



COLORADO

**Office of Economic Development
& International Trade**

**ANNUAL REPORT
FISCAL YEAR 2021-2022**

TABLE OF CONTENTS

| | | |
|-------------|--|------------|
| I | LETTER FROM THE GOVERNOR & EXECUTIVE DIRECTOR | 4 |
| II | GLOBAL BUSINESS DEVELOPMENT | 6 |
| III | BUSINESS SUPPORT | 17 |
| IV | RURAL OPPORTUNITY OFFICE | 29 |
| V | BUSINESS FUNDING & INCENTIVES | 33 |
| | PROCUREMENT TECHNICAL ASSISTANCE PROGRAM | 41 |
| | RURAL JUMP-START ZONE PROGRAM | 43 |
| | ENTERPRISE ZONE | 58 |
| | ADVANCED INDUSTRY TAX CREDIT | 68 |
| | COLORADO STARTUP LOAN FUND | 77 |
| | INNOVATIVE HOUSING INITIATIVE PROGRAM | 80 |
| V | COLORADO CREATIVE INDUSTRIES | 82 |
| | COMMUNITY REVITALIZATION GRANT PROGRAM | 87 |
| VI | COLORADO OFFICE OF FILM, TELEVISION & MEDIA | 91 |
| VII | COLORADO TOURISM OFFICE | 98 |
| VIII | COLORADO OUTDOOR RECREATION INDUSTRY OFFICE | 105 |
| IX | ADDENDA | 110 |

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LETTER FROM GOVERNOR JARED POLIS AND EXECUTIVE DIRECTOR PATRICK MEYERS

October 31, 2022

What a difference a year can make. The programming undertaken by the Office of Economic Development & International Trade (OEDIT) demonstrates how much can be accomplished in a short amount of time when State leaders and our public servants come together for the benefit of all Coloradans.

In Colorado, we have had one of the strongest economic recoveries in the country, gained back all of the jobs lost during the pandemic, experienced low unemployment, and have a job recovery rate of 121.3% that outpaces the U.S. rate of 105.3%. We have delivered results for Coloradans and businesses, focusing on saving people money on everyday items, providing historic [property tax cuts](#) for Coloradans, businesses, farmers and ranchers. Moreover, in an effort to support small businesses, caterers, food service contractors, and hotel bars/restaurants were allowed to keep three months of state sales tax collections during the pandemic, and will receive three months more relief this summer saving up to \$2,000/month per location.

Since 2021, nearly \$500 million in state and federal stimulus has been awarded to OEDIT to help Colorado businesses, our communities and our economy come back from the pandemic stronger than ever.

While a portion of this OEDIT funding went to bolster legacy programming, the majority has been used to stand up new programs that help the businesses and communities hardest hit by the pandemic. OEDIT also created a Recovery Office to manage statewide stimulus funding aimed at driving forward equitable outcomes for all Coloradans in the distribution of ARPA, IIJA, and IRA federal funds.

Among the many successes, OEDIT launched the Colorado Startup Loan Fund established by HB21-1288 to support under-resourced small businesses through loan and grant capital. This important program makes it easier for small businesses to start, restart or restructure a business—including business owners who lack the assets traditionally required to secure a loan, are not English-speakers, live in rural areas or experience other barriers to funding.

The Community Revitalization Grant, established by SB21-251, provided \$65 million in gap funding to 34 mixed-use projects that are revitalizing creative districts, historic districts, main streets and neighborhood commercial centers across Colorado. Of these, 64% are in rural areas, 50% are in Opportunity Zones and two-thirds created workforce housing, providing 393 units and counting for artists and creatives across the state, 263 of which are designated for affordable housing (below 80% AMI).

In addition to implementing new programs, OEDIT was able to reinstate national and international travel through the Global Business Development and OEDIT's newest division, the Rural Opportunity Office. These



efforts aid in the attraction and retention of quality employers and good-paying jobs to Colorado, promote direct foreign investment into the state and help Colorado businesses export to global markets. This work also aided the State in signing Memorandums of Understanding with Finland and Lower Austria to further the green economy and advanced industries.

The Colorado Tourism Office helped power a tourism comeback. In 2021, total travel spending finished at \$21.9 billion, which is significantly up from \$15.4 billion in 2020. This talented team is now focused on restoring record-setting pre-pandemic travel spending of \$24.2 billion per year, with a balanced approach that supports communities still working to recover while others manage the impacts of unprecedented travel numbers.

As we look ahead to the 2022-2023 fiscal year, OEDIT teams are implementing programs created during the 2022 legislative session. The Business Funding & Incentives division will partner with the Department of Local Affairs (DOLA) to launch the Innovative Housing Incentive Program (HB22-1282). Eligible businesses that create affordable housing units will be able to apply for working capital grants and other financial incentives or loans for factory development, bringing new jobs and attainable housing options to Coloradans.

The Regional Talent Collaborative created by HB22-1350 will fund talent development initiatives in regions working to recover from the pandemic. It also seeks to smooth the transition from one phase of education or employment to another and foster opportunities for regional “learners and earners” to be more economically mobile and earn living wages through in-demand, high-skill, high-wage occupations.

These exciting new efforts, combined with the ongoing work of the OEDIT team and the innovation of Colorado’s business community, are what will help ensure Colorado’s economy continues to thrive.



Jared Polis
Governor



Patrick Meyers
Executive Director & Chief
Economic Recovery Officer



GLOBAL BUSINESS DEVELOPMENT

The Global Business Development (GBD) division elevates 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 focuses on aligning its portfolio of programs, services, and incentives with industries that strategically and operationally benefit companies in Colorado, while also recruiting and expanding occupations that are forecast to grow. To that end, this report details the division's prominent activities over the past year, including notable achievements, projects, and awards. For information on the division's current employees, please refer to the section on the GBD Team.

GBD SERVICES & ACHIEVEMENTS

GBD's portfolio of services includes export services and promotion, foreign direct investment (FDI), business recruitment, retention and expansion, data and analytics and the Advanced Industries Accelerator Grant Program.

ADVANCED INDUSTRIES

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.

GBD's Advanced Industries (AI) Accelerator Grants Program offers four types of grants and two global business programs. Grants available include Proof of Concept, Early-Stage Capital & Retention, Collaborative Infrastructure, and Export Accelerator, and Global Consultant Network.

- ▶ Funding was provided for 54 Early Stage companies, 57 Proof of Concept recipients and 9 Collaborative Infrastructure projects totaling \$21,655,380.
- ▶ Funding was provided for 9 Export Accelerator companies to support their international business development activities totaling \$68,199.
- ▶ Funding was provided for 13 Global Consultant Network recipients to receive consulting services at no-cost. Funding spent totaled \$54,920.

AEROSPACE & DEFENSE

The Aerospace and Defense industry is an economic engine for the State of Colorado and continues to attract aerospace businesses, national security missions, and innovative research institutions and projects to our state. The aerospace ecosystem is an essential part of Colorado's economy. Thanks to Colorado's incredible quality of life, world-class talent pool, and a full-spectrum aerospace ecosystem, more and more aerospace companies are calling Colorado home.

Colorado's aerospace industry ranks first in the United States for the concentration of private aerospace employees with an extensive network of highly innovative and collaborative aerospace businesses. There are over 290 direct aerospace related businesses employing 34,000 employees and over \$4.3 billion in annual payroll. The aerospace businesses generate approximately 240,000 additional indirect jobs. With direct employment growth at 10.1 percent, the Colorado aerospace industry continues to grow faster than the national average of 3.7 percent.

In addition, Colorado's aerospace industry is supporting NASA's Artemis program, which will return Americans, including the first woman and person of color, to the moon and then beyond. Approximately two hundred Colorado companies are taking part in the Artemis program. The most visible single contribution is Lockheed Martin Space Systems, the prime contractor for the Orion spacecraft.

Colorado is also home to our nation's most critical space capabilities that provide defense for the United States and our allies. The capabilities include precision navigation and timing signals (Global Positioning System, GPS), ballistic missile threat detection and warning, and communications systems that are vital for all national security operations. These capabilities are enabled by a significant defense space infrastructure, an innovative and thriving aerospace business ecosystem, and a highly educated, talented, and skilled workforce. These economic attributes not only provide for a strong national space-based defense capability, but also serve as a catalyst for innovative technologies including quantum computing, artificial intelligence, augmented reality, hypersonic systems, and advanced manufacturing.

Colorado is also the temporary home for United States Space Command (USSPACECOM), and no other state in the nation has a more developed aerospace ecosystem. Additionally, Colorado has three of six Space Force

bases, is home to Space Force Operations Command (SpOC), and is the temporary home of Space Force Training and Readiness Command (STARCOM). Northern Command (NORTHCOM) and North American Aerospace Defense Command (NORAD) are also based in Colorado.

Although Huntsville, Alabama was recently selected to be the permanent home for USSPACECOM, basing it permanently in Colorado would capitalize on the state's existing command structure, base infrastructure, and communications platforms necessary to successfully host additional national security initiatives and ensure coordination of efforts without committing restrictive additional funds. A Colorado based SPACECOM would achieve Full Operational Capability (FOC) many years sooner than any other location. Recognizing this along with Colorado's unique blend of military installations and major commands, private aerospace companies, academic and research institutions, government entities, and the valuable synergies this ecosystem produces, the Governor's Office, State Legislature, and entire Congressional delegation has strongly urged the Department of Defense to keep the existing U.S. Space Command in Colorado. The decision is expected to be announced in the Fall of 2022.

BUSINESS RECRUITMENT, RETENTION & EXPANSION

GBD works in close coordination with the Business Funding & Incentives division to promote OEDIT's programs and reinforce Colorado as a great place to do business. The two main incentives that are deployed by the GBD division are the discretionary, performance-based Job Growth Incentive Tax Credit and the Strategic Fund cash incentive. Both provide financial support to companies that are looking at establishing a new location, relocating a headquarters or expanding current operations in Colorado; each potential startup or expansion must be a competitive project considering locations in multiple states. To be eligible for these incentives a company must create at least 20 new, well-paying jobs over eight years. Under the Job Growth Incentive Tax Credit Program, 32,300 jobs have been created since 2018 and 4,600 jobs have been created under the Strategic Fund since 2018.

While pandemic-related uncertainty led to a slow start for business expansions during the fiscal year, projects continued to identify and choose Colorado for investment—including foreign direct investment, headquarters investment, and the growth of existing Colorado operations.

The projects below represent some of the most notable that decided to invest in Colorado during the fiscal year, following national and even international searches. Each of these projects received some level of State support, through either the Job Growth Incentive Tax Credit and the Strategic Fund cash incentive.

Notable Global Business Development Projects

| Company | Project | New Jobs | Region of Interest |
|--|-------------|----------|-----------------------------|
| AEROSPACE | | | |
| Blue Origin | Buffalo | 400 | Region 3 - Metro Denver |
| Blue Origin is an American privately funded aerospace manufacturer and sub-orbital spaceflight services company headquartered in Kent, Washington. Blue Origin develops orbital technology, rocket-powered vertical takeoff and vertical landing (VTVL) vehicles for access to suborbital and orbital space. Their key decision factors were access to talent, specifically aerospace and engineering talent, in addition to gaining proximity to key primes and other partners with locations in Colorado and the cost of doing business. | | | |
| West Star Aviation | Thunderbird | 110 | Region 11 - Western Slopes |
| West Star Aviation specializes in airframe repair and maintenance, engine repair and maintenance, major modifications, avionics installation and repair, interior refurbishment, paint, parts, surplus avionics sales, window repair and accessory services. The company also provides complete FBO services for transient aircraft at its East Alton and Grand Junction facilities. Out of their 1,528 employees, 531 were located in Colorado and they decided on Grand Junction over their other existing locations because of access to talent, supply chain, and ease of doing business in the community. | | | |
| Bluestaq | Bourbon | 585 | Region 4 - Colorado Springs |
| Bluestaq is a technology firm that specializes in data management systems data analytics and software. The company builds highly secure enterprise software solutions for storing, managing and sharing data. | | | |

| Company | Project | New Jobs | Region of Interest |
|---|-----------|----------|-------------------------|
| BIOSCIENCE | | | |
| Blink Science (PERSOWN) | Polish | 298 | Region 3 - Metro Denver |
| Blink Science, now PERSOWN, is a developer of revolutionary low-cost Point-of-Care (POC) diagnostics and health information technologies including an ultra-accurate, low-cost test strip and a handheld reader with the potential to deliver lab-quality diagnostic results in seconds for infectious diseases like COVID-19 and Tuberculosis, heart attacks, cancers, and brain injuries. | | | |
| Lumary | Branch | 120 | Region 3 - Metro Denver |
| Lumary is a global healthcare platform with a complete end-to-end practice management solution purpose-built for autism therapy providers in the US. Designed and developed by industry experts and tech engineers, Lumary integrates with specialist applications to create one digital solution that enables applied behavioral analysis providers to manage their entire therapy practice. This investment represents the Australian parent company's establishment of a U.S. Headquarters. | | | |
| ENERGY & NATURAL RESOURCES | | | |
| Fortescue Future Industries | Outback | 155 | Region 3 - Metro Denver |
| Fortescue Future Industries (FFI) is a global green energy company committed to producing green hydrogen, containing zero carbon, from 100% renewable sources. FFI is leading the green industrial revolution, developing technology solutions for hard-to-decarbonise industries, while building a global portfolio of renewable energy, green hydrogen and green ammonia projects. FFI is also leading the world effort to decarbonise hard-to-abate sectors and is responsible for the proposed decarbonisation of one of the biggest resources companies in the world by 2030. | | | |
| FOOD & AGRICULTURE | | | |
| Greenfield Holdings | Apollo | 20 | Region 3 - Metro Denver |
| Greenfield Holdings is an agricultural commodity trading, handling and storage company. | | | |
| HEALTH & WELLNESS | | | |
| Virta Health | Chamomile | 902 | Region 3 - Metro Denver |
| Virta Health is a fast-growing health tech company that was the first to develop a clinically proven treatment to reverse diabetes without invasive surgery or procedures. The company aims to provide sustainable treatment for diabetic patients by targeting the root cause of the disease and supporting its patient population through personalized treatment and care. | | | |
| INFORMATION & TECHNOLOGY | | | |
| Cloudcase | Jungle | 105 | Region 3 - Metro Denver |
| Cloudcase is an Australian fintech company that provides its customers with a platform designed for the banking industry with software solutions that streamline customer fulfillment and origination processes in the banking and financial services industry. This project represents the company establishing a service support branch to cater to their current U.S. customers, as well a sales team to engage new customers in the region. | | | |
| Zoom | Altitude | 300 | Region 3 - Metro Denver |
| Zoom Video Communications provides a communications platform that connects people through video, voice, chat and content sharing. The company's cloud-native platform enables face-to-face video and connects users across various devices and locations in a single meeting. Zoom, which was founded in 2011 and is headquartered in San Jose, California, serves companies of all sizes from all industries around the world. | | | |
| Edge R&D | Velvet | 69 | Region 3 - Front Range |
| Edge R&D provides business intelligence, data management and other technology solutions to their business clients. The company has grown rapidly since early 2020 with positions for program managers, data and software engineers, and business analysts. | | | |
| Hotel Engine | Pilot | 1,739 | Region 3 - Front Range |
| Hotel Engine uses innovative technology and support programs to connect businesses with lodging partners, maximizing efficiency and cost savings within the partnerships it facilitates. The company was recently named a Top 10 Denver Tech Employer for 2022 by the Denver Business Journal. | | | |
| Humanitix | Hong Kong | 136 | Region 3 - Front Range |
| Humanitix is a fast growing, innovative tech non-profit focused on funding education programs for disadvantaged populations. The company derives its profits through a technology platform that significantly reduces the costs of consumer's purchases within its industry vertical in comparison to the private competitors' platforms in the market. The non-profit, in addition to dedicating its profits to education-related initiatives and projects, has sought to employ and train individuals from disadvantaged backgrounds who otherwise would not be able to secure employment in the technology industry. | | | |

| Company | Project | New Jobs | Region of Interest |
|--|----------|----------|-------------------------|
| OTHER | | | |
| Scythe Robotics | Eldorado | 394 | Region 3 - Front Range |
| Scythe Robotics has developed a sustainable autonomous commercial mower to maintain off-road environments safely, effectively, and responsibly. The company is planning to add a production facility (50,000+ sq.ft.) to mass produce and meet their customer demands. Their product has been popular and they currently have a backlog into 2025. | | | |
| SheFly Apparel | Teal | 37 | Region 10 - Gunnison |
| SheFly Apparel, a women-owned and operated startup company, develops and produces outdoor recreational and sports-oriented clothing for women that includes a patented zipper design for comfort and convenience. | | | |
| KLJ Engineering | Owl | 20 | Region 3 - Metro Denver |
| KLJ Engineering is a multi-disciplinary engineering firm that specializes in aviation, land development, power, public works, and several other industries. The company expects to create 20 net new jobs, which will include engineers, environmental specialists, surveyors, and construction techs. | | | |

GLOBAL DIPLOMACY

Firms often leverage contacts with public and private organizations that represent their interests abroad, such as embassies, local international promotion agencies, chambers of commerce and others. By maintaining connections with these organizations, GBD increases the likelihood of Colorado being recommended as an ideal destination for migratory or expanding businesses.

