



COLORADO OFFICE OF ECONOMIC DEVELOPMENT & INTERNATIONAL TRADE

ANNUAL REPORT | 2019



COLORADO

Office of Economic Development
& International Trade

TABLE OF CONTENTS

01

LETTER FROM THE
GOVERNOR & EXECUTIVE
DIRECTOR

18

COLORADO CREATIVE
INDUSTRIES

02

GLOBAL BUSINESS
DEVELOPMENT

21

COLORADO OFFICE
OF FILM, TELEVISION
& MEDIA

06

BUSINESS
DEVELOPMENT & RURAL
PROSPERITY

25

COLORADO TOURISM
OFFICE

13

BUSINESS FUNDING &
INCENTIVES

29

COLORADO OUTDOOR
RECREATION INDUSTRY
OFFICE



LETTER FROM GOV. JARED POLIS & EXECUTIVE DIRECTOR BETSY MARKEY

Dear Colorado General Assembly and Colorado Economic Development Partners,

It is my pleasure to present this annual report which chronicles the beginning of a bold vision to create a strong, forward-looking economy that serves all of Colorado. The Colorado Office of Economic Development and International Trade (OEDIT) leads the charge with economic development tools and programs designed to benefit the entire state and cultivate opportunities across all of Colorado.

This report will give you a brief glimpse into the work we are doing to ensure Colorado's economy remains diverse and resilient while stretching to include every corner of the state. We are committed to ensuring all of Colorado participates in shared prosperity.

Colorado's economy is built on 14 key industries that have helped our State successfully weather economic cycles and position us to stay strong through each one. We are committed to the core pillars of tax reform and economic development, workforce development, reducing healthcare costs and renewable energy.

To specifically foster far-reaching prosperity throughout Colorado, OEDIT was restructured to include a business development and rural prosperity director whose focus is on ensuring rural economic development. This position also oversees our Minority Business Office, Small Business Development Center Network and our most recent program, Employee Ownership.

The Employee Ownership Network helps businesses throughout Colorado who are considering ownership transition options. Research shows employee-owned businesses better withstand economic downturns and provide higher wages, as well as provide owners with a transition plan for the businesses they've spent their lives building.

Our revamped Regional Technical Assistance Program (RTAP, formerly Blueprint 2.0) builds on our commitment to serve the needs and economic concerns of Colorado's smaller communities. Through RTAP, we have engaged the entirety of our state and positioned Colorado second in the nation for fostering rural resilience. We see the transformative power of these initiatives in communities such as Trinidad's Space to Create program where Colorado's creative industry has cultivated a new identity and true economic opportunity.

Finally, Colorado continues to be a leader in Opportunity Zones, ensuring they are community catalysts that take into consideration the needs and desires of the people within these zones. Colorado has already seen several land investments and one of the first Opportunity Zone business investments.

Thank you for your partnership as stewards of Colorado's economic future. We look forward to working together in the years to come to make Colorado a place where we can all thrive.



A handwritten signature of Jared Polis in blue ink.

Jared Polis
Governor



A handwritten signature of Betsy Markey in black ink.

Betsy Markey
Executive Director,
OEDIT

GLOBAL BUSINESS DEVELOPMENT

The Global Business Development (GBD) division continues to elevate Colorado businesses and communities by using a data driven approach to recruit, support and retain companies and businesses that contribute to a robust and diversified economy, providing the right jobs for Coloradans.

GBD is focused on aligning its portfolio of programs, services, and incentives within industries that strategically and operationally benefit companies currently in Colorado, while also recruiting and expanding occupations that are forecast to grow. GBD's portfolio of services includes: export services and promotion, foreign direct investment (FDI), recruitment, retention/expansion, data and analytics and the Advanced Industries Accelerator Grant Program.

GLOBAL BUSINESS DEVELOPMENT HIGHLIGHTS

NOTABLE BUSINESS RECRUITMENT, RETENTION, AND EXPANSION PROJECTS

- ▶ VF Corp
- ▶ Tech Mahindra
- ▶ Fantic
- ▶ Aurtra
- ▶ Myfreight
- ▶ RedEye Apps
- ▶ Vestas
- ▶ Audentes
- ▶ Points Bet
- ▶ Geyser Systems
- ▶ Snapdocs
- ▶ Frontdoor
- ▶ Checkr
- ▶ Robinhood
- ▶ Alterra Mountain Company
- ▶ Astroscale
- ▶ Auror
- ▶ ViewRay
- ▶ AveXis
- ▶ And many others still under confidentiality agreements at this time

INTERNATIONAL STRATEGY

OEDIT leadership led trade and/or investment missions to:

- ▶ Asia (Singapore, Hong Kong, Seoul) - OEDIT led a trade and investment mission in October 2018 focusing on technology, electronics, and cybersecurity.
- ▶ Europe (UK, Netherlands, Belgium) - OEDIT led an investment mission in April 2019 focusing on Tech, Fintech, Blockchain, Cybersecurity.
- ▶ Australia and New Zealand - OEDIT organized an investment mission with the participation of the Lieutenant Governor in September 2019.
- ▶ India and Nepal - OEDIT organized a Governor's led trade and investment mission to India and Nepal in November 2019.

The main goal of these missions is to strengthen Colorado's relationships and support OEDIT's efforts in developing unique economic opportunities to create and retain jobs in the state, and increase awareness of investment opportunities in Colorado. Focusing on key industries within these countries and Colorado allows OEDIT to promote the state's innovative economy and business environment to potential foreign investors.

GLOBALLY COMPETITIVE

GBD regularly hosts foreign delegations, which comprise of senior foreign government and/or business representatives. The goals of these delegations vary, though they typically focus on: business and investment opportunities in the state; learning about Colorado's economic growth initiatives; developing stronger bilateral ties; and discussing future economic engagement opportunities (such as formal trade missions).

Such visits have become more frequent over the past few years, as global awareness of Colorado's strong economic opportunities has increased. Additionally, national governments have recently placed increased importance upon subnational engagement, and are focused on building relationships with state and local level governments, in addition to nation-to-nation relations.

Below are lists of the most notable delegations to visit Colorado. This list is not exhaustive, but includes visits from countries that OEDIT finds most strategically significant to increasing Colorado's global competitiveness:

- ▶ **Elected and Appointed Officials (heads of state, governors, legislators, ministers, etc):** Taiwan (multiple delegations), Latvia, European Union (multiple delegations), Ireland, United Kingdom, Australia, New Zealand, China, Israel.
- ▶ **Ambassadorial Delegations:** Australia, India, Ireland, Japan, New Zealand, Vietnam, Taiwan. The Lt. Governor also met with the Chinese ambassador to the US, while attending an NGA conference in Kentucky.
- ▶ **Consul-General Visits:** China (multiple visits), Australia, India, Ireland, Japan, Netherlands (multiple visits), New Zealand.
- ▶ **Foreign Business Delegations:** Japan, South Korea, Taiwan, UAE.
- ▶ U.S. Department of State brought 25 foreign ambassadors to Colorado to learn about business and economic growth in the state. OEDIT and the Governor's office and local partners and Colorado companies assisted with the visit.

ADVANCED INDUSTRIES ACCELERATOR GRANTS PROGRAMS

- ▶ OEDIT continues to convene and engage with business leaders and stakeholders in creating actionable objectives and plans to grow businesses and create jobs in each of the state's seven advanced industries. The Advanced Industries (AI) Accelerator Grants Program offers 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.
- ▶ 64 Colorado companies participated in export promotion programs through the State Trade Expansion Program (STEP) and the Advanced Industry Export Accelerator program in fiscal year 2018-2019. Companies traveled to 17 different international markets. This resulted in nearly \$3,281,235 million in immediate actual export sales.
- ▶ Funding was provided for 47 Early Stage companies, 32 Proof of Concept recipients and 5 Infrastructure Grants for a total of grants totaling \$14,691,735 awarded, with approximately \$1,720,000 granted specifically for infrastructure funding.
- ▶ The AI program generated 32 jobs, retained 56 jobs and helped secure \$8,667,999 in follow-on capital to the state. Additionally, 18 new patents have been filed and 11 new licenses created.
- ▶ Approximately \$228,445 was awarded to 32 companies through the Advanced Industry (AI) Export Accelerator program, including 23 export grant recipients and 9 recipients of services through the Global Consultant Network.
- ▶ The AI Export Program generated 15.75 jobs, retained 100 jobs and helped to secure \$2,951,014 in export sales.

