the Rural Jump-Start program, and therefore recommends approving it for acceptance with thirty-eight New Hires.

Staff requests a motion to approve Skyhook Solar Corporation for participation in the Rural Jump-Start program with 38 New Hires and \$32,500 in grant funding.

M/S/P – Dragoo, Ogas – Skyhook Solar Corporation Application approved as presented and recommended by staff.

E. Other

Next EDC Meeting

The next EDC meeting will be November 16, 2023.

With all items discussed, the meeting was adjourned.