Additionally, GBD analyzes universal trends in foreign direct investment (FDI) and sets targets for international engagement based on data-backed strategies. GBD's data-driven approach guides the division's actions for the year, and specifically helps the division's global diplomacy function raise awareness of Colorado and its outstanding business ecosystem on a global scale. To that end, the following three sections represent concrete examples of the GBD's global diplomacy achievements over the past year.

Foreign Delegations

GBD regularly hosts foreign delegations composed of senior foreign government and/or business representatives. The goals of these delegations generally focus on the following areas: 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.

Leading up to 2020, such visits were frequent. However, as widespread international travel restrictions were established in response to COVID-19, physical visits by foreign delegations effectively ceased. Beginning in Summer 2021, the size, frequency, and geographic diversity of foreign delegation visits started to increase again, particularly in late winter 2022. This increase was due largely to the loosening of travel restrictions from East Asia (Japan, South Korea, Taiwan) and Oceania (Australia, New Zealand), leading to a large influx of government and business delegations from this region.

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

► Summits and Conferences:

- **Space Symposium:** The annual Space Symposium conference, hosted in Colorado Springs, featured large business and government delegations from a number of markets identified on GBD's FDI strategy. As such, GBD engaged proactively with delegations from New Zealand, Australia, Italy, the United Kingdom, Germany, the European Union, Canada, and Japan.

► Partnership Agreements:

- Memorandum of Understanding between the Government of Finland and the State of Colorado Concerning Green Economy and Advanced Technologies: Leveraging relationships developed during GBD's 2018 Nordic Trade and Investment Mission, GBD worked with partners in the Embassy of Finland to develop a multi-year partnership agreement, which focuses on mutual support of the commercialization of advanced quantum, aerospace, and green technologies. Governor Jared Polis and Ambassador Mikko Hautala formalized this agreement during a signing ceremony on February 15, 2022. Followup is ongoing and currently focuses on the development of industry-led working groups, policy dialogue, and bilateral delegation visits.
- Memorandum of Understanding between the Government of Lower Austria and the State of Colorado intending to deepen cultural ties and encourage scientific and technological collaboration that prioritizes climate protection and the sustainable use of resources. This memorandum was signed by Lt. Governor Dianne Primavera and Lower Austrian Governor Johanna Mikl-Leitner on May 4, 2022 in Denver. Follow-up is currently ongoing.

► Elected and Appointed Officials (heads of state, governors, legislators, ministers, etc):

- European Union (multiple delegations), Finland, Australia, Austria

► Ambassadorial Delegations:

- Finland, China (PRC), Taiwan (ROC), European Union, Mexico (Virtual), New Zealand, Austria

► Consul-General and Consulate Official Visits:

- Italy, South Korea, Mexico, Japan, France, Canada, Austria, Switzerland, United Arab Emirates, New Zealand, monthly (virtual) COVID-19 meetings with the Colorado Consular Corps

► Foreign Business Delegations:

- Japan, Austria, Australia, New Zealand, Italy, and the European Union (multiple countries), Mexico (virtual), South Korea, United Arab Emirates

International Development & Engagement

GBD fosters export growth by awarding grant funds to eligible Colorado companies, connecting them with target markets through strategic trade missions and trade shows, and providing them with insights and assistance through access to a global network of trade consultants. The division has three export assistance programs: State Trade and Export Program (STEP), Advanced Industries Export (AI Export), and the Global Consultant Network.

While the grants differ in their funding sources (STEP is federally funded whereas AI Export is funded through the state) and in their rules of eligible spending, they are similar in terms of how they screen for qualified companies. The following rules detail the eligibility requirements companies must satisfy for either grant:

- Employ less than 200 employees globally
- Be new to exporting or expanding into a new market
- Be registered and in good standing with the Colorado Secretary of State
- Have a product or service ready to export
- Have their headquarters or employ at least 50 percent of employees in Colorado

This year, OEDIT in collaboration with the Colorado Department of Agriculture received \$627,000 in funding under the State Trade Expansion Program (STEP). STEP helps small and medium-sized companies begin or expand their export sales. The grant funded 60 companies in Colorado to support their international business development activities.

The AI Export funding was reinstated this fiscal year after being temporarily suspended during the COVID budget shortfall. AI Export supports advanced industry small and early stage companies beginning or expanding their export sales. This grant funded 9 companies in Colorado to support their international business development activities.

As part of the program, GBD took delegations of Colorado companies to 5 trade shows, including:

- ▶ 2021 Green Expo Trade Show, Mexico
- ▶ 2022 Photonics West Trade Show, California
- ▶ 2022 Arab Health Trade Show, United Arab Emirates
- ▶ 2022 JEC World Trade Show, France
- ▶ 2022 Hannover Messe Trade Show, Germany

AI Export also supports the Global Consultant Network (GCN). The GCN helps Colorado companies expand into international markets. Consultants in 16 different global markets provide market-entry and in-market services. The GCN offsets the cost of these services. This year 13 companies took advantage of the program.

One export training was facilitated to assist Colorado companies interested in taking their current products and services international. Small businesses learned where to go, what documentation and requirements they will face, and common mistakes to avoid. This year 12 companies took advantage of the training.

Trade & Investment Missions

Each year, GBD identifies and plans international missions to countries that show promise for inbound investments into Colorado. The division typically leads two foreign missions per year which include presenting Colorado opportunities to and meeting with private and public entities, engaging in cultural activities, participating in dynamic group discussions, and conducting informative site visits. GBD classifies these missions as investment, trade and investment, or fact-finding depending on desired outcomes and defines them as follows:

- ▶ **Investment:** delegation composed of leaders from Colorado economic development organizations representing various geographic areas with the goal of generating inbound FDI or developing connections that will eventually lead to inbound FDI; typically led by high-level Colorado officials (Governor, Lieutenant Governor, OEDIT Executive Director).
- ▶ **Trade & Investment:** delegation composed of Colorado business executives and leaders from economic development organizations with goals of increasing inbound FDI and connecting Colorado companies with overseas partners and distributors; typically led by high-level Colorado officials (Governor, Lt Governor, OEDIT Executive Director).
- ▶ **Fact-Finding:** small delegation composed primarily of GBD staff (but other economic development professionals may be present as well) with the goal of understanding more about a particular or emergent market.

The main goal of these missions is to strengthen Colorado's foreign relationships and to support OEDIT's efforts to develop unique economic opportunities for the state. By focusing on key industries within strategic, global markets, GBD's missions enable OEDIT to have a global reach and to promote the state's innovative economy and business environment to foreign investors. This year, GBD successfully organized and led the following missions, with additional missions postponed, pending changes in the COVID-19 pandemic and global travel restrictions.

- **2021 European Union and United Kingdom Fact-Finding Mission:** In September 2021, members of OEDIT's Global Business Development (GBD) division conducted business development and diplomatic meetings in Germany, The Netherlands, and the United Kingdom. This mission focused on strengthening existing networks and understanding post-COVID developments in these markets, focusing primarily on climate smart agriculture, fintech, and aerospace industry verticals. High-level metrics of the mission include:

300

Pre-Qualified business development leads

25

Business development meetings held

6

Active business development projects as a result of these meetings

Established or strengthened relationships with:

9

Government entities

4

Research institutes

5

Ecosystem partners/industry associations

Discussions are ongoing with national and regional governments in each location, focusing on industry development, tech commercialization, and bilateral follow up delegations to/from Colorado.

- **2022 SelectUSA Italy Roadshow:** OEDIT's Senior Diplomacy Manager took part in a 3-day FDI promotional event hosted by the U.S. Department of Commerce's SelectUSA program. This 3-day program featured match-made, one-on-one meetings with Italian companies interested in investing in the United States. Over the course of this event, GBD held meetings with 20+ FDI prospects from diverse industry sectors, including advanced manufacturing, aerospace, food and agriculture, and outdoor recreation.
- **2022 Fact-Finding Mission to France and the FDI Forum in Edinburgh:** GBD traveled to Paris for the JEC World Composites trade show and brought four Colorado companies—Oribi Manufacturing, PureVision Technology, Vartega, and CSD Cyber. The U.S. Ambassador to France stopped by to learn about the technologies that the Colorado companies were presenting and to show her support. In addition to attending JEC World, GBD led business development and relationship-building meetings with companies and government partners. We met with The Mouvement des entreprises de France (MEDEF) and GIFAS the French Aerospace Association, Station F—the world's biggest startup incubator, La French Tech—Business France's funding mechanism for accelerators and conveners of startups and the tech ecosystem by region throughout France, the French cluster for composites in Normandie and the following companies interested in investing in Colorado: ExoTrail, EoDev, Danone, and Roze Development. In Edinburgh, the Director of Global Business Development presented the Choose Colorado video and slides at the FDI World Forum from which we identified three business leads and increased awareness of Colorado's value proposition at the world's largest Foreign Direct Investment Forum.
- **2022 Biennial of the Americas Mexico City:** Governor Polis joined a business and cultural exchange mission, organized by the Biennial of the Americas, in April 2022. The delegation included 70+ Colorado business leaders. In addition to the Biennial's scheduled programming, GBD arranged sideline meetings for the Governor with FDI prospects and senior government officials in alignment with the division's Mexico FDI strategy.

STRATEGY & ANALYTICS

The accomplishments and achievements of GBD's services would not be fully realized without its Strategy & Analytics (S&A) team. Housed in the GBD division, the S&A team represents OEDIT's in-house data and analytics function. As such, the team works to support every OEDIT division and program, as well as State leadership and external stakeholders by providing data, information, and analyses. The work from this unit has supported grant proposals, prospect company pitches, speeches and talking points, trade and investment mission planning, distribution of funding and non-financial support, eligibility for programming, lobbying the federal government, and leadership briefings, among other things. The unit maintains an agenda of internal projects that it pursues continuously, while simultaneously and frequently responding to irregular data requests of a various nature as they are received. Below are additional details of some of S&A's typical roles:

Strategic

S&A produces GBD's FDI Attraction and Export Promotion Strategies annually. These strategies leverage data from several public and private sources, third-party analytical publications, and internal studies to identify the optimal industries and markets with which the GBD division should engage through trade shows and trade and investment missions. The reports attempt to align Colorado's industry strengths with global mega-trends, geopolitics, trade volumes, and investment activity, so that GBD and Colorado companies can come face-to-face with the companies abroad that have the highest chance of purchasing Colorado-made products, expanding operations in our state, forming partnerships, or otherwise expand business growth for Colorado.

Advisory

S&A is frequently contacted by private and public leaders in communities throughout the state and abroad to provide data, analysis, and advice on economic development, especially in relation to attracting FDI and promoting exports. GBD intentionally includes a wide breadth of industries in its analyses so that consultations with communities whose assets and priorities do not perfectly align with the state can be more precisely targeted for beneficial impact.

Prospecting

The S&A team focused on a few expansion opportunities that were not necessarily formal signals but rather early entry points for large company moves. In particular, General Electric announced its plans to split into three public companies by 2024, with divisions focused on Aviation, Healthcare and Renewable Energy/Power/Digital. S&A authored a compelling pitch memo on why GE Energy spinoff should consider Colorado for its potential new headquarters. S&A worked with the Governor's office to send the memo and included an introductory letter from Governor Polis. S&A also completed an extensive review process to update our print and digital promotional materials with current data, including data updates on growth and recovery trends through the COVID-19 pandemic.

Leadership

S&A team members hold positions on various committees and external boards that help OEDIT and Global Business Development maintain an active presence in various economic forecasting and data related conversations. In the past year S&A served on the Governor's Revenue Estimating Committee, the Governor's Data Advisory Board and was the International Trade Chair of Leeds School of Business Annual Business Economic Outlook. In addition, the S&A team partners with OEDIT's Lead Economist in the State Recovery Office to review latest economic trends and crossover activity between units.

YEAR IN REVIEW

This past fiscal year continued to be dominated by the effects of the COVID-19 pandemic. Globally the world suffered from supply chain shortages and shipping constraints as consumers had increased demand for durable goods instead of services and travel. Within the U.S. and Colorado, the short-lived recession and economic recovery continues to play out unequally for different industries and wage groups. The following sections detail the Global Business Development Team's adaptation to the fluctuations of the past year and outlines the division's ongoing efforts and next steps toward strengthening the Colorado economy.

COVID-19

The COVID-19 recession is one of the deepest and shortest recessions in U.S. history. According to the National Bureau of Economic Research, the contraction lasted just two months, from February to April 2020. While the economic recovery was relatively quick in the U.S., the recovery continues to play out unequally for different groups. Employment among low-wage workers is still down from pre-pandemic levels while higher earners have fully regained lost jobs. In Colorado, labor demand has recovered significantly, and total job openings have surpassed unemployment as of May 2021. Some of the persisting labor supply issues stem from (1) mismatch in wage expectations and skills between unemployed individuals and employers that are hiring and (2) shifting preferences for unemployed individuals away from traditional low-wage jobs and toward other alternatives due to concerns around COVID-19 risks and the buffer of accumulated savings.

RURAL DEVELOPMENT

In the last year GBD completed a series of roundtable discussions with economic development organizations and stakeholders from each of OEDIT's 14 regions to gather data focusing on regions' strengths, weaknesses, opportunities and threats. GBD also presented our data analysis for each region looking at the industries and occupations with the highest numbers of jobs, concentration, and growth to ensure we were working with the same data points. GBD shared roundtable feedback with OEDIT's Lead Economist and Recovery Officer to inform his work for the upcoming year to help develop regional recovery plans.

A Wildly Important Goal (WIG) was assigned to the Advanced Industries (AI) Accelerator Program to execute 10 rural roadshows. Rural roadshows are an annual effort executed by the program to provide outreach and education in communities outside of the front range. The AI staff executed two series of roadshows in March and April 2022. Rural communities included Salida, Durango, Montrose, Crested Butte, Gunnison, Delta, Grand Junction, and Steamboat Springs. In each community the AI staff met with local economic development representatives and other resource providers, like accelerator programs. Additionally, the AI staff organized visits to past award recipients and potential new applicants.