NOTABLE ACCOMPLISHMENTS

- ▶ The State of Colorado was awarded another US Small Business Administration export grant for the GBD-managed State Trade Expansion Program (STEP). This year OEDIT received \$156,000 additional funding under the STEP Program. STEP helps small and medium-sized companies begin or expand their export sales. In the past year, the grant funded 32 companies. As part of the STEP program, GBD took delegations of Colorado companies to three trade shows, including Green Expo in Mexico City, Hannover Messe and Medica in Dusseldorf, Germany. GBD applied and was awarded another grant for the upcoming fiscal year.
- ▶ National Governors Association published OEDIT's multi-year data gathering of [Startup Community Data](#). Through this data, Colorado is able to assess the needs of entrepreneurs and quantify the state's entrepreneurial ecosystem and amenities.
- ▶ In addition to formal trade missions and Advanced Industry business supports listed above, as well as

conferences in Colorado, OEDIT staff presented at additional international events, including FinTech Mexico in Guadalajara, Mexico; U.S. Department of Commerce events in Madrid, Bilbao, and Barcelona; and the FDI World Forum in Sydney, Australia.

- ▶ In conjunction with OEDIT's BF&I division and DOLA, GBD led the creation and rollout of the Location Neutral Employment Program, a new tool layering Job Growth Incentive Tax Credit and Strategic Fund Cash Grant incentives to drive remote, or location neutral, work in rural Colorado.
- ▶ GBD has partnered with CDLE's Future of Work Office to assist communities with economic development and industry development planning in creating context-specific Digital Transformation plans.
- ▶ GBD has played an integral role on the leadership team of the Colorado Hemp Advancement and Management Plan (CHAMP).
- ▶ GBD played a leading role in a State agency-wide application to the National Governors Association and Pew Research's Policy Academy that is expected to begin in November 2019.
- ▶ GBD maintained a presence at the U.S. Department of Commerce's SelectUSA investment summit in June 2019, including hosting a Colorado dinner attended by roughly 30 foreign businesses at various stages of recruitment.



BUSINESS DEVELOPMENT & RURAL PROSPERITY

The Business Development and Rural Prosperity division was established in 2019. With the change in administration, the Colorado Office of Economic Development and International Trade seized the opportunity to evaluate its business support unit. The director position was restructured, creating an SBDC network lead position, allowing the director to focus on business development and rural prosperity. The director is a member of the OEDIT Leadership Team and is responsible for strategic planning, direction, management, implementation and evaluation of four major programs within OEDIT: Employee Ownership, Minority Business Office, Rural Economic Development, and the Small Business Development Center (SBDC).

EMPLOYEE OWNERSHIP

Employee Ownership (EO) was identified as a top priority of OEDIT in March 2019. The National Center for Employee Ownership defines EO as “any arrangement in which a company’s employees own shares of the company’s stock....ranging from simple grants to highly structured plans.”

EO is completely voluntary on the part of the business owner and offers owners and employees several major benefits. For owners, EO offers a ready willing and able buyer for their business which can be a special concern in rural areas. It eliminates the need to pay a business broker 10% or more commission to sell the business. It offers a more engaged workforce with less turnover and can offer substantial tax advantages depending on the form. Most importantly for owners, EO offers a mechanism to pass on the legacy they have spent a lifetime building and growing and can ensure a smooth succession plan for the business.

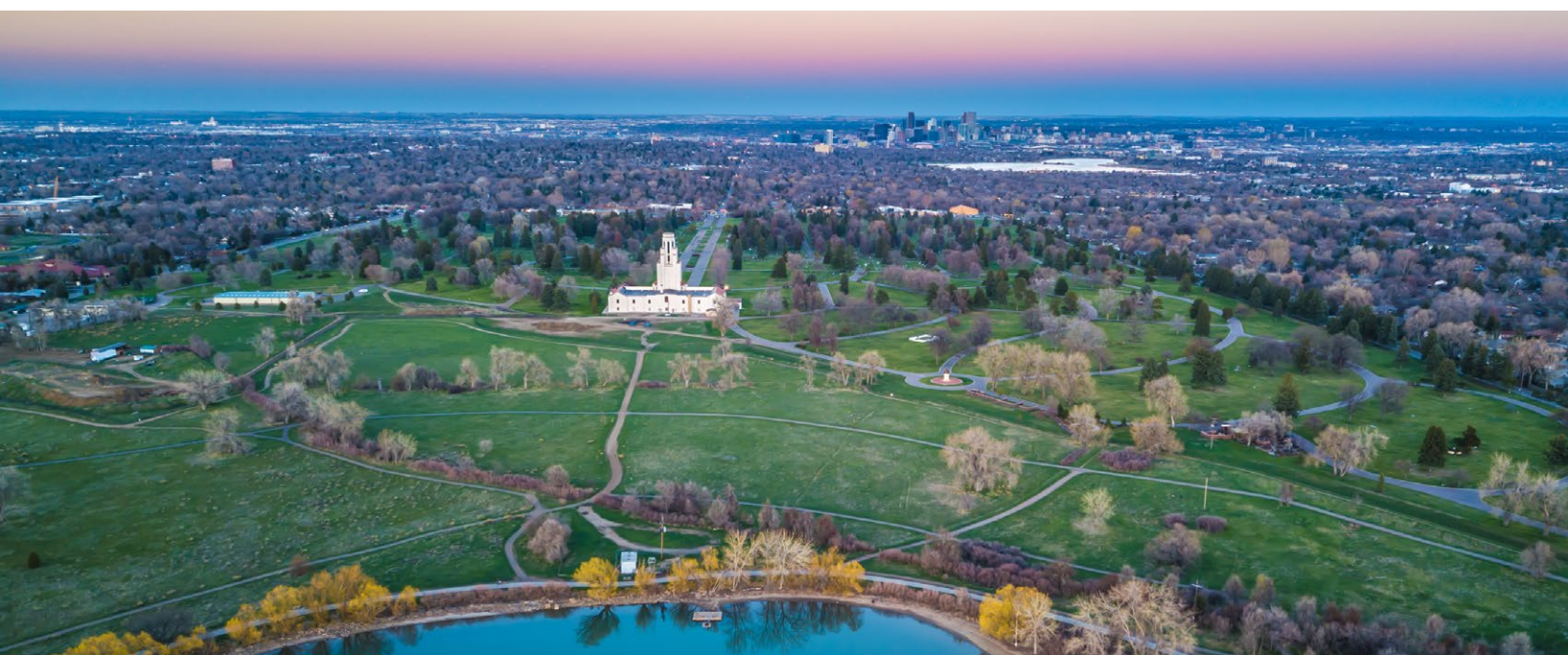
For employees, EO frequently comes with higher wages, access to a better set of benefits, greater buy-in and engagement, an opportunity to build wealth over time, work with a purpose and a longer job tenure.

Housed in the Colorado Office of Economic Development and International Trade, the Employee Ownership Network aligns cross-divisional resources and brings together subject matter experts such as employee-owned businesses, attorneys and economic development experts to promote employee ownership in Colorado.

