



ANNUAL REPORT | 2015



COLORADO

Office of Economic Development
& International Trade





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LETTER FROM GOV. JOHN HICKENLOOPER & EXECUTIVE DIRECTOR FIONA ARNOLD

Dear Colorado General Assembly & Colorado Economic Development Partners,

We are pleased to present our fiscal year 2015 annual report. Over the past year, Colorado's economy has continued to grow at a speed that outpaces the rest of the nation, and we continue to see considerable business retention and expansion. Our state has the perfect ingredients that companies want when looking for the right home: an incomparable talent pool, a relentlessly pro-business climate, an unmatched quality of life, and an innovative and entrepreneurial spirit.

It is our goal to work with every region of Colorado to support their efforts in growing a healthy economy. We launched Colorado Blueprint 2.0, an initiative that allows us to learn how to best serve small towns and rural communities around the state. A small team from our office visited every region to meet with local partners, including elected officials, economic developers, and business & civic leaders, to identify opportunities for the state to support their local economic development priorities. In the coming year, we will implement specific initiatives that have arisen directly out of these meetings and the needs of local communities.

Colorado's economic growth and momentum was recognized throughout the year. We were ranked the second best state to start a business by CNBC, the second best state for entrepreneurship and innovation by the US Chamber of Commerce, and the first best state for labor supply by Forbes.

Our state is at a unique moment in time, highly desirable for business and talent alike. This gives us the opportunity to reflect on how to best serve the people of the state of Colorado to ensure that every Coloradan has access to a good job for them and their families. We look forward to working with you to ensure that Colorado's economy remains the best in the nation and is poised to serve Coloradans.

Thank you,



John W. Hickenlooper
Governor, Colorado



Fiona Arnold
Executive Director,
Colorado Office of Economic Development
and International Trade

MISSION:

The Colorado Office of Economic Development and International Trade's (OEDIT's) mission is to help create a favorable business environment to ensure that Colorado is a great place to do business, grow a company and create jobs. Under the leadership of Governor John Hickenlooper, and in collaboration with our partners across the state, we remain relentlessly pro-business while cultivating entrepreneurship and promoting innovation.

Our office includes the divisions of Global Business Development; Colorado Innovation Network (COIN); Business Funding & Incentives; Colorado Tourism Office; Colorado Film, Television & Media Office; International Trade Office; Minority Business Office; and Colorado Creative Industries, all of which contribute to OEDIT's mission and help keep Colorado at the forefront of the global economy.



STRATEGIES

We continue to use the framework established in the Colorado Blueprint to attract, retain and expand business, to create jobs and to foster a more globally competitive Colorado. Our strategies:

1. Build a Business-Friendly Environment
2. Retain, Grow & Recruit Companies
3. Increase Access to Capital
4. Create & Market a Stronger Colorado Brand
5. Educate & Train the Workforce of the Future
6. Cultivate Innovation & Technology

This annual report will highlight accomplishments by each OEDIT division in working towards these goals.

2015 ECONOMIC DEVELOPMENT WINS:

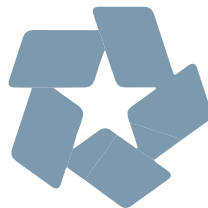
Avex Health expanded their health and wellness device company in Grand Junction after receiving a \$172,500 Strategic Fund incentive for the creation of 69 jobs. OEDIT worked in partnership with the Grand Junction Economic Partnership, City of Grand Junction and Mesa County to secure this opportunity.



Mayfly Outdoors selected Montrose to create 56 jobs focused on custom manufacturing of fishing reels under the brands Abel Reels, Charlton Reels and Ross Reels. In partnership with Montrose Economic Development Corporation, OEDIT was able to support the rural project with a Strategic Fund incentive of \$280,000 based on the creation of 56 jobs.



FiveStars chose to expand their first operation outside of San Francisco in Denver. The company is adding 242 jobs after receiving a Job Growth Incentive Tax Credit of \$3,637,526.



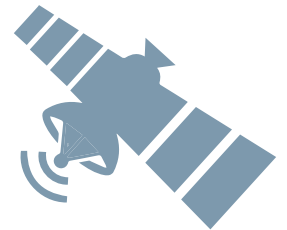
Panasonic Enterprise Solutions chose Denver for the creation of 330 jobs at an average annual wage of \$89,554. The company received a Strategic Fund incentive of \$1.5 million, which was matched by the City of Denver.



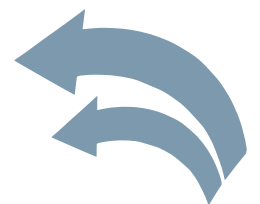
San Francisco-based **ZenPayroll**, now Gusto, selected Denver to create 1,750 jobs to support the company's operations, software development and sales center. The company was approved for a \$17.6 million Job Growth Incentive Tax Credit based on their creation of the 1,750 jobs – the largest job announcement in the state's history.



Sierra Nevada Completion Systems selected Colorado Springs for the creation of over 1,300 new jobs. The new subsidiary of Sierra Nevada Corp. is building an \$88 million campus that will serve as a headquarters for modifying interiors of large jets and will be able to handle large commercial airliners. OEDIT provided a \$23.2 million Job Growth Incentive Tax Credit to support this major expansion.



OEDIT worked to support the recruitment and expansion of Colorado and non-Colorado based businesses such as **Agrium Inc., Anheuser-Busch, Centerline Solutions, HomeAdvisor, Intel Corporation, On Deck Capital** and many more.