AWARDS & ACCOMPLISHMENTS

As GBD continued to adapt to ever changing pandemic conditions and economic recovery, the team still managed to elevate the Colorado economy in a number of ways. Here are achievements worth noting:

- ▶ GBD has partnered with the Colorado Department Higher Education and the Colorado Department of Labor & Employment to convene intimate industry-specific talent roundtables, to learn from leading Colorado companies about the challenges they face, and to connect companies with resources, including partnerships with Colorado institutions of higher education.
- ▶ GBD has met with economic development organizations and stakeholders from every region of Colorado to create regional business attraction and development strategies that GBD can execute against, in support of local goals for job creation in target industries.

FUTURE INITIATIVES

In spite of the COVID-19 pandemic, Colorado remains a top spot for business attraction because of its talent pools and concentration in skilled occupations, along with its quality of life. To help focus Global Business Development efforts, the GBD team completes an annual strategy at the start of each fiscal year. This year's strategy focuses on the major economic stressors and their impact on Colorado's economy and businesses as well as how to capitalize on major legislation and funding initiatives. The recent CHIPS and Science Act, Infrastructure and Investment Jobs Act, and Inflation Recovery Act have funding opportunities that could directly support Colorado businesses and spur economic development. In particular, these acts have a strong focus on green initiatives such as renewable/green energy and electrification of transport as well as the clear mandate for semiconductor and chip manufacturing and reshoring, all of which are industry and sub-sector strengths for the state as outlined in previous strategies. Another major initiative led by the GBD and S&A team this coming year will be digitizing our annual strategy, current and past, into an interactive map and database. This will aid in both future planning and prospecting as well as documenting previous engagement efforts.

THE GBD TEAM

The Colorado Office of Economic Development & International Trade's Global Business Development Team has the following 14 members:

- ▶ Global Business Development Director: Michelle Hadwiger
- ▶ Aerospace & Defense Industry Manager: General Robert Beletic
- ▶ Advanced Industries Senior Manager: Rama Haris
- ▶ Advanced Industries Grant Manager: Kacie Adair
- ▶ Advanced Industries Grant Technician: Leah Bean
- ▶ International Export Grant Manager: Sophia Gonzalez-Mayagoitia
- ▶ Global Business Senior Manager: Mike Landes
- ▶ Global Business Development Manager: Martín González
- ▶ Global Business Development Manager: Elise Hamann
- ▶ Senior Diplomacy Manager: Christian Thomas
- ▶ Strategy and Analytics Manager: Dan Salvetti
- ▶ Strategy and Analytics Manager: Rachel Rose
- ▶ Program Coordinator/Administrative Assistant: Caitlyn Roth
- ▶ Global Business Development Intern: Macie Murcray



BUSINESS SUPPORT

The Business Support division is responsible for the strategic planning, management, program implementation, and evaluation of four major subdivisions: 1) the Small Business Development Center Network, 2) the Minority Business Office, 3) the Employee Ownership Office, and 4) the Cannabis Business Office.

BUSINESS SUPPORT SERVICES & HIGHLIGHTS

SMALL BUSINESS DEVELOPMENT CENTER NETWORK

The Colorado Small Business Development Center (SBDC) Network helps small businesses achieve their goals by providing free, confidential consulting, and low or no-cost training programs across the state.

In addition to trainings and one-on-one consulting provided to all small businesses owners and aspiring entrepreneurs, the SBDC also provides specialized programming in a number of niche fields including cyber security, technology commercialization, childcare programming, government contracting and employee ownership.

Accomplishments

In May 2022, SBDC and OEDIT were awarded the Small Business Administration's District Director's Diamond Award for acting quickly at the outset of the pandemic to establish an emergency business support hotline, connecting businesses with critical resources. From March 19, 2020 to September 17, 2021, the hotline received 4,500 calls from small businesses and their employees. The hotline team grew to a network of over 70 volunteers from government, non-profit and private sector organizations, including business librarians and Small Business Development Center consultants from across Colorado to provide followup resources in more complicated cases.

The Colorado SBDC also celebrated the work of Brian Estrada, Southern Colorado SBDC Director, as the America's SBDC 2022 State Star. The 2022 State Stars, who were chosen by their SBDC networks, are among the best of the best—those who demonstrate exemplary performance, make significant contributions to their networks, and are deeply committed to the success of America's small businesses. Brian joined the Southern Colorado SBDC in September of 2020, during the middle of the COVID-19 pandemic. With minimal transition, he took the reins and immediately focused on recruiting instructors and developing high quality content, providing support to a new team of employees and leveraging community partnerships.

America's SBDC also honored three full time employees of the Colorado SBDC network for their work. This is the first SBDC 40 under 40 awards to celebrate innovative and talented young professionals. During the 2020-2021 evaluation, the three awardees were Lisa Hudson, East Colorado SBDC Center Director, Joey Jenkins, Colorado SBDC State Director, and Wendy Wojcik, Colorado SBDC Senior Program Manager.

Small Business Legal Assistance

The Small Business Legal Assistance program matches small business owners with attorneys for a no-cost, hour-long consultation. After the consultation, the business and attorney can decide if they want to continue with a paid relationship. This program is not available to parties entering or in active litigation.

SBDC Childcare Provider Programming

The Colorado SBDC has partnered with the Colorado Office of Early Childhood to deploy specialized training for childcare providers across the state. These trainings are tailored to both in-home and facility providers. There is a large demand for additional and affordable childcare providers throughout the state, however many providers struggle with staying financially viable. The trainings provided by the SBDC cover financial models, special licensing, certifications, marketing and more. Last year, the SBDC conducted over 12 specialized childcare business planning and growth courses and are continuing this partnership into the foreseeable future.

SBDC TechSource

The SBDC Technology Program (SBDC TechSource) is a multifaceted program maximizing 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 program is broken down into two distinct sub programs—Commercialization and Cyber Security.

TechSource: Commercialization supports the launch and growth of Colorado science and technology ventures—startup through second stage—with specialized consulting, accelerator programs, workshops and events. Different from other accelerators and incubators, the focus is on non-dilutive capital sources for small innovative businesses (where the company does not give up ownership), including Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) grants, federal research and development tax credits and support for technology commercialization to get to market faster (the ideal non-dilutive capital, from customers).

The Cyber CYA (Cover Your Assets) program is built to assist small- and medium-sized businesses by focusing on topics for all levels of businesses and their needs including cloud computing, security measures using social media and securing technology to meet compliance standards in government contracting.

Connect2DOT

Connect2DOT is an innovative program partnership between the Colorado Small Business Development Center (SBDC) Network and the Colorado Department of Transportation (CDOT), designed to help small businesses in the transportation industry become more competitive and successful in bidding and contracting with CDOT and other local transportation agencies.

In addition to free, unlimited consulting and business training, the Colorado SBDC Network provides online resources and events tailored to construction contractors and professional design, architecture and engineering firms. This program serves startups looking to explore opportunities with CDOT and experienced subcontractors looking to grow and expand their business.

SBDC Centers across the State

- ▶ Aurora-South Metro SBDC
- ▶ Boulder SBDC
- ▶ Central Mountain SBDC
- ▶ Denver Metro SBDC
- ▶ East Colorado SBDC
- ▶ Grand Junction SBDC
- ▶ Larimer SBDC
- ▶ North Metro SBDC
- ▶ Northwest SBDC
- ▶ Pikes Peak SBDC
- ▶ San Luis Valley SBDC
- ▶ Southeast SBDC
- ▶ Southern SBDC
- ▶ Southwest SBDC
- ▶ West Central SBDC

Fiscal Year 2022 (July 2021 - June 2022)

Colorado SBDC Impact Numbers

| | |
|--|---------------|
| Jobs created | 1,684 |
| Jobs retained | 2,050 |
| Businesses started | 276 |
| Capital formation | \$146,186,189 |
| Sales increase | \$104,597,643 |
| Increased contracts | \$58,521,942 |
| Client count | 12,772 |
| Training attendance | 267,899 |
| Training count | 17,927 |
| Paycheck Protection Program | \$10,177,850 |
| Small Businesses Assisted | 161 |
| Economic Injury Disaster Loan | \$8,018,000 |
| Economic Injury Disaster Loan Advance | \$332,300 |
| Small Businesses Assisted | 132 |
| Number of Trainings on Marketing/Sales | 2,304 |
| Number of Trainings on Access to Capital | 1,257 |
| Number of Consulting Sessions | 29,903 |
| One-on-one consulting hours | 18,131.23 |

MINORITY BUSINESS OFFICE

The Minority Business Office (MBO) supports the establishment and growth of minority-owned businesses. The office offers tailored outreach to the minority business community, connecting business owners with technical assistance and access to capital resources. Their goal is to be a trusted and accessible resource to increase access to opportunities for minority business owners.

Advance Colorado Procurement Expo

Each year, the Minority Business Office of Colorado hosts the Advance Colorado Procurement Expo. This event is for businesses to showcase their goods and services to local and state government agencies, attend workshops and network. They are able to meet government procurement professionals to discuss how to best sell goods and services, exhibit throughout the day to potential buyers and network with other businesses.

This event is run in partnership with the State Purchasing & Contracts Office - Colorado Department of Personnel and Administration and the Center for Procurement & Contract Services at the Colorado Department of Transportation.

In fall of 2021, the virtual expo was hosted with live elements via Zoom. The expo had over 270 registrants, over 70 exhibitors and 95 roundtable participants. A unique element of the virtual expo floor was that it could remain available on-demand for people to visit long past the day of the expo. This led to a total of over 10,000 total expo floor visits. This model will continue for the 2022 virtual expo.

Business Foundations Technical Assistance

The Business Foundations Technical Assistance program provides technical assistance and small grants to Colorado small businesses to help them become legally established. The online program includes three required training paths for businesses to complete and receive a certification. Once completed, businesses may be eligible to apply for small grants of up to \$1,200. At the end of the three training paths, participants will receive a certificate of completion after the necessary uploaded documents are reviewed.

The three training pathways are:

- ▶ Legal Formation and Registration - helps businesses legally incorporate and access the benefits of training programs and grants from local and federal governments
- ▶ Accounting and Finance - helps businesses create and learn to manage an accounting system to be able to prepare the financial reports necessary to access capital for business growth.
- ▶ Digital Marketing and E-commerce - helps businesses digitize the business to improve client relationships, increase the presence of their brand in the market, and create new opportunities to deliver their products and services

The program is ever-evolving to meet the needs of the clients enrolling. The program managers have recently improved the learning management system that hosts the learning modules and has added weekly office hours with a consultant for clients to have support in moving through the program. To date, the program has had:



1,240 total
students



39 grant
applications



\$27,786.99 awarded grant
funding

Minority Business Advisory Council

The Minority Business Advisory Council fosters active participation in the State's economic development programs, initiatives and policies through the Minority Business Office. The council focuses on outreach, awareness and advocacy, and is tasked with serving as the voice of the customer by bringing challenges and recommendations to the Minority Business Office team. The council members also have the subject matter expertise and experience to apply an equity, diversity and inclusion lens to programs and services so they can benefit the minority-owned business community.

MBO Impact Metrics



Client Metrics



EMPLOYEE OWNERSHIP OFFICE

The Colorado Employee Ownership Office creates pathways for Colorado business owners to understand, explore, and pursue employee-owned business structures. With support of the Employee Ownership Commission, the office focuses on breaking down barriers through programs, funding, and incentives to advance employee ownership throughout the state. As 72% of business owners in Colorado look to retire in the next decade, employee ownership is a viable solution to help owners transition out of their businesses, realize the economic benefits of their hard work, retain jobs across the state, and keep doors open.

The Employee Ownership Office and Commission were established by Governor Jared Polis in 2020 and 2019, respectively, to establish a network of technical support, service providers, leaders, employee ownership organizations, and aspiring and current employee-owned businesses. They have become a national model that other states recognized as an efficient way to further employee ownership in their state. Through the successful model of the commission and office, several initiatives have been activated to increase awareness and accessibility to employee-owned business models.

Over the past three years, the Office and Commission have facilitated and tracked over 40 business conversions to an employee-owned structure. These businesses, in addition to over 160 other employee-owned companies, can now be viewed online on a curated map on the [Employee Ownership Toolkit webpage](#).

Employee-owned businesses have proven to be a more resilient business model during economic downturns and promote a higher quality of life for employee-owners including higher wages, less turnover, access to better benefits and job security. For the business owner, they get the benefit of a more engaged workforce, a guaranteed succession plan and a way to attract and retain top talent.

Employee Ownership Grant

The Employee Ownership Office launched four rounds of the Employee Ownership Grant in FY22. The grant, open to Colorado-headquartered businesses, reimburses professional technical services required for businesses to transition to an employee-ownership model.

In total, the grant has helped 10 companies fully convert to an employee ownership structure, awarding a total of \$30,000.

Employee Ownership Tax Credit

In January 2022, the Employee Ownership Tax Credit launched, making \$10 million in tax credits available annually to fund professional service costs associated with the conversion to employee ownership. The tax credit covers up to 50% of conversion costs on a business' Colorado state income taxes, up to \$25,000 for worker-owned cooperatives and employee ownership trusts or \$100,000 for employee stock ownership plans (ESOP). Eligible expenses include accounting, business valuation, legal, success planning, and technical assistance services. The program and funding is available until January 1, 2027.

The program received 12 applications for reservation, saving \$403,750 in future tax credits that will be awarded over the next 5 years. The office is working to expand the program further.

Employee Ownership Peer Networks

The Employee Ownership Peer Networks offer an avenue to share best practices, share insights and connect with others working at employee-owned companies in our state. The Employee Ownership Peer Networks also connect Colorado Employee-owned companies with business owners interested in employee ownership.

In addition to the existing ESOP Executives and Cooperative peer networks, the Employee Ownership Office started a third peer network for ESOP Communications Committees. These three peer networks combined bring together 71 businesses from across Colorado. By creating an employee ownership community in Colorado, the office is able to connect more resources and opportunities for business owners, service providers and employee owners.

2022 Colorado State of Owner Readiness Report

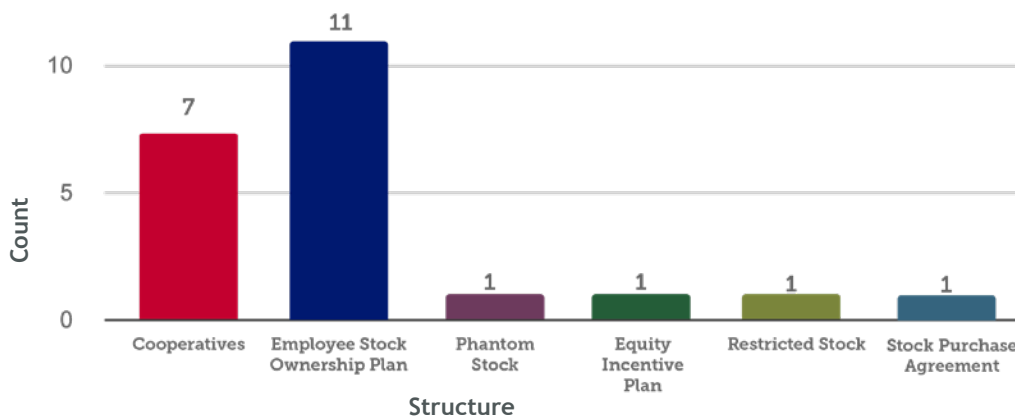
In partnership with the Exit Planning Institute and sponsors, the Employee Ownership Office conducted a statewide study to assess how ready Colorado business owners are to transition ownership of their businesses. Findings from the survey were used to develop the [2022 Colorado State of Owner Readiness Report](#), which sheds light on how prepared Colorado businesses are and how the State of Colorado can help these owners transition out of their businesses, realize the economic benefits of their hard work, and retain jobs across the state.