REVOLVING LOAN FUND

To further support the Employee Ownership Network, the State is creating a \$3 million revolving loan fund designed to incentivize employee ownership. Borrowers will benefit from flexible and favorable terms. The loans will be made available to existing business, meaning that they are at least two years old; have at least three employees; see annual net revenues equal to or less than \$5 million; offer the employee ownership opportunity to every employee; and, plans to enter, or has entered into, an employee-ownership agreement with at least half of its employees.

The loans may be used for technical assistance to cover the costs of professional services, including accounting, legal, and business advisory services for the transition of an existing business to an employee-owned business. Loans will cover 50% or less of the cost of transition and will not exceed \$10,000.



MINORITY BUSINESS OFFICE

The Minority Business Office (MBO) is dedicated to advancing the efforts of Colorado's minority, women, and veteran-owned businesses. MBO is dedicated to helping businesses understand the myriad certifications available as a minority, veteran or woman-owned business. Businesses learn how to best market themselves as a certified business and secure government contracts. MBO has an established network of public, private and government resources that can be leveraged by businesses of all types and sizes to help businesses get in front of the right people, and increase prospects.

MBO is the connection to guidance, the connection to understanding, and the connection to access. MBO where the "O" is for opportunity!

MINORITY BUSINESS OFFICE HIGHLIGHTS

Since its inception in April 2016, the **MBO Pathway to Certification program** has assisted businesses throughout the State through the certification process. Success stories and economic impact results are listed below:

MBO PATHWAY TO CERTIFICATION PROGRAM ECONOMIC IMPACT



MBO Export Program - Leading Edge for International Opportunities Grant is in its sixth cycle. Alumni groups include over 65 companies that have taken advantage of this educational program that equips small and medium-sized minority, women and veteran-owned Colorado businesses to develop a strategic plan for export markets.

MBO along with the State Purchasing Office at DPA and the Colorado Department of Transportation, holds the **"Advance Colorado Procurement Expo (ACPE), The Buyers' and Sellers' Marketplace."** The event is inclusive of all small, minority, woman, and veteran-owned businesses and helps connect buyers and sellers through training, networking and other opportunities. The 2019 ACPE took place May 16 at the McNichols Civic Center in Downtown Denver from 7:30 am to 4:00 pm.

MBO continues to **enhance a clearinghouse for Minority Business Enterprise (MBE) data** with the creation of a public-facing searchable minority, women and veteran-owned business directory in which small businesses throughout Colorado can be located by government agencies for contracting opportunities.

Bid Advance Response Program is a 6-month mentoring program administered by the Minority Business Office. The program consists of group-based training and one-on-one guidance to prepare small businesses wanting to enter or expand their market into government contracting opportunities. Designed to work in conjunction with MBO's consulting and training programs to help businesses navigate through the government procurement and contracting process including relevant registrations, proposal preparation strategies and tools, personnel management and other resources. The ultimate goal of the program is to help small, minority-owned businesses successfully win government bids.

MBO continues to **cultivate MOUs and Intergovernmental Agreements** with multiple partner networks in the private and public sector to most effectively serve MBO customers including Mi Casa Resource Center, City of Commerce City, Colorado Procurement Technical Assistance Centers (PTAC), SBA, Minority Chamber Coalition, and the Denver Office of Economic Development.

RURAL ECONOMIC DEVELOPMENT

RURAL OPPORTUNITY REPRESENTATIVES

In fall 2019, OEDIT hired three Rural Opportunity Representatives (ROR) who work on behalf of greater Colorado in partnership with Manufacturer's Edge*. The ROR's represent OEDIT and are responsible for overseeing and executing multiple projects to advance Colorado's rural communities. This will include working across divisions with OEDIT and Manufacturer's Edge as well as with stakeholders and partners in Colorado's rural communities to launch, manage and complete initiatives that impact these regions. The three ROR's work remotely, supporting our rural remote worker program and managing the Rural Technical Assistance Program (RTAP).

*Through onsite support and technical assistance, Manufacturer's Edge works to boost the competitiveness of Colorado manufacturers. The experienced engineers and business professionals at Manufacturer's Edge have skills in manufacturing, management, process improvements, and technology acceleration and work closely with manufacturers to provide company assessments and customized solutions including hands-on facilitation and implementation.

REGIONAL TECHNICAL ASSISTANCE PROGRAM

The Regional Technical Assistance Program (RTAP) is a series of technical assistance initiatives designed to enhance rural economic development strategies across the state. The program links state partnerships and specialized resources to address the economic development goals of rural Colorado.

A team of industry experts, in partnership with OEDIT, determines the annual award recipients. Communities are evaluated on multiple community criteria, including alignment of economic development goals, the potential for success/impact, evidence of previous success in community-driven efforts and demonstration of similar work and subject-matter familiarity.

The RTAP program, formerly known as the Colorado Blueprint 2.0, was launched as a way to serve rural communities' economic needs around the state and identify opportunities to leverage the state's resources. Each year this program actively supports the economic development activities of dozens of rural communities throughout Colorado.

For fiscal year 2020, 18 communities were awarded technical assistance programs. These programs and the winners are listed below.

Certified Small Business Community (CSBC)

A Colorado SBDC Network offering that will assist rural communities who want to take their entrepreneurship promotion and retention to the next level and be a standard-bearer for the State. Selected communities will receive a designation of a CSBC to promote a great place to "Work, Live and Play."

- ▶ Town of Hayden
- ▶ Southern Ute Indian Tribe
- ▶ City of Woodland Park

Creativity Lab

Designed for community leaders who want practical insights into both the process and elements involved in marshaling creative forces to transform and engage communities.

- ▶ La Veta34
- ▶ Ignacio

Grow Your Outdoor Recreation Industry

Partnership with University of Colorado-Boulder's Masters of the Environment (MENV) and MBA programs that assigns a project team to each community in order to better understand their resources, strengths, and weaknesses. The result is the identification of industry opportunities and assistance in positioning each community in the marketplace to improve reach and impact.

- ▶ Main Street Central City
- ▶ Steamboat Springs Chamber Resort Association

Film Festival Production

To plan and organize a niche festival in their region. Organize a kickoff workshop with Colorado film festival experts and provide consultation to determine how regional interests may be parlayed into a successful, annual event.

- ▶ Huerfano County Economic Development
- ▶ Logan County Economic Development

CRAFT Studio 201

The Colorado Rural Academy For Tourism (CRAFT) is a peer-assistance training program that provides customized support for communities or regions wishing to advance a specific tourism-related goal or strategy.

- ▶ Grand County
- ▶ Moffat County
- ▶ City of La Junta
- ▶ City of Brighton
- ▶ Town of Palisade

Coworking 101

Partnership with Proximity Space and Startup Colorado in a two-phase initiative to both provide communities with a comprehensive overview of coworking as both a business and community asset, as well as work to identify end-users.

- ▶ The Garage - Hugo
- ▶ WXSX - Pagosa Springs

Community Placemaking

In partnership with the Colorado Department of Local Affairs and Community Builders, engaging the community by identifying local assets, providing instruction on the fundamentals of developing a sense of place, and developing a cohesive vision and strategy based on community assets.

- ▶ City of Fountain
- ▶ Ignacio

SMALL BUSINESS DEVELOPMENT CENTER

The Colorado Small Business Development Center (SBDC) Network helps small businesses statewide achieve their goals by providing free, confidential consulting and low or no-cost training programs. The SBDC combines information and resources from federal, state and local governments with those of the educational and private sectors to meet the specialized, 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 15 full-time centers and more than 70 part-time satellite offices throughout Colorado.