The recruitment and expansion efforts this year reflect the growth of **10,538 net new full-time jobs.**

10K+

DIVISION OVERVIEW & HIGHLIGHTS

GLOBAL BUSINESS DEVELOPMENT ►

The Global Business Development (GBD) team's priority is to create an ecosystem and a framework to market Colorado as the most attractive state in the nation in which to do business. The team strategy centers on increasing net new jobs in Colorado by recruiting, retaining and facilitating the expansion of businesses. The team promotes a business-friendly environment by building customer relationships, which is critical to creating jobs and increasing capital investment. The team also works to proactively market Colorado as a great place to do business, increasing the pipeline of job growth opportunities.

Global Business Development Highlights:

- The Global Business Development division grew out of Corporate Development to encompass the Advanced Industries, Data and Analytics, Industry Development and International Trade Office. The combination of these teams under one umbrella has allowed for a more comprehensive and collaborative approach to supporting businesses and communities throughout Colorado.
- In partnership with the Governor's Office of Information Technology, OEDIT conducted a proactive business visit to San Francisco, where we met with companies based in California with a substantial presence in Colorado. From this visit, OEDIT was able to secure expansions from FiveStars and Intel Corporation.
- As a result of funding appropriated in SB 15-234 for a Competitive Intelligence and Marketing Plan, OEDIT began using Customer Value Management (CVM) to collect data on various sectors of the economy to implement a strategic business marketing plan.
- The GBD team performed interviews with businesses currently operating in the state to form the basis of a business retention and expansion data collection project.
- OEDIT's Aerospace and Defense Champion implemented a strategy focused on enhancing Colorado as an industry hub for aerospace, aviation, defense and homeland security. Many strategic partnerships have been formed with Colorado defense assets and representation in the nation's Capitol.

KEY INDUSTRY NETWORK AND ADVANCED INDUSTRIES

OEDIT continues to convene and engage business leaders and stakeholders in creating actionable objectives and plans around each of the state's 14 key industries to grow business and create jobs in each industry. Additionally, the Advanced Industries (AI) Accelerator Grant Programs offer four types of grants and two global business programs. Grants are available for Proof of Concept, Early-Stage Capital & Retention, Infrastructure Funding, and AI Exports.

Key Industry Network and Advanced industries Highlights:

- 26 Early Stage Capital and Retention Grants awarded.
- 13 Proof of Concept Grants awarded.
- 6 Infrastructure Grants awarded.
- Total awards for the above 45 grants is \$6,866,133.
- As a result of funding for the 26 Early Stage companies and 13 Proof of Concept recipients, 30.75 jobs have been created and 34 jobs have been retained.
- These grants brought in \$6,934,373 in follow-on capital to the state. Additionally, nine new patents have been filed.
- Approximately \$918,000 has been granted for Infrastructure funding.
- As part of OEDIT's commitment to engage with the National Network of Manufacturing Innovation (NNMI) Institutes, we traveled to the Institutes for Advanced Composites Manufacturing (IACMI) headquarters in Knoxville, TN to personally speak to U.S. Secretary of Commerce Penny Pritzker. Throughout the discussion, OEDIT highlighted the state's contributions to IACMI while emphasizing Colorado's dedication to the advanced manufacturing industry and to its alignment with the state's broader

45 Advanced
Industry
Accelerator
grants were
awarded for a
total of

\$6.8
MILLION

Advanced Industries economic development strategy. Colorado's workforce development programs and initiatives, such as ForeFront's "Businesses and Schools in Collaboration" (BASIC) Program, arose as particular points of interest to the Secretary. OEDIT also highlighted the active projects Colorado is supporting together with our industry partner NREL.

- The Colorado Outdoor Industry Recreation Office was created in June and resides in OEDIT. The focus of the Colorado Outdoor Industry Recreation Office will be to provide a central point of contact, advocacy, resources and support at the state level for a diverse community of businesses, communities and groups that rely on the continued health of the industry. Director Luis Benitez created an Advisory Group of 20 Coloradans representing industry, conservation, access, non-profit, and more that will create alignment and roles to support the four points of focus for the office: Economic Development; Stewardship and Conservation; Industry Anchors and Education.

REGIONAL DEVELOPMENT

The mission of Regional Development is to have active outreach with Colorado's 14 regions to support and build their Colorado Blueprint strategic plans, in turn helping them to generate tangible outcomes. This work ensures that each region and community is investment and business ready. OEDIT works to ensure that each region has access to state resources to support their economic development efforts and economic prosperity.

Regional Development Highlights:

- Continued to partner with OIT and the Colorado Department of Local Affairs (DOLA) on a statewide broadband plan.
- Launched the Colorado Blueprint 2.0 initiative in order to identify additional opportunities to leverage available resources as a way to advance regional economic development priorities.
- The Blueprint 2.0 team conducted strategy sessions in Fairplay, Las Animas, Rifle, Dillon, Delta, Silverton, Salida, Holyoke, Alamosa, Limon, Trinidad, Greeley and Pueblo. The Blueprint 2.0 team will synthesize the feedback from each region and identify potential partners and programs to present back to each region to incorporate into their own Blueprint 2.0 action plans.
- Partnered with DOLA and Downtown Colorado Inc. to implement Community Assessments.
- Worked with many counties/communities on infrastructure plans to improve their economic development opportunities.
- Aligned with CDOT on their strategic planning efforts to include regional partnership participants.
- Supported the fourth annual Pedal The Plains Bicycle Tour across eastern Colorado.