The Employee Ownership Office will use this research to develop programs and education on business succession, employee ownership as a solution, and additional strategies to promote awareness of and conversion to employee ownership.

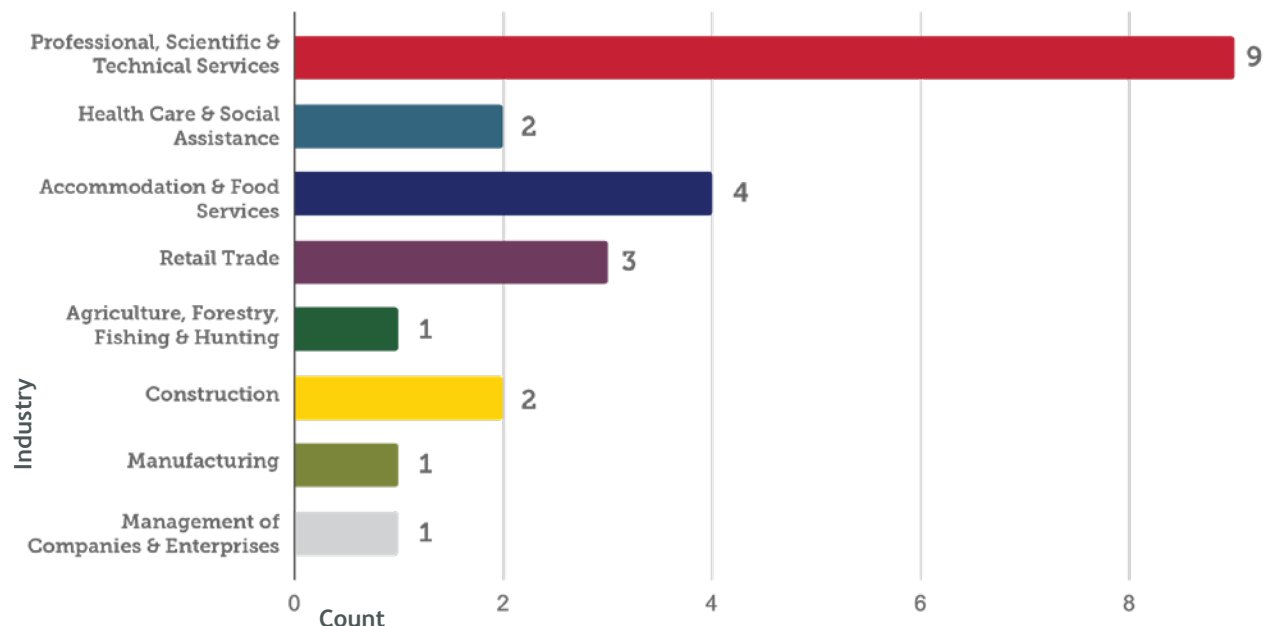
Conversions

In FY 2022, the Employee Ownership Office supported 22 businesses with their conversions to employee ownership.

Breakdown by Structure



Breakdown by Industry





Outreach

Throughout FY2022, the Employee Ownership Office and the Employee Ownership Commission reached over 5,400 people via podcasts, conferences, webinars and other methods.

The office also implemented monthly newsletters, social media, case studies and other content development to better reach existing and new audiences. Engagement across marketing channels has increased since launching in 2021, with 378 newsletter subscribers, 383 followers on LinkedIn, 2,329 views on YouTube videos, and growing. In addition, 13 case studies have been developed to share the success stories of Colorado employee-owned companies.

CANNABIS BUSINESS OFFICE

The Colorado Cannabis Business Office (CBO) creates new economic development opportunities, local job creation, and community growth for the diverse population across Colorado.

Historically, access to startup and development funding has been an ongoing challenge for cannabis businesses due to lack of banking options and federal resources. This is especially the case for social equity groups, which includes those from communities disproportionately harmed by cannabis prohibition and convictions. Under the leadership of Governor Polis, the office strives to expand economic prosperity within these groups and within historically economically distressed areas throughout the state via the Cannabis industry.

The State looks to ensure that all Coloradans have equal opportunity to participate in the cannabis market. The office offers technical assistance and access to capital that is otherwise unavailable at the federal level. In its first year, the Cannabis Business Office launched a technical assistance program, a pilot grant opportunity, and had 64 one-on-one consulting sessions, all curated for new and existing businesses operating in the cannabis industry. The office has also established itself as a national leader in the social equity space, sitting on national boards and advising other states on social equity program development. While businesses that work with hemp and CBD have access to these resources, the office provides these resources specifically to Marijuana Enforcement Division-licensed THC-touching companies.

Cannabis Business Technical Assistance Program

The Cannabis Business Technical Assistance program launched on February 2, 2022, and is an educational program focused on helping businesses within the cannabis industry develop foundational business practices such as business basics, market strategy, financing and budgeting, and building a business plan. The curriculum is housed on a secure, online learning management system and includes 20 hours of educational videos and coursework. Offered in partnership with Make Green Go!, over 388 participants were enrolled as of June 30, 2022.

Cannabis Business Pilot Grant

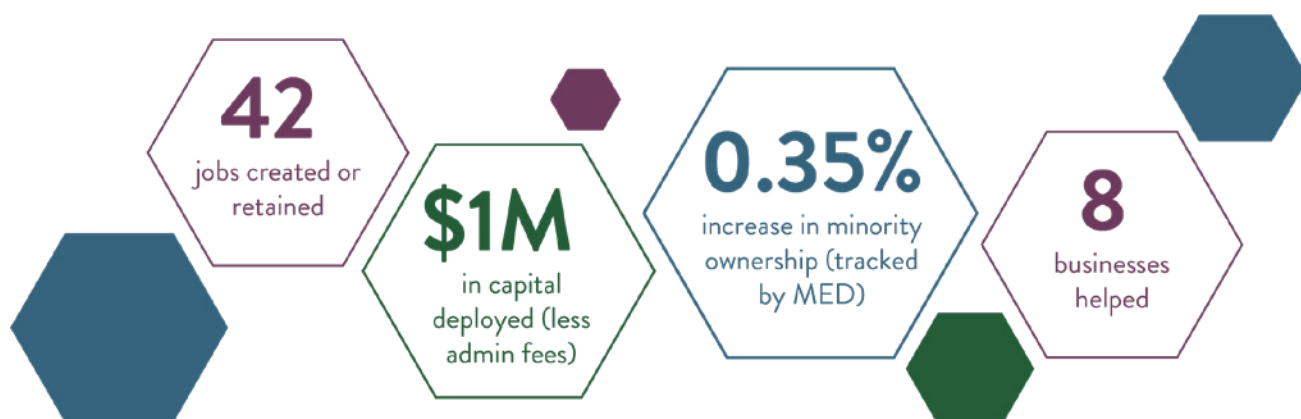
The Cannabis Business Pilot Grant launched in March, 2022 and is a funding opportunity for social equity cannabis businesses who have been awarded, or are actively pursuing, a regulated business license from the Marijuana Enforcement Division. This program was developed to support cannabis entrepreneurs through access to capital to promote social equity, innovation, and job creation across the industry. Businesses are divided into two categories based on their annual revenue, number of employees, and years in operation.

In May, 16 businesses out of 69 applicants were selected to receive the first round of the grant, totaling \$500,000 in funding to support business development projects. The second round of the grant will open in FY 22-23. In conjunction with the grant, CBO will also pilot a mentorship program. \$2 million in remaining funding is available for the upcoming and future rounds of the grant.

Cannabis Business Pilot Loan Program

In FY 21-22, the Cannabis Business Office began the solicitation process for a Cannabis Business Loan Administrator to develop, launch, and coordinate a cannabis business loan program. The program will launch in FY 22-23 and offer loans to Colorado social equity licensed businesses operating in the cannabis space who would otherwise have difficulty obtaining financing with favorable terms.

The Cannabis Business Loan Program will provide up to 10 loans ranging from \$50,000 to \$125,000 for growth-oriented social equity owned cannabis businesses. The outlined goals of the program include:

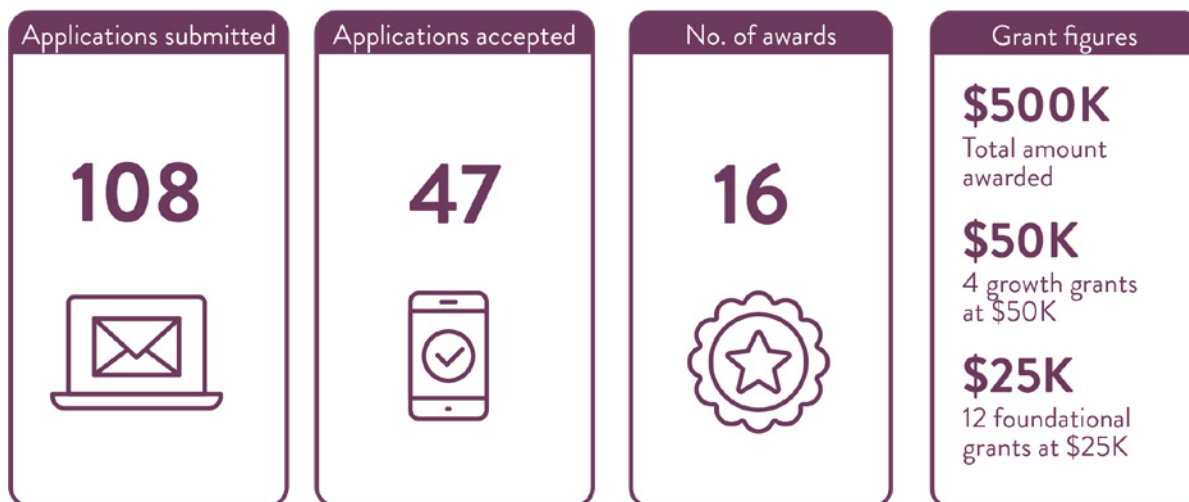


Cannabis Business Office Highlights

Cannabis Business Technical Assistance Program



Cannabis Business Pilot Grant



Outreach

Throughout FY 21-22, the Cannabis Business Office implemented monthly newsletters, social media and other content to better reach existing and new audiences. Since its establishment in July 2021, the newsletter now has 704 subscribers, 239 followers on LinkedIn, 181 on Instagram, 68 on Facebook, and has developed 4 case business studies.

In addition to digital outreach, the Cannabis Business Office reached over 950 people via virtual and in-person educational events and panel presentations. These included public facing engagements, as well as engagements with in-state and out-of-state government organizations. Out-of-state government engagements provided best practices for program development and equity impact, making Colorado's Cannabis Business office a national leader in this space.

THE BUSINESS SUPPORT TEAM

The Colorado Office of Economic Development & International Trade's Business Support Team has the following 11 members:

- ▶ Director of Business Support & Interim Colorado Small Business Development Center Network Director: Nikki Maloney
- ▶ Business Support Marketing and Communications Manager: Grace Houser
- ▶ Program Manager, Small Business Navigator Program: John Kovacs
- ▶ Director of Minority Business Office: Antonio Soto
- ▶ Program Manager, Cannabis Business Office: Tristan Watkins
- ▶ Program Manager, Access to Capital Programs: Marisela Parraguez
- ▶ Program Manager, Small Business Development Center: Jason Wendleton
- ▶ Senior Program Manager, Small Business Development Center: Wendy Wojcik
- ▶ Learning Management Education Program Manager: Danelle Chinnock
- ▶ Program Coordinator, Small Business Development Center: Samuel Deline
- ▶ Business Support Program Manager: Matthew Licina



RURAL OPPORTUNITY OFFICE

The Rural Opportunity Office (ROO) supports Colorado's rural communities, economic development offices, business support organizations and small businesses by connecting them to relevant OEDIT and State Partner programs to work toward a resilient future. The office consists of a program manager, data analyst, and four rural opportunity representatives that serve Colorado's eastern, northwestern, southern and southwestern regions. These representatives live within the region of the state that they support.

The ROO is responsible for:

- Working in partnership with other OEDIT divisions and State Partners to coordinate rural resources
- Overseeing and executing the Rural Technical Assistance Program (RTAP)
- Maintaining the Rural Data Dashboard and supporting key data projects relevant to rural Colorado
- Strategic partnerships with Manufacturer's Edge, Startup Colorado, the Economic Development Council of Colorado and Energize Colorado
- Supporting the Regional Resiliency and Recovery Roadmaps grant program, funded by the Economic Development Administration (EDA)
- Overseeing the development of an EDA-funded Statewide Comprehensive Economic Development Strategy (CEDS)

ROO SERVICES & HIGHLIGHTS

RURAL TECHNICAL ASSISTANCE PROGRAM

In FY 21-22, the Rural Opportunity Office examined the existing Rural Technical Assistance Program (RTAP) to assess and redesign the program to better meet the needs of rural Colorado communities.

The resulting RTAP program is structured as a two-part process.

Phase 1 is designed for rural communities to complete a set of five foundational economic development courses. These foundational modules include Introduction to RTAP, Rural Economic Development 101, OEDIT Programs, State Partner Resources, and How to Use the Rural Data Dashboard. The community teams completing RTAP will be composed of one elected official, one appointed official, and one economic development professional.

Once Phase 1 is complete, the community team will choose an elective track based on several options that match the community's economic development goals, such as Colorado Creative Industries, the Department of Local Affairs (DOLA) Main Street Program, Outdoor Recreation, or Remote Working Strategies, among others. In addition to elective course content, Phase 2 will also include the option to pursue up to \$2,500 in project implementation funding, as administered by the rural team.

Additional topic-specific courses and competitive mentoring and implementation opportunities will be rolled out on a quarterly basis. The modules in development as of the end of 2022 include: Colorado Main Streets (in partnership with DOLA), Colorado Film Office Education and Grant Opportunities, Creative Industry Strategies and Rural Manufacturing Support.

A new Rural Data Dashboard was also developed as an additional RTAP resource. This dashboard aggregates economic development data by county to better inform economic development decisions in rural areas. This dashboard is free to use by all rural communities and aggregates key economic data at the County level. The ROO data analyst also offers open office hours bi-weekly to support individual data requests from rural partners.

PARTNERSHIPS

The Rural Opportunity Office added three new team members in 2022: a fourth Rural Opportunity Representative for Northwest Colorado, a Rural Data Analyst and a Rural Program Manager. This internal growth empowered the rural team to establish stronger connections, communication, alignment and collaboration for Colorado's rural communities and businesses within OEDIT and across the economic development ecosystem. The rural team provided support for grant reviews and programs with division partners in the Cannabis Business Office, Global Business Development, Colorado Creative Industries, the Colorado Tourism Office, Business Funding & Incentives, as well as DOLA's Rural Economic Development Initiative (REDI) grant processes. The team also partnered with DOLA on the Colorado Rural Resiliency and Recovery Roadmaps program (discussed in more detail below), and began working closely with the new Office of Just Transition (OJT) created to support transitional efforts in communities where coal power plants have closed, or will be closing, across the state. Most of the communities affected by these closures are in rural Colorado.

The Rural Opportunity Office deepened the strategic partnership with Manufacturer's Edge, the official Manufacturing Extension Partnership (MEP) center for the state of Colorado, to serve as Colorado's go-to resource for the rural manufacturing industry. Leveraging the reach of the rural team, this partnership creates an active connection between local businesses and tools and resources they need to thrive. Through robust programming, connections, and direct access to state and federal resources, OEDIT and Manufacturer's Edge help manufacturers, particularly those in rural communities, grow as they develop quality products and ensure long-term success.