SMALL BUSINESS DEVELOPMENT CENTER HIGHLIGHTS:

- ▶ East Colorado SBDC recognized as the 2019 SBA Region 8 SBDC Center of Excellence and Innovation
- ▶ The SBDC officially opened its 15th center, Central Mountain SBDC, hosted by Chaffee County. The center serves Lake, Park, Chaffee counties and surrounding areas.
- ▶ SBDC TechSource continues to maximize the economic potential of Colorado companies through direct assistance to technology ventures as well as assistance in utilizing new technology available to business owners.
- ▶ The Small Manufacturer's Advantage (SMA) continues to provide support to small manufacturers across Colorado by leveraging the coordination of key strategic organizations such as Manufacturer's Edge, SBDC, Colorado Office of Economic Development and International Trade (OEDIT), the World Trade Center (WTC) and the Procurement Technical Assistance Center (PTAC). The result is a unique and powerful synthesis of expertise and resources designed to help Colorado manufacturers succeed across all stages of the organizational life cycle.
- ▶ Hosted the following small business events around the state: Rockies Small Business Night, two Women's Small Business Conference, National Small Business Development Center Day at the Capitol, Veterans Small Business Conference, Leading Edge Graduation and Awards and many more.
- ▶ Launched the Employee Ownership Network, helping to identify and remove barriers to employee ownership for all Coloradans. Employee ownership offers a more engaged workforce with less turnover and can offer substantial tax advantages depending on the form. Most importantly for owners, EO offers a mechanism to pass on the legacy they have spent a lifetime building and growing and can ensure a smooth succession plan for the business. For employees, EO frequently comes with higher wages, access to a better set of benefits, greater buy-in and engagement, an opportunity to build wealth over time, work with a purpose and a longer job tenure.

MANUFACTURING POLICY ACADEMY

OEDIT, in partnership with Manufacturer's Edge, has been invited to participate in *Policy Academy on Strengthening Your State's Manufacturers*. The Academy is led by the State Science and Technology Institute (SSTI) and the Center for Regional Economic Competitiveness and is made possible with funding from the U.S. Department of Commerce's NIST Manufacturing Extension Partnership Program. The Colorado Policy Academy team will focus on Governor Polis' strategic priorities by focusing on rural prosperity, outdoor recreation, and employee ownership. Through the Policy Academy, OEDIT will identify new ways manufacturing can address employee ownership and rural opportunities and developing pilot programs to leverage the newly identified opportunities throughout the state.



SBDC STATISTICS

Jobs created and retained	5,795
Businesses started	321
Capital formation	\$134,043,529
Sales increase	\$178,877,079
Increased contracts	\$141,177,815
Client count	6,592
Training attendance	13,975
Training count	818

BUSINESS FUNDING & INCENTIVES

The Business Funding and Incentives (BF&I) division works closely with the Global Business Development division (GBD) 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 over multiple 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 assists businesses by referring them to potential financing options offered by other sources of local, state, federal and private funding.

BUSINESS FUNDING & INCENTIVES HIGHLIGHTS

STRATEGIC CASH FUND

The Strategic Cash Fund program supports and encourages new business development, business expansions, and relocations that will generate new jobs throughout the state. In Fiscal Year 2018-2019 the EDC approved four Strategic Incentive projects (projects that have either an inter-state or international competitive element and require a dollar for dollar local match to state funds) for up to \$1.128 million in performance based cash incentives associated with the future creation of up to 631 net new jobs to the state of Colorado. In addition, the EDC approved six Strategic Initiatives for up to \$2.282 million in cash incentives.

JOB GROWTH INCENTIVE TAX CREDIT

The Job Growth Incentive Tax Credit program provides a state income tax credit to businesses undertaking inter-state/international competitive job creation projects that would not occur in Colorado without this program. During Fiscal Year 2018-2019, the EDC approved 22 projects for up to \$142.2 million in performance based tax credits associated with the future creation of up to 8,151 net new jobs to the state of Colorado.

RURAL JUMP-START ZONE

The Rural Jump-Start Zone program provides tax relief to new businesses and their new hires that are located in certain economically distressed areas of rural Colorado. Companies participating in the Rural Jump-Start program must have a relationship with a local or regional higher education institution in the state, must be new to Colorado, must export goods or services outside their county and must not compete with an existing Colorado business. As of June 30, 2019, sixteen companies have been approved for participation in the Rural Jump-Start program, anticipating the creation of 423 new jobs. Fourteen counties had formed zones as of June 30, 2019.

CDBG DISASTER RECOVERY PROGRAM

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 2012 and 2013 floods and wildfires. To date, 321 total businesses have submitted applications requesting a total of \$12 million in assistance and 282 awards have been granted with \$11.2 million expended. In conformance with the Action Plan 74 percent of the dollars awarded to date are in the three most impacted counties: Boulder, Larimer and Weld with 96% of those assisted qualifying as Low to Moderate Income Businesses.

ENTERPRISE ZONES

The Enterprise Zone program provides state income tax incentives to encourage businesses to locate and expand in designated economically distressed urban and rural areas of the state. Areas may qualify if they meet high unemployment, low per capita income, or slow population growth criteria. There are 16 statutory Enterprise Zones administered by 19 local economic developers.

In Fiscal Year 2019, 5,776 businesses invested and grew in Enterprise Zones. Enterprise Zone administrators certified over \$55 million in state income tax credits for businesses that conducted eligible activities. Certifying businesses invested \$1.36 billion in business personal property. They provided training to improve job skills of more than 32,200 employees, and created more than 4,900 net new jobs. Enterprise Zone businesses also increased their investments in research and experimental activities by almost \$54.6 million, rehabilitated vacant commercial buildings and covered employees with qualified health insurance plans.

ADVANCED INDUSTRY TAX CREDIT

The Advanced Industry Investment Tax Credit (AIRC) aims to improve access to capital for Colorado's early stage advanced industry businesses by reducing investor risk. The AIRC links Colorado investors to Colorado businesses. The program makes \$750,000 in tax credits available each calendar year (from 2016 through 2022) on a first-come-first-serve basis to taxpayers that make a qualified investment. The tax credit is 25% of the investment (30% if invested in an Enterprise Zone business) up to a maximum tax credit value of \$50,000. In fiscal year 2019 the program had 35 qualified businesses in the program. Of these, 16 businesses received investments totalling over \$2.9 million. The program accommodated 47 investments which tapped out the tax credits available before the end of May. More than half of the dollars invested were in businesses in the Information Technology sector.

AVIATION DEVELOPMENT ZONE ACT

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 encourages aviation maintenance and repair, completion, and modification businesses to operate in Colorado. In Fiscal Year 2018-19, no companies took advantage of the program.

COLORADO PROCUREMENT TECHNICAL ASSISTANCE CENTER

The Colorado Procurement Technical Assistance Center (PTAC) is a nonprofit organization that receives funding from the State of Colorado and from a federal grant directly received from the Defense Logistics Agency of the Department of Defense. The PTAC provides free specialized and professional technical assistance to individuals and businesses seeking to pursue and successfully perform under contracting and subcontracting opportunities with the Department of Defense, state and local governments and/or other federal agencies. For the program's fiscal year from September 2018 through September 2019, PTAC had an active consulted client base of 650 entities that received 3,430 government contract awards worth more than \$647 million.

COLORADO FIRST CUSTOMIZED JOB TRAINING

Colorado First Customized Job Training, which provides grants to new hires at Colorado companies. Based on self-reported information by grant recipients and compiled by the Colorado Community College System administration, 18 grants provided training to new hires.

EXISTING INDUSTRY CUSTOMIZED JOB TRAINING

Existing Industry Customized Job Training provides grants to existing support training of existing employees at Colorado companies. Based on self-reported information by grant recipients and compiled by the Colorado Community College System administration, 59 grants provided training to Coloradans.

HISTORIC PRESERVATION TAX CREDIT

The Colorado Job Creation and Main Street Revitalization Act authorizes the Historic Preservation Tax Credit. Ten million dollars in state income tax credits is made available each calendar year and is assigned to qualified projects on a first-come-first-served basis. In fiscal year 2019, 21 projects with more than \$26 million in estimated qualified rehabilitation expenses were approved for \$6,419,037 in state income tax credits. The tax credits are reserved, but issued once the rehabilitation project is complete and the building is ready for commercial activity. This program is jointly administered by the Colorado Office of Economic Development and International Trade (OEDIT) and History Colorado.