INTERNATIONAL TRADE

By supporting Colorado exports and attracting foreign direct investment, the International Trade Office (ITO) helps create and retain jobs in our state, assists Colorado companies to expand and diversify their markets through exports, and builds Colorado's identity as an international business center.

International Trade Highlights:

- State product and commodity exports totaled \$8.3 billion in 2014. Brookings Institute estimates that Colorado service exports were over \$12.5 billion in 2014. Using the U.S. Department of Commerce's formula for jobs related to export, where one job is attributed to every \$165,000 in export sales, 126,061 jobs in Colorado depend on exports.
- The ITO served 376 export clients this year, which directly attributed over \$63 million in export sales to OEDIT services.
- Several international companies opened up locations in Colorado including Sovex (UK), Data Ductus (Sweden), and Fswire (UK).
- The ITO worked with 62 international companies looking at expanding in the U.S.
- The ITO led 12 proactive international business development trips to global cities including Dubai, Tokyo, Paris, Zurich and Dusseldorf, where over 75 business and community leaders promoted Colorado's business environment to global contacts.
- Hosted 16 international delegations in Colorado, promoting the state's key industries and collaborations to a variety of foreign dignitaries from countries such as Canada, Colombia, Mexico, China, S. Korea, Japan and Slovenia.
- Hosted the Global Consultant Network of 12 international consultants in Denver, Colorado Springs and Boulder, where they met with 70 Colorado companies and participated in World Trade Day 2015.

- The ITO was awarded another US Small Business Administration export grant from the State Trade Export Promotion Program to help small and medium-sized companies begin or expand their export sales. The grant allowed the ITO the opportunity to grant funding for companies to participate in international business development projects.
- The ITO, along with the World Trade Center, organized rural export trainings in Montrose, La Junta, Fort Morgan and Alamosa, training more than 75 companies about the basics of selling to international customers.
- The Advanced Industries Export Accelerator Program had significant growth:
 - The program reached 94 Colorado exporters.
 - \$27 million in export sales was reported by participating Colorado companies.
 - \$170,000 has been granted to companies expanding their sales in international markets.

\$8.3B in state product and commodity exports in 2014

BUSINESS FUNDING & INCENTIVES ►

The Business Funding and Incentives (BF&I) division works closely with the Global Business Development division and the Colorado Economic Development Commission (EDC) to provide the funding and performance-based incentives needed to create and retain jobs in Colorado. BF&I manages and has oversight for 15 funding and incentive tools, including debt and equity financing, cash incentives, grants and tax credits that support economic development activities in Colorado. Additionally, BF&I also assists businesses by referring them to potential financing options offered by other sources of local, state, federal and private funding.

Business Funding & Incentives Highlights:

- Continued to work with DOLA on the management of the **Rural Economic Development Initiative (REDI)** program, which creates jobs, drives capital investment and increases wages to help eligible rural communities develop plans and undertake projects to create resiliency and diversity in the local community.
- REDI supported 18 projects resulting in the projected creation of 73 new jobs, representing five regions. Additionally, the program awarded \$2,676,877 in infrastructure and business grants supporting the investment of \$7.1 million in facilities and equipment.
- **Job Growth Incentive Tax Credit** program provides a state income tax credit to businesses undertaking job creation projects that would not occur in Colorado without this program. 41 projects received approval for up to \$195.7 million in tax credits associated with the future creation of 11,026 jobs.
- **Strategic Cash Fund** program supports and encourages new business development, business expansions and relocations that have generated new jobs throughout the state (Strategic Incentives). Seven Strategic Projects received introductory and/or final approval in fiscal year 2015 for up to \$7.5 million in cash incentives associated with the future creation of 2,147 jobs. In addition, four Strategic Initiatives received approval - two rural and two statewide - for up to \$475,000 in cash incentives.
- **Enterprise Zone Tax Credit** program provides state income tax incentives to encourage businesses to locate and expand in designated economically distressed urban and rural areas of the state. The program incentivized the creation of 3,557 jobs associated with the enterprise zone's job tax credit, \$2.1 billion in capital investment associated with the enterprise zone's investment tax credit, and approximately 38,000 employees were trained with the enterprise zone's job training tax credit. New enterprise zone designations will take effect January 1, 2016 following a statewide review and re-application process conducted over the last year-and-a-half.

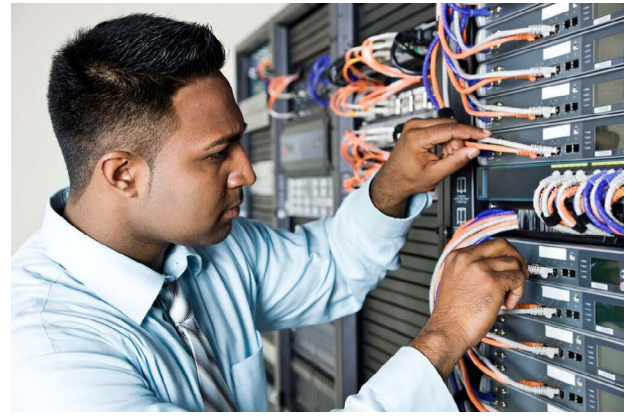
• Regional Tourism Act program gives local governments the opportunity to apply for approval of large scale regional tourism projects that are of an extraordinary and unique nature and are anticipated to result in a substantial increase in out-of-state tourism. In fiscal year 2015, two applications were received for the third and final round of the program:

- Denver's National Western Center Project (\$128 million requested)
- Northern Colorado's "Go NOCO Project" (\$86 million



requested) comprised of:

- PeliGrande Resort
 - Indoor Waterpark Resort of the Rockies
 - U.S. Whitewater Adventure Park
 - Stanley Film Center
- **Colorado First Customized Job Training**, providing grants to new hires, supported 43 companies in fiscal year 2015. Based on self-reported information by grant recipients and compiled by the Colorado Community College System administration, the grants provided training for 1,617 new hires with an average annual post-training wage of \$42,678. This represents a 4.5 percent wage increase for trained employees during the year in which training occurred. The companies also reported the creation of 2,870 new jobs. The State's \$1,494,857 investment in customized training leveraged \$7,160,992 in company contributions to support net new employee trainings.
 - **Existing Industry Customized Job Training**, providing grants to existing employees, supported 50 companies in fiscal year 2015. Based on self-reported information by grant recipients and compiled by the Colorado Community College System administration, the funds were used to train 2,504 Coloradans and 284 new jobs were reported created in the state. Colorado's investment of \$2,001,044 leveraged \$4,323,498 in company matching training funds, which is more than twice the state's contribution. Post-training wages for trained employees were \$44,000, representing a 4 percent wage increase during the year in which training occurred.
 - **The Aviation Development Zone Act of 2005** was amended to include maintenance and repair, completion and modification of aircraft for income tax years commencing on or after January 1, 2013. This expansion of the existing aviation development zone income tax credit beyond the previous "manufacturers only" limitation will encourage aviation maintenance and repair, completion and modification businesses to operate in Colorado. At this time, 13 aviation development zones are in place and no companies received tax credits for fiscal year 2015.
 - **State Small Business Credit Initiative (SSBCI)** is a U.S. Treasury program that provides funds to states to help improve access to capital for businesses. SSBCI for calendar year 2014, in the form of the Colorado Cash Collateral Support (CCS) program, provided \$7,416,328 in cash collateral and the Colorado Capital Access (CCA) program, provided \$3,643 in cash reserves, which both programs spurred more than \$31,427,516 in private sector bank and/or private loans to 69 Colorado businesses.
 - **The Colorado Procurement Technical Assistance Center (PTAC)** is a nonprofit organization that receives funding from the State of Colorado both from state funds and a federal grant that the state receives and subcontracts to the PTAC. The PTAC provides free specialized and professional technical assistance to individuals and businesses that are seeking to pursue and successfully perform under contracting and subcontracting opportunities with the Department of Defense, other federal agencies and/or state and local governments. For the program's fiscal year from 9/15/14 through 9/14/15, PTAC had an active client base of 2,833 entities that received 1,623 government contract awards worth more than \$283.7 million.
 - **The Recover Colorado Business Grant and Loan Program** is funded through a federal Community Development Block Grant Disaster Recovery Program (CDBG-DR) award to the State of Colorado to address the impacts of the September 2013 floods and recent wildfires. As of September 30, 2015, 277 businesses have submitted applications requesting a total of \$13,850,000 in assistance. 235 awards have been made totaling \$4,413,419. 82% of the dollars awarded to date are in the three most impacted counties: Boulder, Larimer and Weld.
 - **The Recover Colorado Workforce Training Program** is funded through a federal Community Development Block Grant Disaster Recovery Program (CDBG-DR) award to the State of Colorado to address the impacts of the September 2013 floods and recent wildfires. OEDIT is partnering with the State Board of Community Colleges and Occupational Education (SBCCOE) and the Colorado Department of Labor and Employment (CDLE) to implement two workforce training program models focused on serving low to moderate income individuals.



11K+

future jobs
created after
approval for tax
credits for 41
projects

- **The Advanced Industry Investment Tax Credit** is available to small investors who make equity investments in startups and small businesses that are part of the advanced industry sector. Investors can receive a tax credit of up to \$50,000, and the program has an annual limit of \$375,000 in 2014, rising to \$750,000 per year in 2015, 2016 and 2017. As of June 30, 2015, the program had 28 companies and 57 investors participating, with tax credit applications totaling over \$616,000. The total investments reported are \$2.3 million, with an average investment of \$41,000 and an average credit of \$10,800. Investors have reported that 339 jobs have been created as a result of these investments.
- **The Venture Capital Authority** was funded from the sale of Colorado insurance premium tax credits, and the insurance companies' last payment was made in April of 2014. The funding and investment requirements are allocated geographically: 50% of the funds are to be invested statewide, 25% of the funds are to be invested in rural communities and 25% of the funds are to be invested in distressed urban communities. Generally speaking, the fund manager shall make seed and early stage investments in qualified businesses. From July 1, 2014 through June 30, 2015, the fund manager invested \$3,862,328.

MINORITY BUSINESS OFFICE ►

The mission of the Minority Business Office (MBO) is to advance and enhance business opportunities and relationships while being the premier advocate and information resource for minority and women-owned businesses as they become part of the mainstream of Colorado economy. MBO's primary functions are:

- Guide minority, woman-owned, and small businesses through certification process,
- Advocacy, research, database management, education and outreach to increase capacity, secure funding, gain access needed to work with government agencies and corporations, as well as networking and event participation opportunities; and
- Support growth for minority, women-owned, and small businesses in the construction and transportation industries, as well as other industries under the goods and professional services categories.