The team also continued to work with Startup Colorado promoting their rural entrepreneurship networking platform as a key initial outcome of Collaborative for Rural Economic Wins. The team also collaborated with

Energize Colorado to develop programs and create connections, especially around business funding, remote work and potential housing strategies. The rural team continued its support of the Rural, Workforce and Environment and Climate Cabinet Working groups as well as the Economic Development Council of Colorado, Colorado Food Systems Advisory Council, Agricultural Land Preservation Board and Colorado Department of Labor and Employment economic projects.

RURAL COMMUNITY ECONOMIC DEVELOPMENT SUPPORT

The ROO supported major federal grant applications to the Economic Development Administration (EDA), U.S. Department of Energy and National Science Foundation to leverage new one-time funding and programs to bring more federal dollars to the State of Colorado and drive large collaborative economic and workforce resiliency projects.

The Rural Opportunity Representatives also support key new industry initiatives in their region including a green power initiative in Northwest Colorado, an advanced textile manufacturing facility in southeastern Colorado, and promoted new foreign direct investment opportunities for rural communities and Tribal Nations at the 2022 SelectUSA Summit.

The ROO also continues to assist regional small business incubators and accelerators through an Economic Development Commission strategic fund grant program and is actively working to connect rural coworking spaces with overarching administrative support through a new grant program in development.

The ROO team assisted the Governor's Office in the expansion of the U.S. Small Business Administration (SBA) HUBZone program, which supports small businesses that hire low-income residents with opportunities to compete in the federal marketplace, in Archuleta, El Paso, Mesa, Montrose, San Miguel and Weld counties.

ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) GRANTS

Colorado Rural Resiliency and Recovery Roadmaps

The Colorado Rural Resiliency and Recovery Roadmaps program provides technical assistance, paid one-on-one consulting, a connection to an ecosystem of partners, a customized economic development strategy, and implementation funding (dependent on project) for 16 regional teams of rural communities (selected in June, 2021) to drive economic relief, recovery, diversification and long-term resilience. This program, executed in partnership with the Department of Local Affairs (DOLA), is funded by a \$2.3 million U.S. EDA grant and will run through the end of FY 22-23.

Since working with 16 rural Regional Community Teams through the Roadmaps Program, the State Partnership Team has played a role in awarding over \$31.2 million of OEDIT or DOLA funding to jurisdictions in the Roadmaps Program. Over \$21.4 million has been awarded to Roadmaps jurisdictions that were referred to funding opportunities that are aligned with Roadmaps priorities. For example, 12 grants totaling \$20 million from the OEDIT Colorado Creative Industries "Community Revitalization Grants." Over \$9.6 million has been awarded to Roadmaps jurisdictions that partnered with the State Partnership Team, who provided guidance and technical assistance in order to support them in successful applications. For example, 22 grants totaling \$1.3 million were awarded from the OEDIT Colorado Tourism Office through "Tourism Management Grants" and "Tourism Marketing Matching Grants." Over \$105,000 has been awarded to Roadmaps Regional Community Teams for regional applications where the Roadmaps State Partnership Team and planning process played a leading role in supporting, prioritizing, or coordinating partners with the Regional Community Team for successful regional activity. As the Regional Community Teams continue in the Roadmaps Planning process and move into implementation, the OEDIT/DOLA state partnership team expects for this "led" metric to increase.

Statewide Comprehensive Economic Development Strategy (CEDS)

In FY21-22, the Rural Opportunity Office began coordinating a statewide CEDS process to update the State's economic development strategy for long-term resilience and facilitate future applications to EDA programs for State departments and communities not covered by a regional CEDS plan. The plan will specifically address

strategies for key industries, and disproportionately impacted groups like small businesses and rural, coal-transition, Tribal and underserved communities. The CEDS will also address Colorado’s economic and regional diversity, aiming for strategies that address both Colorado’s metro areas (Denver including Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, and Jefferson Counties; Colorado Springs including El Paso County, and Northern Colorado including Larimer and Weld Counties) and its 54 non-metro and rural counties. The CEDS will be informed by new and existing research, regional engagement, and state agency, nonprofit/NGO and private sector partner input. To ensure that all of Colorado’s eligible regions are covered by a CEDS, the four eligible Colorado regions without a certified CEDS (Region 1: Golden Plains Region, Region 2: Northern Colorado Region, Region 3: Denver Region, Region 4: Pikes Peak Region) have been invited via a grant process to come together to develop and submit a new regional CEDS. As these plans are developed, their key strategies will also be considered in the final draft of the Statewide CEDS plan to ensure that strategic priorities are aligned from the end of the grant period moving forward.

THE ROO TEAM

The Colorado Office of Economic Development & International Trade’s ROO Team has the following six members:

- ▶ Director and Western Rural Representative: Kat Papenbrock
- ▶ Northwest Rural Representative: Keely Ellis
- ▶ EDA Data Analyst: Bryce Jones
- ▶ South Rural Representative: Wendy Stewart Martinez
- ▶ Eastern Rural Representative and Senior Program Manager: Greg Thomason
- ▶ EDA Rural Program Manager: Karen Wainscott



BUSINESS FUNDING & INCENTIVES

The Business Funding & Incentives (BF&I) division encourages growth in businesses that will create new jobs at or above the annual average wage for their communities by providing these businesses with financial and technical assistance through more than 20 different programs. BF&I's support of business attraction, growth, and retention in the state, as well as unique local and regional economic development opportunities, makes Colorado a great place to do business.

BF&I FUNDS

COLORADO STARTUP LOAN FUND

HB21-1288 Established \$40 million in funding for the Colorado Startup Loan Fund program which will provide loans to small business owners to start or restructure a business. OEDIT has partnered with eight mission-driven lenders to provide micro loans under \$150,000 to small business owners and entrepreneurs with capital from the Colorado Startup Loan Fund. By offering smaller-than-average loans with favorable terms and interest rates, the program seeks to make financing a possibility for entrepreneurs who might not qualify for or require a larger loan. These lenders have been selected for their abilities to work with business owners who are located in rural areas, may not be native English speakers, have never carried a loan, lack the traditional assets required to secure financing, or have been previously unable to obtain a loan.

ENERGIZE COLORADO GAP FUND

Energize Colorado evolved out of the COVID-19 health crisis to help Colorado's entrepreneurs, small businesses, and nonprofits support them. Led by inspired innovators and powered by seasoned volunteers from Colorado's private, public, nonprofit, and academic communities, Energize Colorado has provided resources and programs to revive and invigorate the Colorado economy. The Gap Fund (ECGF) is one of the Energize Colorado initiatives; it provides loans and grants to micro-businesses, in particular women, veteran and minority-owned businesses, as well as businesses in rural Colorado and those in the tourism sector with limited access to federal financial support programs and traditional bank loans. Using its network, the Gap Fund is well positioned for outreach to traditionally underserved business owners.

ECGF proposed a loan program in the early days of the pandemic and attracted philanthropic dollars to fund it. The Economic Development Commission (EDC) agreed to contribute \$2.5 million from its Strategic Fund for this effort. OEDIT and the EDC are engaged with ECGF and the Colorado Housing and Finance Authority (CHFA) in the administration of the loan program. In late FY 21-22, ECGF became a nonprofit lender, adding capacity to support access to capital for small businesses. The first loan was made in May 2021, and the program has provided \$1.7 million in loans to date. With a focus on small loans, the average loan size is \$18,298. With a focus on meeting the needs of underserved founders, minority-owned businesses account for 73% of loans, women-owned businesses account for 66% of loans, and 12% of loans have been made to veteran-owned businesses. Fifteen percent of loans were made to businesses located in rural Colorado.

In FY 20-21, OEDIT and CHFA partnered with ECGF and community-based nonprofit lenders to deploy \$26 million in small business COVID relief grants by December 30 as directed by the legislature per SB20-222. That program helped retain more than 2,000 micro businesses by quickly deploying grants of up to \$15,000 that helped cover lost revenue and expenses related to the COVID-19 pandemic. The legislature approved another \$15 million through HB21-1302 to make more grants available to the more than 10,000 businesses that had applied to the program in the later half of 2020. The partnership funds were awarded in FY 21-22.

EDA STATEWIDE REVOLVING LOAN FUND

At the request of OEDIT and the Colorado Department of Local Affairs (DOLA), three nonprofit agencies — Region 9, B:Side Capital, and Colorado Enterprise Fund — applied for and received funds from the U.S. Federal Economic Development Administration (EDA) and created an \$8 million state-wide Revolving Loan Fund (RLF). This RLF supports the post-covid recovery and growth of small businesses in Colorado through access to capital. Capital is provided through direct lending, loan participations and referrals to banks and nonprofit lenders. The nonprofit agencies administering the RLFs, OEDIT and DOLA work with the nonprofit lender community to make sure these funds reach businesses that may need additional support beyond what is currently available from the federal government and state agencies, nonprofit lenders, banks and other sources of private capital. As of July 2022, the RLF has disbursed \$3,212,987 in loan capital with an 18.71:1 match from other funding sources. The program has created or retained 485 jobs at a cost per job of \$6,624.72; 64.38% of loans were working capital, and 32.07% of loans were to start up businesses.

BF&I SERVICES & 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 FY 21-22 the Colorado Economic Development Commission (EDC) approved eight Strategic Incentive projects (projects that have either an interstate or international competitive element and require a dollar for dollar local match to state funds) for up to \$943,000 in performance-based cash incentives associated with the future creation of up to 186 net new jobs in the state of Colorado. In addition, the EDC approved 18 Strategic Initiatives for up to \$47.77 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 FY 21-22, the EDC approved 34 projects for up to \$111.2 million in performance-based tax credits associated with the future creation of up to 8,965 net new jobs in the state of Colorado over the eight-year term of the incentive.

RURAL JUMP-START ZONE

The Rural Jump-Start Zone program provides tax relief to new businesses and their new hires located in certain economically distressed counties of rural Colorado. Companies participating in the Rural Jump-Start program must have a relationship with a local economic development organization or an institute of higher education, be new to Colorado, export goods or services outside their county and cannot compete with a similar existing business in an adjacent economically distressed county.

As of June 30, 2022, 26 companies are participating in the Rural Jump-Start program that are projected to create 396 new jobs. Twenty counties had also formed Rural Jump-Start Zones. This program was extended in statute during the spring 2020 legislative session and expires on December 31, 2025.

RURAL JUMP-START GRANTS

In June 2021, Senate Bill 21-229 was passed to create a grant program in addition to the Rural Jump-Start Zone tax relief program. This bill creates a \$3 million fund to be used for grants to new Rural Jump-Start businesses for starting operations in a Rural Jump-Start Zone and for new hires FY 22 through FY 24. New businesses locating in Rural Jump-Start zones are eligible for up to \$20,000 in grants; in Tier 1 Just Transition Communities, up to \$40,000. The new business is also eligible for up to \$2,500 for each net new hire in a Rural Jump-Start Zone, and up to \$5,000 per net new hire in a Tier 1 Just Transition Community. In FY 21-22, \$662,500 were awarded to new 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 FY 21-22, 6,066 businesses invested and expanded in Enterprise Zones. Enterprise Zone administrators certified over \$103 million in state income tax credits for businesses that conducted eligible activities. Certifying businesses invested over \$4 billion in business personal property. They provided training to improve job skills of more than 36,000 employees, and created more than 6,600 net new jobs. Enterprise Zone businesses also increased their investments in research and experimental activities by \$52.6 million, invested \$1.4 million to rehabilitate vacant commercial buildings and at least 66 employers covered employees with qualified health insurance plans.

ADVANCED INDUSTRY TAX CREDIT

The Advanced Industry Investment Tax Credit (AITC) aims to improve access to capital for Colorado's early-stage advanced industry businesses by reducing investor risk. The AITC links Colorado investors to Colorado businesses. Since 2016, the program has made \$750,000 in tax credits available each calendar year 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 a business that is within an Enterprise Zone or qualified rural county) up to a maximum tax credit value of \$50,000. In FY 21-22 the program had 36 qualified businesses eligible for investment. Of these, 19 businesses received investments totaling over \$3,900,000, for \$780,534 in tax credits. The program accommodated 45 investments, including 32 approved in program year 2021 and 13 in program year 2022. The program was renewed during the Spring 2022 legislative session. The program will be expanded to an annual allocation of \$4,000,000 in tax credits, a \$100,000 maximum tax credit value, and an increase to a 35% rate for businesses located in Enterprise Zones or rural counties.

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. Any aircraft manufacturer that claims a new employee income tax credit pursuant to section 39-35-104 shall file an annual progress report with OEDIT and the Department of Revenue within ninety days of the end of the manufacturer's income tax year. OEDIT did not receive any reports in FY 21-22. The tax credit will expire on January 1, 2024.

COLORADO PROCUREMENT TECHNICAL ASSISTANCE CENTER

The Colorado Procurement Technical Assistance Center (CO-PTAC) is a nonprofit, Colorado-based organization that receives primary funding from the Department of Defense and the State of Colorado. The CO-PTAC provides professional consultation, training, and networking events for businesses seeking to obtain, perform, and increase contracting opportunities with the Department of Defense, other Federal agencies, State/local governments and major prime contractors. For the program's fiscal year from September 15, 2021 through September 14, 2022, CO-PTAC had an active client base of over 7,737 of which 780 clients were new. CO-PTAC conducted 167 outreach or training events across the state and provided 2,837 hours of consultation hours. Small businesses counseled by CO-PTAC were awarded \$349 million in contracts through the third quarter of the program year. On December 16 2021, the EDC (Economic Development Commission) approved multi-year state stimulus supplemental allotment from the Strategic Fund of \$60,000 a year for 5 years (total \$300,000) to expand services and offices throughout rural Colorado.

SKILL ADVANCE COLORADO

The Skill Advance Colorado program is separated into five different programs:

- ▶ **Colorado First Customized Job Training** - 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, in FY 21-22, the Colorado First program made 8 grants for the training of 214 people.
- ▶ **Existing Industry Customized Job Training** - Provides grants to companies to support training of existing employees. Based on self-reported information by grant recipients and compiled by the Colorado Community College System administration, in FY 21-22, the Existing Industry program made 35 grants for the training of 1,254 people.
- ▶ **Registered Apprenticeship Support Program** - Supports U.S. Department of Labor Apprenticeship program development and implementation by providing funding for customized curriculum development and related technical instruction. In FY 21-22, the program made two grants in the property and community management industries.

- ▶ **Workforce Training Innovation Program** - Provides grants for innovative program development and training strategies. In FY 21-22, the Workforce Training Innovation program made three grants in the construction contractors, hospitality, and healthcare fields.
- ▶ **Mobile Learning Lab Assistance Program** - Provides grants for mobile learning labs that are shared with colleges throughout the state and the associated program development/ training implementation.

HISTORIC PRESERVATION TAX CREDIT

The Colorado Job Creation and Main Street Revitalization Act authorizes the Historic Preservation Tax Credit. State income tax credits of up to \$10 million is made available each calendar year and is assigned to qualified commercial projects on a first-come-first-served basis; credits not reserved are rolled over into the next calendar year. In FY 21-22, 25 projects representing more than \$99 million in estimated qualified rehabilitation expenses were approved for \$10,215,544.39 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 OEDIT and History Colorado.

OPPORTUNITY ZONES

Colorado has 126 Opportunity Zones (OZ) in which investors receive an incentive for investing in a business or real estate property located within the zone. In FY 21-22, OEDIT launched the new Opportunity Zone Video Spotlight grant, which pairs local economic development organizations with local filmmakers who help them create video investment prospectuses. OEDIT also launched a new iteration of the OZ Capital Accelerator Program in partnership with gener8tor, helping draw investment to promising startups in OZs across the state. The federal Opportunity Zone program does not include any public reporting mechanism, so full reporting is not available. However, from investors' self-reporting we know that Colorado has attracted the third most per capita OZ investment across the country and that well over 1,500 units of workforce housing is under development as a result.