OPPORTUNITY ZONES

Colorado has 126 Opportunity Zones, which are areas in which investors receive an incentive for investing in real estate or business property. OEDIT's Opportunity Zone program office has approved just over \$75,000 in technical

support grants over the past year to help communities take advantage of this new incentive. We are beginning to see several projects take advantage of this incentive, including a multi-family housing project in Fort Morgan, a hotel in the new tourism district in Colorado Springs, and a software startup out of Grand Junction and Montrose.

REGIONAL TOURISM ACT

The 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. Per statute no new applications can be submitted. The five projects approved by the EDC are:

- ▶ Pueblo Heritage of Heroes / Professional Bull Riders University
- ▶ Aurora Hotel & Conference Center (Gaylord Rockies)
- ▶ Colorado Springs City for Champions
- ▶ Go NoCO Projects
- ▶ Denver National Western Center

STATE CASH COLLATERAL SUPPORT (CCS)

The Cash Collateral Support (formerly known as SSBCI) is a State program administered by the Colorado Housing and Finance Authority (CHFA) designed to assist small businesses access credit by making cash deposits with banks, for the bank to use as additional collateral, for a loan the bank is providing to a Colorado small business. In FY 2019, nine banks, two CDFIs and five state-funded Revolving Loan Funds used the CCS program. In total 40 transactions utilized \$2.3 million in CCS funds resulting in over \$12.7 million private sector loans. When owner equity injections and other private financing is included. Almost \$10.8 million of additional private financing was made available to small businesses as a result of the CCS program, totalling \$23.5 million in total financing.

VENTURE CAPITAL AUTHORITY

The Venture Capital Authority (VCA) 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 percent of the funds are to be invested statewide, 25 percent of the funds are to be invested in rural communities and 25 percent 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. In 2018, the VCA established its third fund, the Greater Colorado Venture Fund (GCVF), which was formed from proceeds from the first two funds. GCVF will make 100% of its investments into rural businesses. GCVF has made 5 investments to date totaling \$750,000.

TRANSFERABLE TAX CREDITS

The transferable tax credit program is authorized to pre-certify \$30M in tax credit transferability over three fiscal years from 2017 to 2020. As of June 30, 2019 the program has pre-certified \$20M worth of tax credits for transferability. These pre-certifications are split among two companies, Evraz (\$9.1 million) and VF Corporation (\$10.9 million) and these two companies are anticipated to claim the remaining \$10 million in program funds in FY 2019-20.

MICROLOAN PROGRAM

The Colorado Micro-loans program is a \$2.6 million Strategic Fund grant to three non-profit lenders. Since early 2017, these lenders have been making small loans to start-ups and entrepreneurial small businesses that are underserved by traditional debt markets. With 93% of the funds lent out, the program has made 62 loans to businesses in 34 different counties, with 85% of the loans going to rural counties. This program has allowed the lenders to reach out to borrowers and industries that would not otherwise be served by traditional credit markets.

LOCATION NEUTRAL EMPLOYMENT (AND MARKETING GRANTS)

The performance-based Location Neutral Employment incentive provides a standard Job Growth Incentive Tax Credit for urban/rural job creation with an additional Strategic Fund cash incentive for each remote rural job created in an eligible rural county. The Location Neutral Employment incentive provides a state income tax credit and a per job cash grant to businesses undertaking job creation projects that would not occur in Colorado without this program.

RURAL MARKETING GRANTS

To support the new program, rural communities may also apply for up to \$5,000 in Location Neutral Employment Program marketing funds to help attract companies to locate remote rural workers in their community.



COLORADO CREATIVE INDUSTRIES

Colorado Creative Industries' (CCI) mission is to promote, support and expand the creative industries to drive Colorado's economy, create jobs, and enhance our quality of life. CCI creates significant, sustained investment in the creative sector where creative entrepreneurs and enterprises will flourish.

COLORADO CREATIVE INDUSTRIES HIGHLIGHTS

- ▶ Space to Create Colorado, the first state initiative in the nation for affordable space for artists and creative industry workers, began work with Grand Lake, the newest community to become a Space to Create project. This is the fourth community, following Trinidad, Ridgway and Paonia.
- ▶ The Change Leader Program, a leadership development program to advance grassroots leadership in the creative sectors through a lens of diversity, equity and inclusion across Colorado, grew to 119 individuals, 54 percent of whom are from rural or small communities.
- ▶ CCI awarded \$2,061,030 to support arts and culture activities in 25 Colorado counties. Colorado's arts industries contribute \$13.7B to the state's economy, employing 100,631 people. Arts and Culture represents 4.3 percent of Colorado's GDP (US Bureau of Economic Analysis).
- ▶ CCI completed two research projects; The CU Denver College of Arts and Media research on the music industry in Colorado and Western Colorado University in Gunnison research project on the Colorado Arts Market.
- ▶ In conjunction with The Colorado Music Strategy, CCI supported Take Note Colorado, which strives to provide access to musical instruments and instruction to all kids in Colorado.
- ▶ In FY19, there were ten State capital construction projects with an Art in Public Places requirement, totaling approximately \$1,167,154 in funding for art installations. Projects include sites at Colorado State University, Western Colorado University, Lamar Community College, Otero Jr. College, Pueblo Community College, Colorado Mesa University, Front Range Community College, University of Colorado and the Colorado Department of Human Services.
- ▶ Stephen Brackett was appointed to serve as the Colorado Music Ambassador by Governor Polis. He will devote his efforts in this role to the creation of a statewide advisory network of youth and initiate the Musicians as Teachers Institute.
- ▶ Bobby LeFebre was appointed Colorado Poet Laureate by Governor Polis. Bobby is a performance poet, writer and performer and is the state's youngest and first poet laureate of color.
- ▶ In partnership with Think 360 Arts for Learning, CCI supported Colorado Arts Partners Grants to 13 schools, 30% in rural communities and one at the Rocky Mountain Deaf School. Other programs in partnership with CCI served 20,000 students, 2,400 educators and over 200 artists were provided professional development focused on K-12 learning in the arts.
- ▶ CCI managed the 13th annual Poetry Out Loud program, engaging 32 Colorado high schools, 118 teachers, 30 teaching artists and nearly 2,000 Colorado high school students.
- ▶ In its fifth year, the Native American Afterschool Arts Initiative, serving K-8 native students in Jefferson County utilizing indigenous artists and high school mentors, has grown from one to seven schools.
- ▶ CCI awarded 26 conference scholarships and two leading edge business training scholarships for creative businesses to access Small Business Development Center (SBDC) trainings and conferences, with a special focus on women and veterans.
- ▶ Colorado Creates grants supported 196 arts and cultural heritage organizations, municipalities and educational institutions with a total investment of \$1.3 million in 32 Colorado counties. Funding for these grants comes from the National Endowment for the Arts and is matched with funding from CCI.

\$2.1M CCI AWARDED \$2.1M TO SUPPORT ARTS & CULTURE ACTIVITIES IN 25 COLORADO COUNTIES

\$13.7B COLORADO'S ARTS INDUSTRIES CONTRIBUTION TO THE STATE ECONOMY

4.3% ARTS & CULTURE REPRESENTS 4.3% OF COLORADO'S GDP

- ▶ The Certified Creative District program continued to gain momentum. Since the program's inception in 2012, 23 Colorado communities have achieved "certified" status and 3 additional communities have been invited to apply for certification status: Durango, Loveland and Sterling. Five districts are up for recertification in 2019 including 40West in Lakewood, Colorado Springs, Greeley, Longmont and RiNo in Denver.
- ▶ The Creative District Community Loan Fund remains depleted with the amount allocated given in a loan to the Pueblo Creative Corridor in its first year. Leveraged funds from our lending partner remain available for low-cost loans to Certified Creative Districts.
- ▶ The communities of Sterling and La Junta were selected for CCI's Blueprint 2.0 Initiative, the Creativity Lab. CCI and Creativity Lab provided community development assistance in each community, working towards the goal of Creative Districts certification.
- ▶ Forty-eight creative entrepreneurs from 13 counties were awarded \$77,784 to advance their professional careers through Career Advancement Grants. Recipients included media arts, photographers, textile artists, visual artists, drafts, writers, dancers, musicians and filmmakers.
- ▶ In the latest National Endowment for the Arts profile of State-Level Estimates of Arts Participation Patterns, Colorado ranked No. 1 in the percentage of residents who personally perform or create artworks, No. 2 in the U.S. for residents who attend films and visit historic buildings, neighborhoods and parks, and No. 3 nationally in reading literature and attendance for live music, theater or dance.