Minority Business Office Highlights:

- Continued the export grant for minority and women-owned businesses program, which provides an educational pathway and equips small and medium-sized minority and women-owned Colorado businesses to develop a strategic plan for export markets.
- Developed a new Business Advancement Series, which is comprised of webinars, workshops and presentations designed to increase the access of information, resources and opportunities for Minority Business Enterprises (MBEs) across the state. Examples from the series include MBO integration into the Colorado Blueprint, clearinghouse for MBE data, technology tools all businesses need, how to do business with the state, and an annual procurement expo.
- Along with the State Purchasing Office, MBO organized "Advance Colorado Procurement Expo, The Buyers' and Sellers' Marketplace." The event is inclusive of all minority and woman-owned businesses and helps connect buyers and sellers through training, networking and other opportunities. The number of exhibitors increased by 67.3% and attendance increased 33% compared to the prior year.
- In partnership with the Minority & Women's Chamber Coalition, the MBO hosted the 2015 Legislative Preview.
- Integrated MBEs into advanced industries strategic initiatives, connecting them into COIN, building international trade opportunities, and introducing MBO programs to statewide and regional development efforts.
- Created a clearinghouse for MBE data with the creation of a public-facing searchable minority and women-owned business directory, a Native American economic impact report, and a minority women business statewide demographic survey.
- Over 1,000 qualified minority and women-owned businesses were served through MBO programs.
- Established partner networks in the private and public sector to most effectively serve MBO's customers including SBDC, PTAC, SBA, Minority Chamber Coalition, Minority Business Development Agency and the Denver Office of Economic Development.

1K+

minority and
women-owned
businesses served
through MBO

SMALL BUSINESS DEVELOPMENT CENTER NETWORK ►

The Colorado Small Business Development Center (SBDC) Network helps small businesses statewide achieve their goals by providing free, confidential consulting and no or low-cost training programs. The SBDC combines information and resources from federal, state and local governments with those of the educational system and private sector to meet the specialized and complex needs of the small business community. Regulatory, management, financial and marketing experts work in partnership to provide entrepreneurs with crucial information that can mean the difference between success and failure. There are 14 full-time centers and more than 70 part-time satellite offices throughout Colorado.

Small Business Development Center Network Highlights:

- Continued SBDC ADVANCED, an economic gardening program targeted towards second stage growth companies with 6-99 employees and over \$500,000 in revenue. The program utilizes corporate level market research and geographic information system databases, along with search engine optimization tools and strategic planning consultations to elevate these targeted companies to the next stage of growth.
- Continued partnership with OEDIT on the CDBG-DR "Recover Colorado" program to help businesses apply for loans and grants to help their business recover from the wildfires and floods that occurred throughout the state.
- Continued the Connect2DOT program, a strategic partnership with CDOT that helps small businesses in the transportation industry become more competitive in bidding and contracting with CDOT and local transportation industries. The program also assisted with connecting businesses interested in accessing emergency maintenance contract opportunities with CDOT due to the flood waters that affected the state.
- Hosted the following small business events around the state: Rockies Small Business Night, Women's Small Business Conference, Disaster Preparedness Summit, Leading Edge Graduation and Awards, and many more.

247 businesses were started with the help of the SBDC



Jobs created and retained: **4,204**

Started businesses: **247**

Capital formation: **\$85,549,269**

Sales increase: **\$50,684,893**

Increased contracts: **\$22,925,254**

Client count: **10,863**

Training attendance: **13,259**

Training count: **1,016**

COLORADO CREATIVE INDUSTRIES ►

Colorado Creative Industries' (CCI) mission is to promote, support and expand the creative industries to drive Colorado's economy, grow jobs and enhance our quality of life. We strive to create a strong brand identity and a Top 10 reputation, and we create significant and sustained investment in the creative sector where creative entrepreneurs and enterprises will flourish.

Colorado Creative Industries Highlights:

- Colorado Creates grants supported 162 arts and cultural heritage organizations, municipalities and educational institutions with a total investment of \$1.076 million in 29 Colorado counties. Funding for these grants comes from the National Endowment for the Arts and is matched with funding from CCI.
- The Creative District Community Loan Fund allocated \$100,000 to the Pueblo Arts Alliance for the acquisition

of a building for use as gallery and studio space in the creative district. CCI entered into a memorandum of understanding with the Mile High Community Loan Fund (MHCLF), a certified development financial institution, to administer the fund on its behalf. MHCLF supplemented state funding of \$100,000 with an additional \$350,000, providing a three-to-one leverage of state funding for this project for a \$450,000 loan guaranteed by the Pueblo Urban Renewal Authority.

- The Certified Creative District program continued to gain momentum. Since the program's inception in 2012, 12 Colorado communities have achieved "Certified" status and an additional eight communities completed the first year of a two-year "Candidacy." The combined cash investment of CCI and the Boettcher Foundation was \$244,000. Additionally, Certified and Candidate districts provided matching funds totaling \$327,848 and \$410,283 of in-kind contributions. Districts used state and foundation funding for administration, marketing, advertising, building improvements, wayfinding/signage and technical assistance.
- Visitors to creative districts increased from 1.76 million in FY14 to 1.9 million in FY15.
- There was a gain of 3% in creative occupations and creative industry earnings from FY14 to FY15.
- CCI instituted the Change Leader Program, a leadership development program to advance grassroots leadership in the creative sectors across Colorado. 36 individuals from 22 counties across the state participated in the Leadership Institute.
- CCI initiated phase one of a three-phase strategy to advance Colorado's position as a leader in the music industry and to advance music as a significant part of Colorado's brand. The strategy will include business development, career advancement for musicians and touring throughout the state.
- Twenty three creative entrepreneurs were awarded \$18,654 to advance their professional careers through Career Advancement Grants. Recipients included photographers, writers, visual artists, musicians and filmmakers.
- CCI worked with the Colorado Department of Education and provided funding to assess the current level of

\$1.1
MILLION

invested to
support 162
Colorado arts
organizations



arts education in the state's schools. The study identified progress, trends and areas of need. Since CCI's first study in 2008, significant achievements were realized with two pieces of state legislation: SB 08-212/CAP 4K and HB 10-1273. These laws mandate the creation of academic standards in visual and performing arts. They also led to district/teacher-created arts assessments, and ensured ongoing tracking of arts programming for students in grades 9-12.