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

These projects are in various stages of completion.

The Pueblo Heritage of Heroes / Professional Bull Riders University is now open as the PBR Sports Performance Center. This center features state of the art facilities for athletes from all over the world.

The Aurora Hotel & Conference Center (Gaylord Rockies) opened in December of 2018. The hotel has 1,501 rooms, eight restaurants and bars, and an indoor pool, a spa, and a fitness center.

The Colorado Springs City for Champions RTA award is for four project elements: The U.S. Olympic Museum, the Colorado Sports & Event Center, the UCCS Sports Medicine and Performance Center, and the Air Force

Academy Visitor Center. The U.S. Olympic Museum opened in the summer of 2020. The Colorado Sports & Event Center entails Weidner field which opened in spring of 2021 and the Robson Arena which opened in fall 2021. The UCCS Sports Medicine and Performance Center is open as the Hybl Sports Medicine and Performance Center. The Air Force Academy Visitor Center has begun construction and is expected to be completed by 2024.

The Go NoCO RTA award is also comprised of four project elements: The Stanley Film Center, the PeliGrande Resort & Windsor Conference Center, the Indoor Waterpark Resort, and the Whitewater Adventure Park. The Stanley Film Center has commenced substantial work and is in the process of securing final financing. The PeliGrande Resort & Windsor Conference Center withdrew from the RTA award and was revoked by the EDC. The Indoor Waterpark Resort and the Whitewater Adventure Park did not meet the commencement of substantial work deadline and were also revoked by the EDC.

The Denver National Western Center has constructed multiple contributing structures to the campus that were required by the RTA award. The last CSU building on the campus is anticipated to open in the fall of 2022. Denver estimates that this project will be completed in the winter of 2023.

STATE CASH COLLATERAL SUPPORT (CCS)

The Cash Collateral Support program, originally funded by the State Small Business Credit Initiative (SSBCI) 1.0, is administered by the Colorado Housing and Finance Authority (CHFA) and designed to assist small businesses in accessing credit by making cash deposits with banks to use as additional collateral for loans to Colorado small businesses. In FY 21-22, 10 banks and one state-funded revolving loan fund used the CCS program. In total 35 transactions utilized \$2.3 million in CCS funds resulting in over \$16.7 million private sector loans. Based on feedback from constituents, the State applied for and is directing additional capital from the SSBCI to the CCS program to support small business lending; additional capital will be available in FY 22-23.

VENTURE CAPITAL AUTHORITY

The Venture Capital Authority (VCA) was originally funded through the sale of Colorado insurance premium tax credits, and the insurance companies' last payment was made in April 2014. The VCA continues to make seed and early-stage investments by partnering with professional venture fund managers from its enterprise fund which receives distributions from partner funds. 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. In FY 21-22 the VCA was actively investing through the Greater Colorado Venture Fund, which is focused on rural Colorado businesses, and FirstMile Ventures, which is focused on founder-driven businesses and seed-stage investments in Colorado technology businesses. The State applied and was approved for SSBCI 2.0 funding in FY 21-22, and will direct funds through the VCA to support capital access for businesses led by Socially and Economically Disadvantaged Individuals (SEDI). The VCA held solicitations for fund managers to invest SSBCI capital in SEDI-owned businesses, urban distressed and rural communities, and concluded FY 21-22 conducting diligence and drafting partnership documents.

TRANSFERABLE TAX CREDITS

The Transferable Tax Credit program was authorized to pre-certify \$30 million in tax credit transferability over three fiscal years from 2017 to 2020. As of June 30, 2022 the program has pre-certified \$30 million worth of tax credits for transferability. These pre-certifications are split among two companies, Evraz (\$17 million) and VF Corporation (\$13 million). Both companies are moving ahead with their projects, but as of June 30, 2022, neither company had transferred a tax credit under the program.

MICROLOAN PROGRAM

The Colorado Microloan program is a \$3.5 million Strategic Fund grant to three nonprofit lenders to make character-based loans. Any principal & interest earned by the lender during the term of the grant is re-lent by the lenders. Since early 2017, these lenders have been making small character-based loans to start-ups and

entrepreneurial small businesses that are underserved by traditional debt markets. To date, the program has made 163 loans to businesses in 44 different counties, with the majority of the loans going to rural counties. Loans have supported the hiring of an estimated 431 new jobs. 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, AKA LONE WORKER PROGRAM

The performance-based Location Neutral Employment (LONE) 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. In FY 21-22, the EDC approved five LONE grants for a total of \$411,000, representing 81 full time, permanent jobs in rural Colorado.

RURAL MARKETING GRANTS FOR THE LONE PROGRAM

To support the LONE Worker 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 workers in their community. In FY 21-22, no new counties were approved for these marketing grants. To date, six counties have been funded by the EDC and two counties funded by DOLA, which is partnering with OEDIT on this marketing program.

CERTIFIED CAPITAL COMPANIES (CAPCO)

The CAPCO program, originally established in 2001, has expired and the Office of Economic Development and International Trade is in the process of de-certifying the CAPCOs and closing out the program. As of June 30, 2022, five of the six CAPCOs have been deregulated. Murphree Colorado CAPCO was decertified in 2011, the CAPCOs investment in three companies was transferred to the State of Colorado. The State's investment in two of the three companies has been sold and the state is looking at options to liquidate the last investment. During FY 21-22, the State received almost \$6,400 from the sale of one of these companies. The last remaining CAPCO, Advantage Capital Colorado Partners, was deregulated in July 2022 technically outside the timeframe covered in this report.

DISPROPORTIONATELY IMPACTED BUSINESS FUND

In January 2021, Senate Bill 21-001 was passed to create a program to support small businesses that are suffering disproportionate impacts from the COVID-19 pandemic. This bill created a \$4 million fund to be used for grants (\$1.94 million), loans (\$1 million), technical assistance (\$900,000), and administration (\$160,000) for small businesses during FY 21-22 and was extended in March 2022 to run through December 2023.

The Disproportionately Impacted Businesses (DIB) Grant program intended to cover expenses related to COVID-19 losses up to \$10,000 that have not been covered by other federal or state funding. As of March 1, 2022, the program has been fully developed, awarding 311 businesses with grants of the DIB Relief Fund, totaling \$1,815,203.39 in relief funding. The technical assistance program has been in operation since October 18, 2021 and intends to provide training and small assistance to support the creation of legal, accounting and digital marketing and sales tools to micro and small businesses and make them more efficient and eligible for benefits provided by both local and federal governments. As of September 9, 2022, this technical assistance program has supported 1,204 DIB businesses, including payments of 39 small grants totalling \$27,786.99. The loan funding portion of the DIB Relief Fund is expected to start in October 2022.

INNOVATIVE HOUSING INCENTIVE PROGRAM (IHIP)

The Innovative Housing Incentive Program was signed into law in May 2022, establishing a \$40 million program to support modular and other innovative housing manufacturers through grants and loans. The program funds were not appropriated until July 2022, but a full time program manager was hired in June to begin building the program in FY 22-23.

THE BF&I TEAM

The Colorado Office of Economic Development & International Trade's BF&I team has the following 13 members:

- ▶ Director and Deputy Director of OEDIT: Jeff Kraft
- ▶ Contracts Manager and Coordinator: Virginia Davis
- ▶ Deputy Director, Financial Analysis: Sean Gould
- ▶ Deputy Director, Tax Credit Programs: Sonya Guram
- ▶ Program Analyst: Tad Johnson
- ▶ Program Manager, Access to Capital Programs: Marisela Parraguez
- ▶ Program Manager: Che Sheenan
- ▶ Senior Program Manager: Jack Tiebout
- ▶ Rural Jump Start & Skill Advance Program Manager: Morgan Vankat
- ▶ Business Funding & Incentives Analyst: Christopher Fortney
- ▶ Special Projects Director: Leslie Hylton-Hinga
- ▶ CDBG Program Manager: Alyson Anderson
- ▶ Program Manager: Ashley Mount

INDIVIDUAL REPORTS

- ▶ Procurement Technical Assistance Program
- ▶ Rural Jump-Start Program
- ▶ Enterprise Zone Program
- ▶ Colorado Startup Loan Fund
- ▶ Innovative Housing Initiative Program

PROCUREMENT TECHNICAL ASSISTANCE PROGRAM

Annual Report
Fiscal Year 2021-2022



The Colorado Procurement Technical Assistance Center (PTAC) is the qualified entity that provides such services to small businesses statewide. The PTAC's fiscal year covered by this report is from September 15, 2021 to September 14, 2022.

The following information is reported to the Office of Economic Development and International Trade (OEDIT) by the PTAC and is to be included in the annual report submitted to the General Assembly per C.R.S 24-48.5-121.

| Statutory Requirements Descriptions | Statutory Requirements | Actual |
|---|------------------------|-----------------------|
| The number of new and active businesses that the PTAC served | 100 | 780 New, 1,114 Active |
| The number of counseling hours that the PTAC provided | 1,500 | 2,897 |
| The number of events that the PTAC sponsored or participated in | 65 | 167* |
| Did the PTAC obtain at least \$200,000 in gifts, grants or donations | \$200,000 | \$808,022 |
| Did the PTAC obtain the required minimum amount of gifts, grants or donations in cash | \$50,000 | \$738,931 |
| What portion of the gifts, grants, or donations did the the PTAC use | Up to 100% | 100% |

*Colorado PTAC put on more events than any other PTAC in the U.S. during 2021-2022.

Based upon submitted information reported by PTAC, all required metrics of the statute have been met with no exceptions.

In any year the PTAC raises more cash than is required, the excess is applied to the following year's requirement. Therefore, \$688,931 will be applied to next year's requirement.

RURAL JUMP-START ZONE PROGRAM

Annual Report
Fiscal Year 2021-2022



EXECUTIVE SUMMARY

The Colorado Rural Jump-Start Zone program provides tax relief to businesses and employees of these businesses that locate in designated economically distressed areas of rural Colorado. The Colorado Economic Development Commission manages the program, while the Office of Economic Development and International Trade (OEDIT) administers the program and implements it in conjunction with local colleges and economic development organizations.

Twenty-six companies are participating in the Rural Jump-Start Zone program as of June 30, 2022. These companies are based in Archuleta, Delta, Garfield, Logan, Mesa, Montrose, Routt, and San Juan Counties and include companies engaged in businesses such as prosthetic manufacturing, geographical information systems, herb packaging, outdoor low consumption showers, electronic sensor equipment manufacturing, designer/manufacturers of ultra-efficient energy homes and more.

As of June 30, 2022, 20 counties have formed Rural Jump-Start zones and 21 counties were eligible to form zones but have not done so.

Details on the Rural Jump-Start program may be found at oedit.colorado.gov/rjs.

PROGRAM HISTORY

Governor John Hickenlooper signed the Colorado Rural Jump-Start Zone program into law (created by SB15-282 and codified in C.R.S. 39-30.5-101) on May 13, 2015.

The Rural Jump-Start Zone program started accepting applications in January 2016 and the Colorado Economic Development Commission (EDC) approved the first two zones and the first three companies in February 2016.

The program was amended through HB20-1003 to allow Economic Development Organizations to sponsor businesses and counties into the program. The competition clause was also changed, requiring businesses to not directly compete with similar businesses in adjacent economically distressed counties, rather than the entire state.

In June 2021, Governor Jared Polis signed SB21-229 into law as part of the Colorado state stimulus dollars, which provides grants (in addition to the existing tax relief benefits) to businesses accepted into the program. These grants went into effect in FY 21-22 and will expire at the end of FY 23-24.

By statute, the program may not approve any new zones or new businesses after December 31, 2025.

BENEFITS OF THE PROGRAM

ALL NEW BUSINESSES THAT ARE APPROVED BY THE EDC FOR PARTICIPATION IN THE PROGRAM RECEIVE THE FOLLOWING TAX BENEFITS:

- ▶ Relief from state income taxes. Such relief will take the form of a tax credit certificate and will be administered by OEDIT.
- ▶ Relief from the state sales & use tax paid by the company. Such relief will take the form of a refund and will be administered by the Colorado Department of Revenue. (This tax will have to be paid and the refund applied for separately.)

- ▶ Relief from county business personal property taxes. Such relief will take the form of incentive payments, exemptions, and refunds, and will be administered by the county.
- ▶ Relief from municipal business personal property taxes. Such relief will take the form of incentive payments, exemptions, and refunds, and will be administered by the municipality.

ALL NEW HIRES THAT ARE APPROVED BY THE EDC FOR PARTICIPATION IN THE PROGRAM RECEIVE THE FOLLOWING BENEFITS:

- ▶ Relief from state income taxes. Such relief will take the form of a tax credit certificate and will be administered by OEDIT.

ADDITIONAL PROGRAM NOTES

The Rural Jump-Start Zone program is exclusively for businesses designated as New Businesses and does not offer any tax relief to existing businesses or employees.

Companies approved to participate in the Rural Jump-Start program receive four years of tax relief, commencing on the date the company is approved by the EDC to participate in the program. After the initial four-year benefit period, a company may apply to the EDC for an extension of the benefit period of up to four more years, for a total possible benefit period of eight years.

ALL NEW BUSINESSES THAT ARE APPROVED BY THE EDC FOR PARTICIPATION IN THE PROGRAM RECEIVE THE FOLLOWING GRANT BENEFITS:

General Operating Grant:

- ▶ Up to \$20,000 (\$40,000 for Tier One Just Transition Communities)
- ▶ 3:1 or 25% match of business expenses

New Hire Grant:

- ▶ \$2,500 per New Hire (\$5,000 for Tier One Just Transition Communities)
- ▶ Salary must be above the county's Average Annual Wage
- ▶ Full-time employees spending 80% or more of time in the zone
- ▶ Employed for at least 6 months

The grant program expires on June 30, 2024. Unused appropriated funds return to the General Fund.

SUMMARY OF THE PARTICIPANTS AND THEIR ROLES

THE COLORADO ECONOMIC DEVELOPMENT COMMISSION (EDC)

The EDC is charged with approving the rules and structure of the program, as well as reviewing the creation of zones and all applications for participation and benefits.

THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT AND INTERNATIONAL TRADE (OEDIT)

OEDIT is responsible for the day-to-day administration of the program. All applications are reviewed by OEDIT, then put before the EDC for approval.

THE COLORADO DEPARTMENT OF REVENUE

The Department of Revenue is responsible for approving all tax credits issued by OEDIT for the business exemption from Colorado income tax and the employee exemption from Colorado income tax. The Department of Revenue is also responsible for administering the refund for the sales and use tax for the business.

THE COUNTIES

Any county designated as economically distressed must pass a resolution eliminating the business personal property tax on all Rural Jump-Start businesses to become a Rural Jump-Start zone. If the county does not pass this resolution, no zone can be created in that county.

The county and the municipality are responsible for administering the exemption from business personal property tax.

Counties that have formed a Rural Jump-Start Zone as of June 30, 2022:

Archuleta, Clear Creek, Delta, Dolores, Fremont, Garfield (excluding Glenwood Springs and Carbondale), Huerfano, Las Animas, Lincoln, Logan, Mesa, Moffat, Montezuma, Montrose, Otero, Prowers, Pueblo, Rio Blanco, Routt, San Juan.

Counties Designated by the EDC as Economically Distressed and therefore Eligible to Apply for the Rural Jump-Start Program as of June 30, 2022:

Alamosa, Baca, Bent, Cheyenne, Conejos, Costilla, Crowley, Custer, Hinsdale, Jackson, Kiowa, Kit Carson, Lake, Mineral, Morgan, Phillips, Rio Grande, Saguache, Sedgwick, Washington, Yuma.