COLORADO OFFICE OF FILM, TELEVISION & MEDIA

The Office of Film, Television & Media (COFTM) 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 and gamers to the resources they need, such as location assistance, crew referrals and inter-governmental cooperation.

COLORADO OFFICE OF FILM, TELEVISION, & MEDIA HIGHLIGHTS

- ▶ Awarded incentives totaling \$744,697 to 6 new projects
- ▶ Created 247 new jobs
- ▶ Expected to add approximately \$4.3 million in economic activity through incentivized production
- ▶ Expected to add approximately \$500,000 in state and local tax revenue from incentivized production
- ▶ Hosted or sponsored 70 industry events
- ▶ Partnered with 38 film festivals, which includes six new partnerships
- ▶ In 2018-19, COFTM continued the traveling education series “Media Professionals Career Connections Road Tour.”
 - The Office, along with the top industry professionals of Colorado, toured institutions of higher education, including Colorado Mountain College (Glenwood Springs), University of Colorado Denver, Colorado State University and WarrenTech High School for this series. The mission is to encourage students in film or theater programs to stay in Colorado, teach them how to make the most of their early careers and network with Colorado’s most successful businesses and entrepreneurs. The office is looking forward to offering this series in the fall of 2019 at CSU Pueblo, Mesa State University and University of Northern Colorado.
- ▶ The Office sponsored and coordinated three social impact video projects including:
 - People with Disabilities Documentary This half-hour documentary showcases the importance and benefits of hiring Coloradans with disabilities. Colorado filmmaker and creator of Wheel Adventure, Matt Getze, was chosen to direct the film and capture the stories of people with disabilities across the state.
 - Teen Mental Health PSAs Nine PSAs featuring high schoolers who have dealt with mental health and/or suicidal thoughts were created thanks to matching grants from COFTM and the Colorado Attorney General’s Office. The PSAs were released during an October press conference and distributed to schools across Colorado.
 - Keep the Life High COFTM worked with Arapahoe County Commissioner Kathleen Conti, students at CU Denver’s College of Arts and Media and local animator, Ryan Charmatz to create a short, animated film geared toward 11-year-olds alerting kids to the dangers of opioid use and addiction.
- ▶ For the second year, the Office sponsored and coordinated a filmmaking workshop for high school students on the Ute Mountain Ute reservation. During a two week period, three instructors from the Colorado Film School worked with students to create a 9-minute documentary featuring the subject of ‘unity,’ particularly as it relates to the Tribe’s culture and traditions. Students worked with CFS instructors to capture stories from Elders in their community.
- ▶ The Office presented the second year of Side Stories // RiNo, an eight-day cinematic immersive experience in Denver featuring new works from eight, Colorado filmmakers projected onto exterior walls in the city’s RiNo neighborhood. For the first time, Side Stories issued a call for entries and participated on the jury to select eight artists from a pool of over 70 submissions. A pop-up Side Stories event took place in August illuminating the Dairy Block’s artsy alley. The project is a collaboration with Mainspring Developers, the Martin Family Foundation and RiNo Art District.

- ▶ Sponsored four student film projects:
 1. Supported Project D.U. Film's production of "Hunting Season." The University of Denver initiative allows for current students to work with industry alumni on a short film, which is then submitted to film festivals across the country.
 2. Orchestrated and supported Denver School of the Arts film students to create a half-hour documentary following the creation of the Clark Richert exhibit featured during the summer of 2019 at the Museum of Contemporary Art Denver. The film will air on Rocky Mountain PBS in the fall of 2019.
 3. Supported University of Colorado Denver students in the creation of a half-hour documentary featuring the employees of Arc Thrift Stores across the state.
 4. Ute Mountain Ute film, "Unity," which is referenced above.
- ▶ In 2018, COFTM created the RTAP Film Festival Initiative (formerly Blueprint 2.0). The communities of Steamboat Springs and Salida were selected to participate in day-long workshops featuring seasoned film festival experts from across the state followed by twelve months of consulting services from Crested Butte-based Behind the Scenes film festival consulting. Communities are in the process of establishing sustainable film festivals in their regions.

INCENTIVES ARE EXPECTED TO ADD APPROX.

\$4.3M IN ECONOMIC
ACTIVITY &

\$500K IN STATE & LOCAL
TAX REVENUE

THE FOLLOWING PROJECTS WERE INCENTIVIZED:

TELEVISION

- ▶ **Colorado Classic 2018:** Colorado's RPM Events Group received a Colorado film incentive to broadcast the 2018 Colorado Classic four-day road bike race. The special featured the race, the participants, special events and highlighted Colorado's tourist attractions and cultural scene. Colorado's scenic and challenging terrain in Vail, Golden, Lookout Mountain, Red Rocks Park, Evergreen and the Denver Metro Area served as the gorgeous backdrop for the series. The 4-day event was broadcast nationally and internationally via numerous streaming services.
- ▶ **Memory – The Origins of Alien:** Colorado's Exhibit A Pictures received an incentive for post-production activities related to the feature-length documentary Memory – The Origins of Alien. The documentary tells the untold origin story of Ridley Scott's cinematic masterpiece, rooted in Greek and Egyptian mythology, underground comics, parasitology, the art of Francis Bacon, and the symbiotic genius of Dan O'Bannon and H.R. Giger. The film premiered at Sundance Film Festival and screened at prestigious film festivals internationally.
- ▶ **Soul Custody:** Keep It Moving Productions, a Colorado-based production company, produced and filmed the feature Soul Custody in Teller County's community of Woodland Park during the summer of 2018. The psychological thriller follows the final year of a thirteen-year-old girl's life leading up to the moment she is accidentally murdered. The production company is currently discussing distribution deals for the film.
- ▶ **The Orphan Train:** This feature film, filmed in Pagosa Springs, follows young, east coast orphans who are rounded up and sent on a train across the country to Colorado. When one Union soldier is presumed deceased and his wife dies of tuberculosis, his young children are sent away on the orphan train, a government program intended to place children with loving families. The Colorado producers are in the planning stages for a theatrical release.
- ▶ **Xfinity Latino Weekly Entertainment Series:** Xfinity Latino (XLEC) is a weekly entertainment series designed for Spanish and Bi-Lingual families combining programming, culture, technology and service tips in a dynamic and entertaining way. Season IV received a Colorado film incentive and built upon the successes of the previous three seasons. The channel broadcasts 24/7 to 23 million homes nationwide on cable, web and mobile.

VIDEO GAMES

- **Project Siren – Phase II:** In FY 2018-19, Deck Nine Games, located in Westminster, Colorado, received an incentive for the second phase of a narrative adventure game. Deck Nine has been creating games for computer, PlayStation and beyond for over twenty-one years and successfully tackles all phases of videogame production from the writers' room and special effects to the motion capture studio at their Westminster headquarters.



COLORADO TOURISM OFFICE

In recent years, Colorado has earned the status of a national destination and ranks as one of the nation's top tourism states on many fronts. The Colorado Tourism Office (CTO) also leads initiatives to maximize collaboration among industry partners, elevate the industry, inspire and support the development of new travel experiences, educate travelers to reduce impacts on resources and disperse them to every corner of the state.