- Twenty-three public art projects totaling \$1.9 million were advanced. These projects are funded with 1% allocated from state building and renovation budgets and include design, construction and installation of site-specific projects, as well as acquisition of art works selected through a public call for proposals.

COLORADO OFFICE OF FILM, TELEVISION & MEDIA ►

The Office of Film, Television & Media attracts and facilitates content creation in the state to generate economic growth in all of its communities. The office administers a 20 percent performance-based rebate incentive to spur content creation in Colorado, and connects filmmakers, animators, gamers and photographers to the resources they need, such as location assistance, crew referrals and inter-governmental cooperation.

Colorado Office of Film, Television & Media Highlights:

- Awarded \$6,776,840 in incentives to 17 projects.
- Created 1,160 new jobs .
- Added \$93.2 million in economic activity through incentivized production.

- The expected state and local tax revenue from incentivized production is \$11,182,2231.
- Colorado's reputation as a place for creative content production is increasing. According to a July 2015 study from the Leeds School of Business at the University of Colorado, the state outperformed the nation in motion picture and video industry growth. The three-year compound annual growth rate for Colorado was 3.4% versus 1.9% nationally, and the number of related businesses (474) is the highest on record since 2001. Additionally, the report showed that the motion picture and sound recording industries outperformed the state in overall GDP growth as well as every industry in the state.
- Continued to offer free, detailed reviews of screenplays for Colorado writers and students.
- Continued film production grants for Colorado colleges, universities and high schools with film programs. The grants cover the cost of one class documentary project that will air on Colorado Public Television, providing on-air credits for film students. Grants were awarded to the Denver School of the Arts, Metropolitan State University of Denver, University of Colorado Denver, University of Colorado Boulder and Colorado Film School.
- Continued the traveling education series "Media Professionals Career Connection," with the latest event held in April 2015 at Adams State University in Alamosa.
- Played an essential role in attracting the first-ever television festival SeriesFest, an international celebration dedicated to showcasing the best new pilots from established and emerging content creators. The festival attracted national attention to Denver with talent and top executives from networks such as HBO, Starz, AMC, USA and FX.

The following projects were incentivized:

Feature Films

- **The Hateful Eight:** Written and directed by famed filmmaker Quentin Tarantino, The Hateful Eight is set in the post-Civil War Wild West in which bounty hunters try to find shelter during a blizzard. The film will be released world-wide January 2016 and was shot in Telluride.
- **Heaven Sent:** This family- and faith-based feature film is written & produced by Colorado-native Rick Ramage (Stigmata) and directed by Michael Landon, Jr. The film was shot in both Denver and Boulder and is set during the Christmas holiday. It will be released in the winter of 2016.
- **Star Raiders:** The Adventures of Saber Raine: This sci-fi feature film stars Casper Van Dien (Starship Troopers) as the interstellar adventurer Saber Raine who is hired to guide three elite soldiers on a rescue mission. The film is produced by Don't Pose Productions, a Colorado production company headed by producer Adam Lipsius. The film locations have not yet been reported but locations scouted included Denver, Central City and the Sand Dunes National Park near Alamosa.



Documentaries

- **78/52:** This documentary is a cinematic tribute to the iconic shower scene in Alfred Hitchcock's Psycho, which is comprised of 78 shots and 52 cuts. Some of the interview subjects include Walter Murch, iconic and academy award winning editor and sound editor (The English Patient, Apocalypse Now); Bob Murawski, editor (The Hurt Locker, Spider-Man); Elijah Wood, Eli Roth and several other award-winning filmmakers and authors. The film is directed by Colorado resident Alexandre O. Philippe, whose past credits include the very successful Doc of the Dead and The People Versus George Lucas. Filming locations are planned in various places in Colorado, with post-production to take place in the Denver area.
- **The Holly:** This documentary is a multi-generational story of tragedy and triumph that revolves around a hallowed piece of land in Denver's historic Park Hill neighborhood known as "The Holly." The film is produced and directed by Colorado resident Julian Rubinstein, an award-winning journalist, author and producer.
- **The Heart of the World: Colorado's National Parks:** This three-hour documentary series celebrates the centennial of the National Park Service in 2016 and showcases Colorado's National Parks and Monuments. The series is produced by Great Divide Pictures, which has produced 28 films for Colorado Visitor Centers in addition to several nationally broadcast series for the Discovery Channel and PBS. Filming locations include Rocky Mountain National Park in Estes Park, Mesa Verde National Park in Cortez, Black Canyon of the Gunnison National Park in Montrose, and the Great Sand Dunes in Alamosa.