THE SPONSORING ENTITIES

The Sponsoring Entities, consisting of Institutes of Higher Education and Economic Development Organizations, play a crucial role in the program. Every application for the creation of a zone and New Business must be brought forward by Sponsoring Entity.

Institutes of Higher Education (IHE)

Every IHE participating in the program must designate a person to administer the program and must dedicate resources to administer the program successfully.

While approving the business applicant, the IHE must attest to the following stipulations:

- ▶ The relationship will result in positive benefits to the community and the local economy.
- ▶ The mission and activities of the new business align with or further the academic mission of the state IHE.

The Economic Development Organizations (EDO)

Economic Development Organizations are an important part of this program. These groups are expected to work closely with the IHE, the county, the municipality, and the business in making sure that program is a success.

While approving a new zone or business applicant, the EDO must attest to the following:

- ▶ The relationship will result in positive benefits to the community and the local economy.

THE MUNICIPALITIES

To create a zone in a municipality, the municipality must pass a resolution approving business personal property tax exemption. This resolution can be either a general resolution for all businesses or a limited resolution naming specific businesses. No municipality can be forced to participate in the program and a municipality is not enrolled in the program simply because its county is.

The county and the municipality are responsible for administering the exemption from business personal property tax.

THE APPLICANT BUSINESSES (THE NEW BUSINESS)

To participate in the Rural Jump-Start Zone program, a business must meet the statutory definition of “New Business.” By statute, a qualifying business cannot be operating in the state at the time it submits its application to a Sponsoring Entity to participate in the program.

A New Business is defined as:

- ▶ A startup not yet operating, or
- ▶ A business based outside Colorado, not currently operating in Colorado, or
- ▶ A new joint venture between companies which may or may not be currently operating in Colorado, or
- ▶ A newly created division of a company. The company may or may not be operating in Colorado at the time it creates the division. Furthermore, the new division does not need to have a separate tax ID number or corporate structure from its parent.

The New Business:

- ▶ Cannot be moving existing jobs into the rural jump-start zone from another area in the state
- ▶ Must hire at least five people who qualify as New Hires during the time in the program
- ▶ Adds to the economic base and exports goods and services outside the distressed county
- ▶ Must not be substantially similar in operation to and not directly compete with the core function of a business that is operating in an adjacent economically distressed county at the time the New Business submits its application to participate. OEDIT conducts an in-depth review to determine whether the applicant is directly competing with an existing business in an adjacent economically distressed county at time of application.

Businesses applying to the Rural Jump-Start Zone program must work with a Sponsoring Entity. This Sponsoring Entity will act as the business’ partner and reviewer. No application from a business will be reviewed by the EDC unless it has first been approved by a Sponsoring Entity.

Every business in the Rural Jump-Start Zone program is required to submit a business plan that details its market, product, service, and value proposition. Any significant deviation from the business plan would make the company subject to additional review by the EDC to ensure compliance with all requirements of the program.

THE NEW HIRES

The New Business applies for program benefits for New Hires. In the case where there are more New Hires than tax credits allocated, the tax credits will be allocated to the New Hires on a first-come, first-served basis based on hire date.

New Hires must be full-time, W-2 employees who are making more than the county average annual wage. New Hires must work for the business for six months before they start to receive tax exemption.

New Hires approved by the EDC will receive four years of tax benefits. At the end of this initial benefits period, businesses have the option of applying to the EDC for an additional four years of benefits for themselves and their New Hires.

PROGRAM PERFORMANCE

RURAL JUMP-START ZONES AS OF JUNE 30, 2022

| Zone Name | Date Approved by EDC | Sponsoring Entity | Municipalities Included |
|---|----------------------|---------------------------|---|
| Archuleta County | 9/21/2017 | Pueblo CC | Pagosa Springs |
| Clear Creek County | 8/15/2019 | Red Rocks CC | None |
| Delta County | 9/21/2017 | Colorado Mesa University | Delta, Hotchkiss, Cedaredge, Orchard City, Paonia |
| Dolores County | 9/21/2017 | Pueblo CC | None |
| Fremont County | 1/16/2021 | Pueblo CC | None |
| Garfield County *excluding Glenwood Springs/Carbondale | 3/18/2021 | Colorado Mountain College | New Castle, Parachute, Rifle, Silt |
| Huerfano County | 9/16/2021 | Trinidad State Jr College | Walsenburg, La Veta |
| Las Animas County | 3/17/2016 | Trinidad State Jr College | Trinidad |
| Lincoln County | 5/20/2021 | Morgan Community College | Hugo, Limon |
| Logan County | 5/19/2016 | Northeastern Jr College | Sterling |
| Mesa County | 2/11/2016 | Colorado Mesa University | De Beque, Grand Junction, Fruita, Palisade |
| Moffat County | 3/16/2017 | Colorado Northwestern CC | Craig |
| Montezuma County | 9/21/2017 | Pueblo CC | Cortez, Dolores, Mancos |
| Montrose County | 5/19/2016 | Colorado Mesa University | Montrose, Nucla, Naturita, Olathe |
| Otero County | 4/18/2019 | Otero Jr College | La Junta |
| Prowers County | 7/19/2018 | Lamar CC | Lamar, Granada |
| Pueblo County | 2/18/2021 | Pueblo CC | None |
| Rio Blanco County | 9/21/2017 | Colorado Northwestern CC | Meeker, Rangely |
| Routt County | 2/15/2018 | Colorado Northwestern CC | Steamboat Springs, Hayden, Yampa, Oak Creek |
| San Juan County | 9/21/2017 | Colorado Mesa University | Silverton |

CC = Community College

ACTIVE NEW BUSINESSES AS OF JUNE 30, 2022

| New Business Name | Sponsoring Entity | RJS Zone | Date Approved by EDC | Tax Year of First Tax Exemption Certificate |
|---|-------------------|-----------|----------------------|---|
| Alpenglow Beverage, LLC | RCEDP | Routt | June 16, 2022 | 2022 |
| Automated Widget Systems | CMU/TCR | Delta | Apr 21, 2022 | 2022 |
| Certek Heat Systems | CMU | Mesa | Mar 19, 2020 | 2020 |
| Cold Case Gear, Inc. | FLC | Archuleta | July 15, 2021 | 2021 |
| Colorado Herbs, LLC | TCR | Delta | Apr 15, 2021 | 2021 |
| Colorado Stone Quarries, Inc. | TCR/CMU | Delta | Dec 17, 2020 | 2021 |
| Roho Enterprises, LLC dba Docupots | NEJC | Logan | Jun 18, 2020 | 2020 |
| Brightly Software, Inc. (formerly Dude Solutions) | CMU | Mesa | Sep 20, 2018 | 2018 |
| Ecomposite Super Structures LLC | CMU | Mesa | Sep 17, 2020 | n/a |
| FHE USA, LLC | CMU | Mesa | Sep 19, 2019 | 2019 |
| Gate 6 Enterprises, LLC dba Bar-U-Eat | SSCRA | Routt | Jan. 20, 2022 | 2022 |
| Geyser Technologies | CMU | Montrose | Dec 19, 2019 | 2019 |
| Jabil, Inc. | CMU | Mesa | Mar 19, 2021 | n/a |
| Kaart Group, LLC | CMU | Mesa | Jun 16, 2020 | 2016 |
| Lyttle's Fleet Maintenance, Inc. | CMU | Mesa | Nov. 19, 2021 | 2021 |
| Phoenix Haus | CMU | Mesa | Dec 21, 2017 | 2018 |
| ProStar GeoCorp, Inc. | CMU | Mesa | Feb 11, 2020 | 2016 |
| Rocky Mountain Manufacturing | CMU | Mesa | Dec 21, 2017 | 2018 |
| Sasquatch Campers, LLC | FLC | San Juan | Dec 16, 2021 | 2021 |
| Scenic Express, Inc. | CMU/TCR | Delta | Sept 16, 2021 | 2021 |
| SCORD, LLC | CMU | Mesa | Oct 21, 2021 | 2021 |
| Sky Peak Technologies | CMU | Mesa | Dec 16, 2021 | 2021 |
| Spring Born, Inc. | CMC | Garfield | Aug 19, 2021 | 2021 |
| Town Hall Public Benefit Corporation | SSCRA | Routt | Nov 19, 2021 | 2021 |
| Valkyrie Recovery Systems, Inc. | CMU | Mesa | Sept 16, 2021 | 2021 |

ESTIMATES OF VALUE OF BENEFITS ISSUED IN FY 20-21

The companies in the Rural Jump-Start Zone program that submitted reports estimated the following values to their program benefits. Companies that did not submit reports did not receive program benefits.

| Company Name | Business/ Owner In- come Tax | State Sales & Use Tax | Local Sales & Use Tax | Municipal Business Personal Property Tax | County Business Personal Property Tax | Other Tax Relief from Local Gov- ernments | Employee Exemption to State Income Tax | TOTAL TAX BENEFITS PER COM- PANY |
|--|------------------------------------|-----------------------------|-----------------------------|---|---|--|---|---|
| Cold Case Gear, Inc. | \$ - | \$180 | \$ | \$ - | \$ - | \$ - | \$ - | \$ 180 |
| Colorado Herbs, LLC | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 986 | \$ 986 |
| Colorado Stone Quarries, Inc. | \$ - | \$ - | \$ - | \$ - | \$ 13,000 | \$ - | \$ 56,055 | \$ 69,055 |
| RoHo Enterprises, LLC dba DocuPots | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brightly Software Inc. (Formerly Dude Solutions, Inc.) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 227,148 | \$ 227,148 |
| FHE USA, LLC | \$ - | \$ - | \$ - | \$ - | \$ 3,000 | \$ - | \$ 39,672 | \$ 42,672 |
| Geyser Technologies | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 8,769 | \$ 8,769 |
| Jabil, Inc. | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$3,310,877 | \$ 3,310,877 |
| Kaart Group, LLC | \$ 4,000 | \$ 1,000 | \$ 500 | \$ 500 | \$ 500 | \$ 1,000 | \$ 15,000 | \$ 22,500 |
| Lyttle's Fleet Maintenance, Inc. | \$ 14,216 | \$ 13,801 | \$ 2,000 | \$ - | \$ - | \$ - | \$415 | \$30,432 |
| Phoenix Haus | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$180,238 | \$180,238 |
| ProStar Geocorp, Inc. | \$ - | \$ - | \$ 4,500 | \$ 3,500 | \$ 1,000 | \$ - | \$ 30,000 | \$ 39,000 |
| Rocky Mountain Manufacturing | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 6,000 | \$ 6,000 |
| Sasquatch Campers, LLC | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Scenic Express, Inc. | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| SCORD, LLC | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Sky Peak Technologies | \$ 770 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 770 |
| Spring Born, Inc. | \$ - | \$ 1,000 | \$ 600 | \$ 13,959 | \$ 22,298 | \$20,000 | \$ - | \$ 57,857 |
| Town Hall Public Benefit Corporation | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| TOTALS | \$ 18,986 | \$ 15,981 | \$ 7,600 | \$ 17,959 | \$ 39,798 | \$ 21,000 | \$3,875,160 | \$3,996,484 |

The companies in the Rural Jump-Start Zone program listed below were awarded the following grant amounts:

| Company Name | Operating Grant | New Hire Grant | Total Grant |
|---------------------------------------|------------------|------------------|------------------|
| Alpenglow Beverage, LLC | \$40,000 | \$15,000 | \$55,000 |
| Automated Widget Systems | \$20,000 | \$10,000 | \$30,000 |
| Cold Case Gear, Inc. | \$20,000 | \$12,500 | \$32,500 |
| Epiveris, LLC | \$40,000 | \$40,000 | \$80,000 |
| Gate 6 Enterprises, LLC dba Bar-U-Eat | \$40,000 | \$65,000 | \$105,000 |
| Lyttle's Fleet Maintenance, Inc. | \$20,000 | \$17,500 | \$37,500 |
| Sasquatch Campers, LLC | \$20,000 | \$10,000 | \$30,000 |
| Scenic Express, Inc. | \$20,000 | \$12,500 | \$32,500 |
| SCORD, LLC | \$20,000 | \$17,500 | \$37,500 |
| Sky Peak Technologies | \$20,000 | \$25,000 | \$45,000 |
| Spring Born, Inc. | \$20,000 | \$62,500 | \$82,500 |
| Town Hall Public Benefit Corporation | \$40,000 | \$15,000 | \$55,000 |
| Valkyrie Recovery Systems, Inc. | \$20,000 | \$20,000 | \$40,000 |
| TOTALS | \$340,000 | \$322,500 | \$662,500 |

WAGES OF NEW HIRES IN CALENDAR YEAR 2021

The companies in the Rural Jump-Start Zone program that had employees that qualified as New Hires reported the following wages. If the actual wages for the employee were for a partial year, the wages were annualized.

Summary of New Hire and Total Employee Numbers by Company:

| Company Name | New Hires | Income Exempted | Total Employees |
|---|------------|--------------------|-----------------|
| Colorado Herbs, LLC | 0 | \$0 | 1 |
| Colorado Stone Quarries, Inc. | 16 | \$435,642 | 52 |
| Brightly Software, Inc. (Formerly Dude Solutions) | 3 | \$227,148 | 3 |
| FHE USA, LLC | 10 | \$881,591 | 10 |
| Geyser Technologies | 1 | \$40,002 | 24 |
| Jabil, Inc. | 57 | \$3,310,877 | 113 |
| Kaart Group, LLC | 10 | \$576,743 | 97 |
| Lyttle's Fleet Maintenance, Inc. | 0 | \$0 | 8 |
| Phoenix Haus | 8 | \$180,238 | 19 |
| ProStar Geocorp, Inc. | 11 | \$837,689 | 32 |
| Rocky Mountain Manufacturing | 2 | \$117,390 | 5 |
| Scenic Express, Inc. | 0 | \$0 | 2 |
| Sky Peak Technologies | 0 | \$0 | 4 |
| Spring Born, Inc. | 0 | \$0 | 15 |
| TOTALS | 118 | \$6,607,320 | 385 |