In Fiscal Year 2019, the Colorado Tourism office continued to implement initiatives from the Colorado Tourism Roadmap, a three- to five-year strategic plan to guide not just the CTO, but the entire Colorado tourism industry in continuing to build a competitive advantage for our state's thriving visitor economy.

As defined in the Roadmap, the mission of the CTO is to drive traveler spending through promotion and development of compelling, sustainable tourism experiences throughout our four-corner state. The CTO is generating jobs, business success, travel-related state and local tax revenues and an enhanced lifestyle for Colorado residents.

COLORADO TOURISM OFFICE HIGHLIGHTS

TOURISM INDUSTRY DELIVERS STRONG ECONOMIC IMPACT

- ▶ Total direct travel spending in Colorado during 2018 exceeded \$22.3 billion, a 6.7 percent increase from 2017, compared with 4.1 percent nationally.
- ▶ In 2018, Colorado welcomed 85.2 million visitors, up slightly from 84.7 million in 2017.
- ▶ Overnight stays by discretionary marketable leisure travelers – those targeted by tourism campaigns -- was up to a record-high 19.5 million, a 3 percent increase from 2017. Colorado had the ninth-largest share of these travelers nationally in 2018, up from 18th largest in 2009.
- ▶ Visitor spending continued to spur job creation in 2018 with travel spending directly supporting 174,400 jobs, a 1.9 percent from 2017. This increase is slightly above the national increase of 1.8 percent.

85.2M

COLORADO WELCOMED A
RECORD 85.2M VISITORS

\$22.3B

DIRECT TRAVEL SPENDING
EXCEEDED \$22.3B

174K

174K JOBS WERE SUPPORTED
BY TRAVEL SPENDING

COLORADO TOURISM OFFICE AND LEAVE NO TRACE PARTNERSHIP PROMOTES SUSTAINABLE TRAVEL

- ▶ The Colorado Tourism Office became the first state organization to forge a strategic partnership with Leave No Trace in October 2017 and introduced the jointly created Care for Colorado Principles in May 2018. In addition to the “Are You Colo-Ready?” brochure and the video, the Principles are being shared in the CTO’s annual vacation guide and seasonal magazines, on Colorado.com and in posters on restroom doors in the 10 Colorado Welcome Centers. Since then, the CTO has shared the Care for Colorado Principles with millions of travelers through an “Are You Colo-Ready?” brochure, an animated video, in Colorado Welcome Centers, in the annual vacation guide, social channels and on Colorado.com.
- ▶ A recent study shows that a year after the program was introduced and with no paid advertising, 28 percent of Colorado adults recognized the Care for Colorado Principles. Of those who weren’t aware of the program, 71 percent approved when it was explained to them.
- ▶ In 2019, the CTO and Leave No Trace welcomed six new sustainable partners into the coalition: The Colorado Hotel & Lodging Association, the Colorado River Outfitters Association, the Colorado Dude & Guest Ranch Association, Colorado Association of Ski Towns (CAST), the Colorado Mountain Club and the Colorado Association of Destination Marketing Organizations (CADMO). Those organizations in turn extended access to CTO messaging and Leave No Trace training to all of their members. This will bring the Care to Colorado Principles to tens of millions of travelers each year.
- ▶ CTO research is showing more travelers are saying a destination’s sustainability practices are important to their choice of destinations. In summer 2018, 20 percent of Colorado travelers said a destination’s commitment to sustainability was very important, up from 15 percent a year earlier.

COLORADO REGIONAL BRANDING DRIVES NEW VISITOR EXPERIENCES

- ▶ Colorado Tourism Office (CTO) engaged with internationally renowned place branding agency, Destination Think!, to create and announce new Colorado travel regions designed to inspire travelers, tourism collaborations and creation of new visitor experiences.
- ▶ In shaping and naming the new travel regions, CTO created an 11-member Regional Branding Task Force with representation from across the state. The consulting team analyzed nearly 19 million online conversations, fielded industry and consumer surveys and gained direct input from about 800 Coloradans during 20 workshops in 11 Colorado destinations around the state.

- ▶ The final report includes the new map, a summary of research findings, recommendations for how the regions can spur their economies and brand identities and positioning statements for each region. The eight regions by name are Pioneering Plains, Canyons & Plains, Pikes Peak Wonders, Mystic San Luis Valley, Mountains & Mesas, Rockies Playground, The Great West and Denver & Cities of the Rockies.
- ▶ In FY20, the CTO continues its work with Destination Think! and is conducting regional workshops in all eight regions. These workshops will help the regional industry leaders collaborate to determine how each region can best brand itself to travelers.

COME TO LIFE CAMPAIGN INSPIRES TRAVELER SPENDING

- ▶ During Fiscal Year 2019, the CTO continued expanding the national reach of the highly successful “Come to Life” marketing campaign and launched a new winter theme line, “Snow’s Perfect State.”
- ▶ The CTO’s Fiscal Year 2019 campaigns were credited with inspiring nearly 2.33 million additional leisure trips to Colorado generating \$3.84 billion in incremental spending. At a cost of \$8.02 million in media spending, the campaign generated a return on investment of \$479 per dollar spent, placing Colorado’s campaign among the 10 percent of state campaigns in the U.S. for effectiveness and ROI.
- ▶ Colorado’s “Come to Life” campaign was enhanced by a nationally focused public relations and social media program. The PR team’s 145 placements in its targeted top 100 media outlets generated more than 1.8 million impressions. [updated]
- ▶ Colorado.com accommodated 10.8 million user sessions, placing it among the top-performing state tourism websites for visitation, according to Quantcast.
- ▶ During Fiscal Year 2019, CTO distributed 450,000 Official State Vacation Guides. It also distributed three issues of new seasonal magazine Love, Colorado. Of the magazine’s 195,000 subscribers, 95 percent live out of state.

GLOBAL REACH ATTRACTS HIGH VALUE TRAVELERS

- ▶ In 2018, for the first time, Colorado attracted more than 1 million international visitors to the state, at 1,048,000 visitors. This represents year over year visitor growth of 7.35%, while international visitor spend increased 6.84% to \$1.85 billion.
- ▶ The international visitor is Colorado’s highest value traveler, spending an average of \$1,770 per person per trip while visiting the state. Overseas travelers, excluding Canada and Mexico, tend to be in the state for a longer amount of time, spending \$2,440 per visit while in Colorado.
- ▶ The countries with the largest percentages of increases in visitation are a direct result of the increase in international air service to Denver. The CTO supported Denver International Airport’s marketing efforts, which resulted in seven new international nonstop flights in the past two years, bringing DEN’s total international destinations to 26. In 2018, new nonstop flights included United Airlines seasonal service to London-Heathrow, WestJet to Calgary, Norwegian to Paris, and seasonal service by Edelweiss to Zurich. In 2019, United Airlines added a new flight to Frankfurt, and announced that service to London-Heathrow would be a year-round flight.

DESTINATION DEVELOPMENT ADVANCES RURAL ECONOMIC DEVELOPMENT

- ▶ The CTO is partnering with the Colorado Energy Office and the Colorado Department of Transportation to increase accessibility of electric vehicle charging stations along Colorado’s 26 Historic and Scenic Byways.
- ▶ The CTO received a grant of \$141,293 from the State Historical Fund to build a new micro-site on Colorado.com to promote all of our twenty-six Scenic and Historic Byways. Work on this project began in February and is scheduled to be complete by April 2020. CTO will be collaborating with multiple state agencies, Regional Byway groups, the State Byways Commission and Miles partnership to produce this new microsite which will include itineraries, photos, locals tips, videos and more.

- ▶ In FY19, the CTO granted \$721,000 to cultivate local tourism development and promotion across Colorado.