Television

- **Podium 360 and The 2015 Alpine World Championships:** Universal Sports Network, headquartered in Centennial, has developed new, original programming due to the support from the Colorado film incentive. The Alpine World Championships consists of 17 shows following the 11-day duration of the Alpine World Championships held in Vail. Podium 360 is a 30-minute show with weekend updates featuring highlights and interviews from the sports covered on the network. Filming locations include Vail, Beaver Creek, Copper Mountain, Boulder, Denver and Colorado Springs, as well as their headquarters at the Westworks Studio in Centennial.
- **Prospectors:** This Colorado-centric series follows eight mining groups in their search for precious gems as they battle dangerous weather and terrain. The series is produced by Colorado-based High Noon Entertainment. The show currently airs on The Weather Channel. Filming locations include Lake George, Mt. Antero and Salida, with post production in High Noon's headquarters in Aurora.
- **Ultimate Sportsman Lodge-Colorado:** Set to Colorado's outdoor landscape and lifestyle, this television series is centered around the building of a dream sportsman's getaway. Celebrity outdoorsmen like Michael Keaton, Tom Brokaw and Jeff Foxworthy also make appearances on the show, which is produced by outdoor adventure television leaders Orion Entertainment. This series currently airs on the Great American Country and DIY networks. Filming locations include Littleton and the south metro area, with post production in their facility in Littleton.
- **Max Lucado:** Traveling Light: This 18-episode television series will feature The New York Times best-selling author Max Lucado teaching audiences through each chapter of his acclaimed book. The series is produced by Colorado Springs based Contrast Audio and is directed by Eric Newman and Candace Lee (Home Run, The Christmas Candle). The series will air on Trinity Broadcast Network. Filming locations have not yet been reported, but locations were scouted in Denver and Colorado Springs.

Commercials

- **MillerCoors:** The iconic Colorado Coors beer, alongside Chicago based advertising agency Calvery and Los Angeles based production company Biscuit, produced two 30 second commercials that highlight Colorado's stunning landscape by showcasing miners in 1873 roaming the Rocky Mountains in search for the perfect beer. The filming locations have not yet been reported, but the areas scouted included Golden and surrounding areas.
- **MoneyGram:** This national commercial promotes MoneyGram's products and services during the holiday season. The commercials were produced by Denver-based media production company Impossible Pictures, which specializes in non-fiction, lifestyle, sports, travel and entertainment. The commercials were filmed in the Denver area and the downtown Denver offices of Impossible.
- **Verizon/Samsung:** Verizon and Samsung partnered together to create seven broadcast and online commercials that highlight the power of the Samsung Galaxy S6 and the reliability of the Verizon network. Helo is a creative production company with clients such as Microsoft, Bud Light, Kate Spade, Allstate and Dick's Sporting Goods. The filming location included Aspen's Buttermilk ski resort and the Arvada skate park.

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Video Games

- **Star Citizen:** Star Citizen is a space trading and combat simulator video game set in the year 2942. The game development process is shared with the players and developed on a yearly basis based on player interactions. With offices based in Los Angeles, CA and Austin, TX, Cloud Imperium Game Corporation is collaborating with Denver based gaming company Illphonic for this project. Utilizing the direct-to-consumer online space, Cloud Imperium is dedicated to delivering technology's best experience outside of the established publisher system.
- **The Adventures of Honor Harrington:** This interactive adventure game follows the style of the popular youth book series Choose Your Own Adventure. Los Angeles based Evergreen studios is producing the project in partnership with Louisville based company Idol Minds. Evergreen develops stories whose characters, plots and ideas can unfold over multiple platforms – films, television, apps, mobile games, console games, webisodes and comics. Each episode will be sold separately through March 2016 on a variety of platforms.

Other

- **Play Along!:** Denver based Walk the Line Films recreated video content for World Family English's "Play Along!", a 1998 three volume DVD product marketed to 0-3 year olds in Asia. Walk the Line Films is a boutique production company serving clients like Old El Paso, Boston Market, Jimmy John's and Days Inn. World Family English is the leading provider of English Language Learning products and services that are uniquely targeted for young children in Asian markets. The series was shot at Westworks Studio in Littleton.
- **Standing in the Gap:** This television special centers on the re-segregation of Denver public schools and the achievement gap that exists between racial and socio-economic classes. The series is produced by and will air on Rocky Mountain PBS, Colorado's first public television station. It is now Colorado's only statewide television network, with stations in Denver, Pueblo/Colorado Springs, Steamboat Springs, Grand Junction and Durango. All episodes will also be available on PBS Learning Media for teachers to use across the country free of charge.

COLORADO TOURISM OFFICE ►

The Colorado Tourism Office (CTO) works to promote Colorado in order to create jobs and generate wealth for Colorado. Within the tourism industry, the CTO plays a valuable role by providing services, education and networking to our partners and creating lasting relationships. The CTO continued to expand the reach of the “Come to Life” marketing campaign, and the results of the 2013 visitation studies show that the campaign is as successful as ever.

Colorado Tourism Office Highlights:

- Total direct travel spending in Colorado in 2014 reached \$18.6 billion, with 66 percent of that total coming from visitors who stayed overnight in commercial lodging (hotels, motels, rented condos, bed & breakfasts). This record spending figure represents an increase of 7.4 percent over 2013. Since 1996, visitor-generated spending has increased at an average annual rate of 4.2 percent, earnings by 3.13 percent, and local and state tax revenues by 5.3 percent and 3.1 percent, respectively.

71.3 people visited
MILLION the state of
Colorado in 2014

- Underscoring the importance of tourism to Colorado, the local tourism industry generated \$1.1 billion in local and state tax revenues in the 2014 calendar year, surpassing the billion-dollar mark for the first time ever. This represented approximately \$215 of tax revenue per person in the state, or \$860 for a family of four. Without tourism, each resident would pay \$215 more in taxes.

- Visitor spending also benefited Colorado’s local economy by spurring job creation. The tourism industry directly supported 150,300 jobs, a 3.3 percent increase over 2013, with earnings of more than \$5.1 billion in

2013, a 7.1 percent increase over 2013.

- Colorado continued its acclaimed “Come to Life” marketing campaign and tracked results from April 2014 through March 2015. Working with Strategic Marketing and Research Insights (SMARI), the campaign demonstrated strong awareness and generated significant incremental travel resulting in nearly 1.7 million trips to Colorado.
- Given the number of trips the marketing was able to influence and the level of spending by those visitors, there was more than \$2.6 billion in economic impact for fiscal year 2015. The campaign also resulted in an outstanding return on investment for the CTO, with \$361 in travel spending for every \$1 invested in paid media, up from \$344 in fiscal year 2013. Colorado’s “Come to Life” campaign was enhanced by a nationally focused public relations and social media program.
- In terms of visitation, Colorado welcomed a record 71.3 million visitors in 2014. The number of visitors coming to Colorado on marketable leisure trips totaled an all-time high of 16.1 million, a 7 percent increase over 2013. Marketable leisure trips are those trips influenced by marketing and exclude visiting friends and relatives. Overnight trips reached a record 33.6 million trips, an increase of 8 percent over 2013.
- The CTO Marketing Matching Grant Program awarded \$500,000 in tourism marketing dollars to 20 tourism industry organizations, covering 15 counties.
- The CTO’s international promotions team grew to cover new international markets including Brazil, Colombia, Panama, Italy, Netherlands, Nordic (Iceland, Norway, Sweden, Finland & Denmark), the Middle East, Australia and New Zealand, India, South Korea and China.
- The State Welcome Center program operates 10 centers around the State to promote travel and activities in Colorado. A staff of close to 500 volunteer travel councilors work closely with visitors, as well as the travel industry, in order to promote Colorado businesses and attractions across the state. This is a free service to in-state businesses. During 2014, the State Welcome Centers saw 1,090,960 visitors stop-in, an increase of 6 percent over the previous year. As our research



shows, a visitor to a Welcome Center spends on average 2.4 days longer in the state and an additional \$374 on their trip. Visiting a State Center also increases the likelihood of a return trip.

- Heritage and Agritourism program Promotional activities include social, print and digital marketing as well as public relations, resulting in over 968 million impressions with \$16.5 million in media value alone in 2015.
- The Colorado Agritourism Association now has 81 members, and the CHAMP mentoring program has moved out of successful pilot phase and is open to the entire state.
- Colorado Roots volume 2, a print and e-guide on heritage and agritourism activities, launched April 2015 with a print run of 50,000.
- "Taste of Colorado" events with key stakeholders were held in Munich and Iceland, as well as in conjunction with the two largest international trade shows in the world: Berlin (ITB) and Orlando (IPW).
- The CTO supported the Meeting and Tours markets by developing advertising and marketing programs, underwriting industry participation at international tour group and meeting planner conventions, and creating a micro-site on Colorado.com specifically for tour operators and meeting planners to get more information about Colorado.
- Colorado.com saw over 3.5 million visits, a 25 percent increase over 2013. 400,000 Official State Vacation Guides were distributed, and over 75,000 subscriptions to ALIVE were secured.

COLORADO INNOVATION NETWORK ►

The Colorado Innovation Network (COIN) is a catalyst for economic prosperity through innovation by partnering with government, business and civil society to foster collaboration around global ideas, talent, capital and entrepreneurship. Cultivating innovation and ideas is key to creating new jobs and growing a more competitive and resilient economy in Colorado. COIN connects innovation leaders, entrepreneurs and inventors by developing forums and solutions through which they can further their ability to foster innovation and enhance their own networks. COIN continued to build this network in 2015.

Highlights:

- COIN convened over 300 leaders from across the state and around the globe for a two-day COIN Summit focused on the theme of Curiosity, exploring questions such as "How do our digital selves define us?", "How are the ways we connect changing?", "What do the communities of the future look like?", and "Who will advance global progress?" The delegation represented higher education, government, research labs, startups and industry (across the state's 14 key industries). 20 percent of the delegation was from out-of-state, including 14 other states and two other countries. COIN worked closely with OEDIT's Global Business Development team to arrange meetings for our out-of-state guests to increase the value of their visit to our state and create business development opportunities.
- More than 50 speakers addressed the delegation with messages of innovation best practices and stories of success.
- 2015 Summit sponsors: Presenting Sponsor - Comcast; Foundation Sponsors - Colorado State University and PwC; Gold Sponsors - WhiteWave and Liberty Media; Silver Sponsors - GE and Google; Patron Sponsors - IHS, Mercury, Metro Denver EDC and Pinnacle Assurance.
- Released the 4th Annual Innovation Report, "Talent In Colorado", highlighting the perspectives of leaders in industry, higher education, and workforce development on the challenges and trends expected to shape Colorado's talent landscape. The report was prepared in partnership with PwC.
- Partnered with Comcast on the Xfinity Think Tank, utilizing the platform to convene community leaders in dialog around "Imagine Colorado", an open innovation concept aimed at addressing challenges in enabling healthy lifestyles and advanced communities for all Coloradans. Participants included leadership from the Kaiser Permanente, Mile High United Way, Colorado Impact Fund and Livewell.



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