OTHER NOTABLE UPDATES

- ▶ The CTO created and launched the Colorado Concierge program as a free digital resource and training platform for all Colorado businesses to coach their frontline workers into being Colorado experts and develop their ability to deliver Colorado-style hospitality.
- ▶ The CTO's research-based definition of Colorado hospitality is "a genuine, kind-hearted invitation to share in the life and wonder of Colorado."
- ▶ The CTO enhanced its visitor services program by installing a new wall-sized state map at each of its ten welcome center facilities. This map features the state's newly-designated travel regions, Colorado's 26 scenic and historic byways, significant cultural and heritage sites, and considerable natural areas including the state's four national parks and eight national monuments. The previous maps had been in use for 25 years and required updates to roadways, travel attractions, and historical designations.



OUTDOOR RECREATION INDUSTRY OFFICE

With the density of outdoor companies, the natural assets found in the state and a workforce emboldened by the outdoors, the Colorado Outdoor Recreation Industry Office (OREC) was launched in 2015. The office is one of several in the nation that provides a central point of contact, advocacy and resources at the state level for the diverse constituents, businesses and communities that rely on the continued health of the outdoor recreation economy.

Our mission at the Colorado Outdoor Recreation Industry Office is to champion communities and people to thrive through Colorado's outdoor recreation industry. We do this by focusing on four impact areas:

Economic development

Economic development is more than just business growth. It's acting with intent and an understanding of the impact the outdoor recreation economy has on our outdoor spaces and the people around us. It's sustainable, authentic and innovative.

Conservation and stewardship

State-supported conservation efforts are necessary to mitigate the economic and social impact of outdoor recreation activities. We support efforts that conserve public lands and waters, and steward climate resiliency.

Education and workforce training

We work closely with Colorado higher education institutions to support the next generation of outdoor leaders. We strive to support diverse programming to better retain a creative and innovative workforce, particularly in rural regions of Colorado.

Public health, wellness and safety

We strive to better define the intersection of public health and outdoor recreation, with the goal of cultivating healthy outdoor lifestyles at home, at work, and while at play.

Building on our outdoor heritage, the Outdoor Recreation Industry Office focuses on:

- ▶ Promoting inclusive access for all;
- ▶ Strengthening our stewardship ethic;
- ▶ Sparking sustainable economic development;
- ▶ Driving industry innovation;
- ▶ Cultivating a deeper awareness of public health and its connection to the outdoors;
- ▶ Investing industry resources toward workforce training;
- ▶ Deepening industry educational opportunities.

OUTDOOR RECREATION INDUSTRY HIGHLIGHTS

ECONOMIC DEVELOPMENT

Fiscal Year 2019 initiatives focused on the development of key industry deliverables and clusters.

- ▶ Welcomed Fantic Bikes with the relocation of their North American HQ to Denver.
- ▶ Provided resources to six rural communities for strategic planning of new outdoor recreation industry opportunities as part of the Rural Technical Assistance Program (RTAP) in partnership with the University of Colorado Boulder's Masters of the Environment program.
- ▶ Drafted a framework outlining the role of the OREC office in supporting rural economic development, and highlighting state resources and financial incentives with the goal of assisting communities throughout Colorado in expanding outdoor recreation.
- ▶ Hosted the fourth annual Colorado Outdoor Industry Leadership Summit (COILS) in Glenwood Springs, bringing together outdoor industry leaders from around the state to help advance a statewide strategy for economic growth through outdoor recreation.
- ▶ Sponsored the 2019 Colorado Classic, the only all-women, stand-alone, professional bike race in the western hemisphere.
- ▶ Celebrated the grand opening of Colorado Outdoors in Montrose.
- ▶ Celebrated the ground-breaking of Las Colonias Park in Grand Junction, a 130-acre outdoor Recreation focused Business Park that includes public park amenities and outdoor entertainment space.
- ▶ Welcomed Geyser Systems relocation to Colorado and new opportunities for employment in outdoor industry jobs in rural Colorado.

CONSERVATION & STEWARDSHIP

Creating state-supported infrastructure for conservation efforts is necessary to mitigate the economic and social impact of outdoor recreation activities. OREC works closely with outdoor industry partners, foundations and local communities to fund maintenance, planning, and development of smart and sustainable outdoor recreation infrastructure.

- ▶ Supported the establishment of Fishers Peak State Park in Trinidad, the second largest state park in Colorado, along with the Department of Natural Resources, Colorado Parks & Wildlife, The Trust for Public Lands and The Nature Conservancy.
- ▶ Hosted first-of-their-kind events focused on water education at Outdoor Retailer's summer show in Denver.
- ▶ Continued to develop and promote the principles of Leave No Trace across various recreation sectors.
- ▶ Convened discussions with the energy sector to deepen the understanding of our blended economy and how the energy sector and the OREC Industry can partner on a more profound level.
- ▶ Served on the State Trails Council, representing the Outdoor Recreation Industry in a partnership with CPW.
- ▶ Represent the Outdoor Recreation Industry in several stakeholder efforts seeking to improve management and enjoyment of recreational attributes along Colorado's northern Front Range.
- ▶ Joined the Rocky Mountain Restoration Initiative, a new and evolving partnership that seeks to build a collaborative foundation to address challenges and identify opportunities and potential solutions that will lead to measurable and scalable results in the restoration of critical landscapes in the Rocky Mountains.

- ▶ Partnered with multiple recreation user-groups to review and comment on the Bureau of Land Management's proposed actions within the Uncompahgre Field Office, where proposed actions may be inconsistent with recreation objectives and public land priorities.
- ▶ Helped to lead the Plastic Impact Promise, an effort to eliminate single-use plastics at the Outdoor Retailers Shows. More than 225 Outdoor Brands signed the pledge to not use single use plastics going forward.

EDUCATION & WORKFORCE TRAINING

OREC builds on its efforts to grow education and workforce training for skills that are in high demand among Colorado outdoor industry companies. OREC also supports diverse programming across the state that supports the next generation of outdoor industry leadership.

- ▶ Expanded the OREC Youth Ambassador program and defined expectations for future youth ambassadors, resources and opportunities, and benefits to the outdoor recreation industry.
- ▶ Served as an Advisory Board member to Colorado State University's Warner College of Natural Resources.
- ▶ Entered into a partnership with the University of Colorado Leeds School of Business to create an Executive Certificate Program for the Outdoor Recreation Industry.
- ▶ Established three fellowships at Western Colorado University with the intent of advancing a more diverse and inclusive student body.

PUBLIC HEALTH & WELLNESS

The connection between public health and wellness and the outdoors is a crucial component of being a Coloradan. OREC implements best practice models that deepen the understanding and intersection between the healthcare industry and the great outdoors. In Fiscal Year 2019, OREC took the following steps:

- ▶ Following on the goals outlined in the "Colorado Outdoor Rx: Elevating Coloradans Health through the Outdoors," OREC along with the Colorado Office of Economic Development has partnered with the CU School of Public Health to create a Health Links module to guide businesses in assessing and improving their workplace connections to outdoor recreation and the associated benefits of time spent outdoors. The module includes an MOU between participants and the State, an assessment process, and a toolkit.
- ▶ Partnered with first responders and the search and rescue community to explore funding mechanisms and permanent funding. As a reflection of this work, we've expanded our Public Health and Wellness impact area to include Safety.

COLORADO OUTDOOR RECREATION INDUSTRY STATS

\$62B+ TOTAL ECONOMIC
IMPACT

511K DIRECT COLORADO
JOBS

\$9B IN STATE, LOCAL, &
FEDERAL TAX REVENUE

\$21B+ IN WAGES &
SALARIES

\$37B CONSUMER
SPENDING





COLORADO
**Office of Economic Development
& International Trade**

Colorado Office of Economic Development and International Trade
1600 Broadway, Suite 2500 | Denver, Colorado 80202 USA
303.892.3840 | www.choosecolorado.com