New Hire Wages by Company:

| Company Name | Annualized Salaries |
|---|----------------------------|
| Brightly Software, Inc. (Formerly Dude Solutions) | \$119,849 |
| Brightly Software, Inc. (Formerly Dude Solutions) | \$51,480 |
| Brightly Software, Inc. (Formerly Dude Solutions) | \$55,819 |
| Colorado Stone Quarries, Inc. | \$43,962 |
| Colorado Stone Quarries, Inc. | \$130,966 |
| Colorado Stone Quarries, Inc. | \$191,478 |
| Colorado Stone Quarries, Inc. | \$36,142 |
| Colorado Stone Quarries, Inc. | \$38,523 |
| Colorado Stone Quarries, Inc. | \$46,357 |
| Colorado Stone Quarries, Inc. | \$35,785 |
| Colorado Stone Quarries, Inc. | \$38,427 |
| Colorado Stone Quarries, Inc. | \$54,600 |
| Colorado Stone Quarries, Inc. | \$186,613 |
| Colorado Stone Quarries, Inc. | \$39,695 |
| Colorado Stone Quarries, Inc. | \$38,978 |
| Colorado Stone Quarries, Inc. | \$36,474 |
| Colorado Stone Quarries, Inc. | \$36,478 |
| Colorado Stone Quarries, Inc. | \$318,988 |
| Colorado Stone Quarries, Inc. | \$38,326 |
| FHE USA, LLC | \$50,153 |
| FHE USA, LLC | \$97,228 |
| FHE USA, LLC | \$67,196 |
| FHE USA, LLC | \$57,756 |
| FHE USA, LLC | \$94,297 |
| FHE USA, LLC | \$52,779 |
| FHE USA, LLC | \$79,119 |
| FHE USA, LLC | \$79,777 |
| FHE USA, LLC | \$154,205 |
| FHE USA, LLC | \$149,081 |
| Geyser Technologies | \$40,002 |
| Jabil, Inc. | \$47,508 |
| Jabil, Inc. | \$47,731 |
| Jabil, Inc. | \$78,566 |
| Jabil, Inc. | \$48,490 |
| Jabil, Inc. | \$87,333 |
| Jabil, Inc. | \$227,467 |
| Jabil, Inc. | \$44,593 |
| Jabil, Inc. | \$52,642 |
| Jabil, Inc. | \$53,252 |

| | |
|-------------|-----------|
| Jabil, Inc. | \$59,156 |
| Jabil, Inc. | \$50,754 |
| Jabil, Inc. | \$141,678 |
| Jabil, Inc. | \$48,402 |
| Jabil, Inc. | \$49,742 |
| Jabil, Inc. | \$50,499 |
| Jabil, Inc. | \$53,520 |
| Jabil, Inc. | \$52,593 |
| Jabil, Inc. | \$50,574 |
| Jabil, Inc. | \$58,497 |
| Jabil, Inc. | \$64,594 |
| Jabil, Inc. | \$110,147 |
| Jabil, Inc. | \$49,126 |
| Jabil, Inc. | \$50,453 |
| Jabil, Inc. | \$56,428 |
| Jabil, Inc. | \$107,634 |
| Jabil, Inc. | \$49,565 |
| Jabil, Inc. | \$153,260 |
| Jabil, Inc. | \$70,262 |
| Jabil, Inc. | \$56,825 |
| Jabil, Inc. | \$63,530 |
| Jabil, Inc. | \$79,682 |
| Jabil, Inc. | \$101,355 |
| Jabil, Inc. | \$89,577 |
| Jabil, Inc. | \$49,193 |
| Jabil, Inc. | \$97,755 |
| Jabil, Inc. | \$48,717 |
| Jabil, Inc. | \$77,021 |
| Jabil, Inc. | \$102,482 |
| Jabil, Inc. | \$62,688 |
| Jabil, Inc. | \$57,085 |
| Jabil, Inc. | \$102,229 |
| Jabil, Inc. | \$79,398 |
| Jabil, Inc. | \$45,862 |
| Jabil, Inc. | \$56,449 |
| Jabil, Inc. | \$106,757 |
| Jabil, Inc. | \$57,766 |
| Jabil, Inc. | \$45,301 |
| Jabil, Inc. | \$65,433 |
| Jabil, Inc. | \$51,626 |
| Jabil, Inc. | \$44,920 |

| | |
|------------------------------|-----------|
| Jabil, Inc. | \$59,571 |
| Jabil, Inc. | \$53,870 |
| Jabil, Inc. | \$48,740 |
| Jabil, Inc. | \$58,128 |
| Jabil, Inc. | \$70,872 |
| Jabil, Inc. | \$47,383 |
| Jabil, Inc. | \$89,596 |
| Kaart Group, LLC | \$45,555 |
| Kaart Group, LLC | \$48,217 |
| Kaart Group, LLC | \$78,359 |
| Kaart Group, LLC | \$127,838 |
| Kaart Group, LLC | \$50,963 |
| Kaart Group, LLC | \$55,733 |
| Kaart Group, LLC | \$50,500 |
| Kaart Group, LLC | \$45,241 |
| Kaart Group, LLC | \$80,016 |
| Kaart Group, LLC | \$85,732 |
| Phoenix Haus | \$51,007 |
| Phoenix Haus | \$51,781 |
| Phoenix Haus | \$49,995 |
| Phoenix Haus | \$50,547 |
| Phoenix Haus | \$49,145 |
| Phoenix Haus | \$44,598 |
| Phoenix Haus | \$52,492 |
| Phoenix Haus | \$56,241 |
| ProStar Geocorp, Inc. | \$74,490 |
| ProStar Geocorp, Inc. | \$75,122 |
| ProStar Geocorp, Inc. | \$82,507 |
| ProStar Geocorp, Inc. | \$65,682 |
| ProStar Geocorp, Inc. | \$87,103 |
| ProStar Geocorp, Inc. | \$61,123 |
| ProStar Geocorp, Inc. | \$50,679 |
| ProStar Geocorp, Inc. | \$395,409 |
| ProStar Geocorp, Inc. | \$73,146 |
| ProStar Geocorp, Inc. | \$57,500 |
| ProStar Geocorp, Inc. | \$62,700 |
| Rocky Mountain Manufacturing | \$54,880 |
| Rocky Mountain Manufacturing | \$62,510 |

COMPANY DESCRIPTIONS

Alpenglow Beverages, LLC is an alcoholic beverage production company, specifically focused on mead.

Automated Widget Systems, LLC is an irrigation valve manufacturing company. The valves are specifically designed to fit gated pipes and will advance the technology of flood irrigation systems.

Brightly Software, Inc. (Formerly Dude Solutions) offers cloud-based energy management software for workflow and asset management.

Certek Heat Systems is the leader in innovative alternatives to conventional portable heating methods used in today's most common industries.

Cold Case Gear, Inc. is solving temperature-related needs for outdoor enthusiasts using an aerogel pack to protect temperature-sensitive equipment.

Colorado Herbs, LLC receives, stores, and packages bulk medicinal herbs grown in the North Fork Valley that are sold through The Grow Network's marketing and sales channels.

Colorado Stone Quarries processes and cuts large raw marble blocks for distribution to wholesalers.

Docupots is a manufacturer of biodegradable pots.

Ecomposite Super Structures manufactures an eco-friendly steel structure, concrete composite building system for constructing residential and commercial properties.

Epiveris, LLC is a pharmaceutical/medical data and research company that is creating a first-of-its kind digital search engine and collaborative research tool.

FHE USA, LLC has created FracLock, which is a remote quick connect system to control pressure in the fracking of oil and gas wells.

Gate 6 Enterprises, LLC dba Bar-U-Eat is a granola bar company focused on providing delicious yet healthy snacks to the world all while being relentlessly committed to sustainability.

Geyser Technologies designs outdoor low consumption showers.

Jabil, Inc. has manufacturing services for the aerospace and defense industries.

KAART Group collects geophysical data in the form of street-view imagery via on-the-ground surveys of local areas. This data is then post-processed in vector geographic data. They focus on collecting data in developing countries.

Lyttle's Fleet Maintenance, Inc. is a truck upfitting company, servicing mainly vehicles for the gas and utilities industries.

Phoenix Haus is a manufacturer and technical innovator of super energy efficient prefabricated homes/dwellings.

ProStar Geocorp is a Software as a Services (SaaS) company that is focused on providing the energy industry with multi-vendor integrated geospatially intelligent software solutions to improve the accuracy, content and effectiveness of pipeline asset management data.

Rocky Mountain Manufacturing is a proprietary prosthetic device manufacturer. The company received a patent on its device in March of 2017.

Sasquatch Campers, LLC is an expedition camp trailer company.

Scenic Express, Inc. is a manufacturer and direct marketer of Hobby Supplies used in the Scale Model Building Hobby & Scale Modeling Industry.

SCORD, LLC is creating a new phone application to assist buyers in their purchasing decisions in the Internet Publishing, Broadcasting, and Web Search Portals Industry.

Sky Peak Technologies is a telecommunications-related SaaS company focused on right-sizing data for mobile devices, mobile operators and consumers of satellite data.

Spring Born, Inc. operates a hydroponic greenhouse which contains a state of the art, automated grow system that produces lettuce.

Town Hall Public Benefit Corporation makes sustainable outdoor apparel for adventurous kids.

Valkyrie Recovery Systems, Inc. designs, engineers, and manufactures parachutes that recover instruments and goods that go into space.

ENTERPRISE ZONE

Annual Report
Fiscal Year 2021-2022



ENTERPRISE ZONE HIGHLIGHTS

The Enterprise Zone statute requires the Colorado Office of Economic Development and International Trade (OEDIT) to report data on Enterprise Zone tax credits in its annual report. Many program resources are available on OEDIT's Enterprise Zone website, <https://oedit.colorado.gov/ez>. Local Enterprise Zone Reports, including local zone objectives and statistics are completed on a calendar year basis and are also posted on OEDIT's Enterprise Zone web-pages.

SUMMARY

The Enterprise Zone (EZ) program is one of the State's most substantial economic development programs. It was created by the General Assembly to provide economic incentives, access to capital, and a positive business climate focused on areas of high unemployment, low per capita income, or slow population growth.

Enterprise Zones are a tool meant to support local economic development efforts. Enterprise Zone designation is initiated by communities; local administrators work with businesses to promote development within the zones. Zone administrators may also establish EZ Contribution Projects with nonprofit organizations or local governments to support economic revitalization in the Enterprise Zones.

In the state's fiscal year 2021-2022, 6,068 businesses certified for EZ tax credits. There were 5,690 businesses reporting \$2.84 billion invested in qualified business personal property, making them eligible for \$85.18 million in EZ investment tax credits. Businesses invested \$39.22 million to train 36,171 employees that work in the Enterprise Zones, earning them \$4.7 million in EZ job training tax credits. To incentivize investment and registration of commercial vehicles in Colorado EZs, \$104,495.95 in income tax credits were recognized on investments totaling \$6.9 million.

Business facilities in an Enterprise Zone may earn income tax credits for new jobs created (with additional credits for agricultural processing businesses and businesses located in Enhanced Rural Enterprise Zones). In FY 21-22, certifying businesses reported 6,613 net new jobs incentivized by \$7.46 million in New Employee Credits. During the first two years that a business is in an Enterprise Zone, it may earn credits for providing qualified health insurance coverage for the net new employees each year. In FY 21-22, businesses reported that they covered 4,097 net new employees with a qualified health plan, entitling them to \$4.09 million in state income tax credits.

In addition to the Enterprise Zone business tax credits, nonprofit and local government projects leverage the Enterprise Zone Contribution Tax Credit to form public/private investment initiatives to improve economic conditions in distressed areas. In FY 21-22, 362 projects received \$71.4 million in private contributions. In fiscal year 25,597 donations were recorded, earning contributors credits worth approximately \$16.3 million. There were 354 active Contribution Projects at the close of the fiscal year.

ENTERPRISE ZONE DESIGNATION

There are 16 statutory Enterprise Zones with 19 zone administrators to support economic revitalization within the EZs.

The Colorado Urban and Rural Enterprise Zone statutes, C.R.S 39-30-101 to 112, provide that local governments may propose areas for designation as Enterprise Zones. The statutes set forth three criteria to define economic distress, an area meeting at least one of these may qualify for Enterprise Zone status:

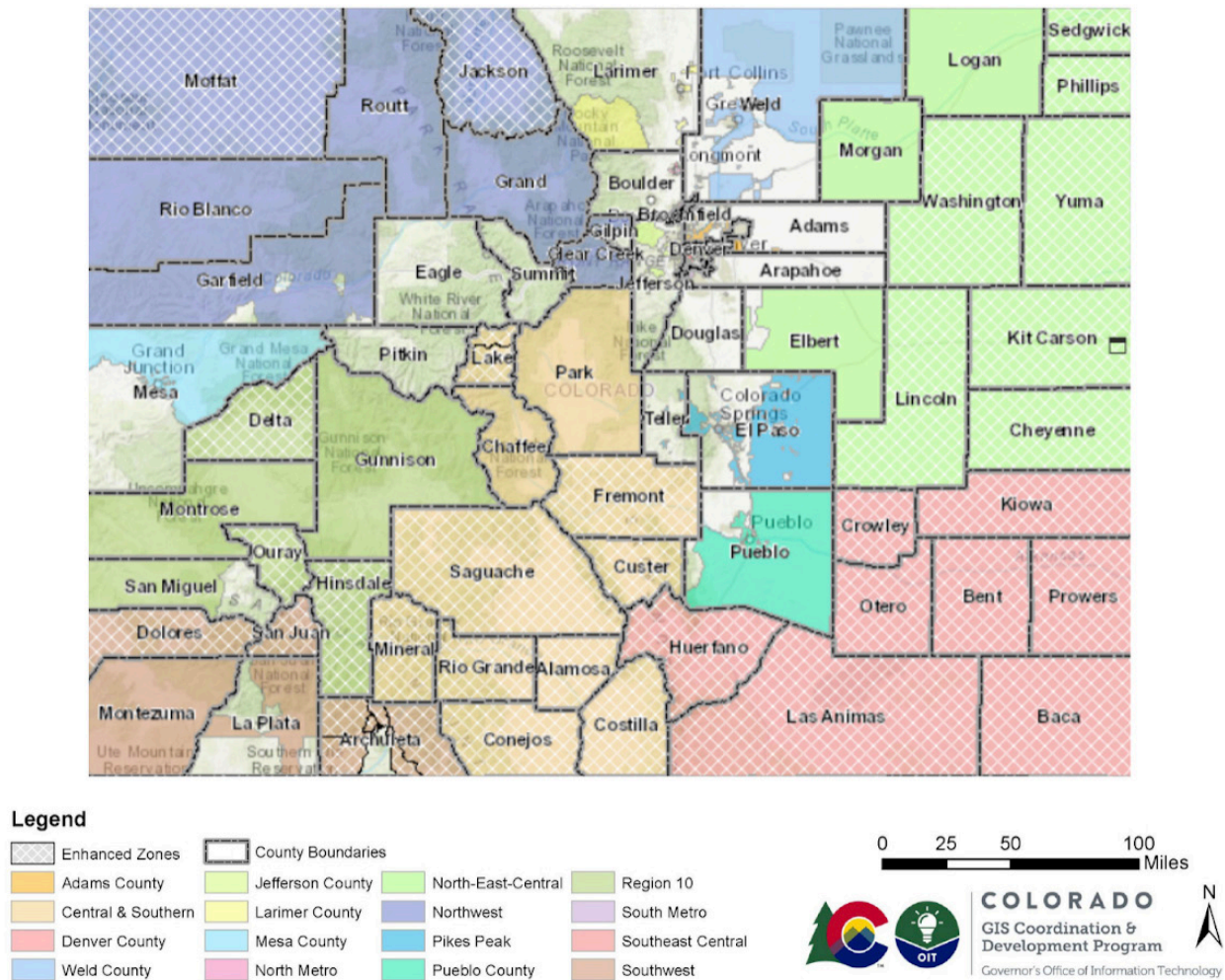
- ▶ Unemployment rate greater than 25% above the state average;
- ▶ Per capita income less than 75% of the state average;

- Population growth less than 25% of the state average

Additional criteria limit the total population residing within an Enterprise Zone boundary to 115,000 people in urban areas and 150,000 in rural.

The Colorado Economic Development Commission (EDC) has the authority to designate and terminate areas as Enterprise Zones.

Zones were re-set in January 2016. The Enterprise Zones align with U.S. Census defined areas including census blocks, block groups, tracts, places, county sub-divisions, and counties



FISCAL YEAR CREDITS CERTIFIED

This fiscal year report includes certifications approved by local Zone administrators from July 1, 2021 through June 30, 2022. Business certifications are most often submitted and approved following the business' fiscal year-end; therefore information in this report mostly represents business activity during calendar year 2021 claimed on 2021 tax returns that are filed in 2022 and impact state revenue collected in the state's FY 21-22. Applications approved in FY 21-22 may also cover business activity prior to 2022 for late or amended applications.

This table identifies tax credits certified by Enterprise Zone.

| Fiscal Year 2021-2022 - EZ Credits Certified | | | | | | | | | | | | |
|--|------------------------|----------------------|--------------------------|------------------------|---|---------------------------------|--|--------------------|---------------------------|------------------------|-----------------------|----------------------|
| Rural / Urban | Enterprise Zone | Business Tax Credits | | | | | | | | | Contribution Projects | |
| | | # of Certifications | \$ Investment Tax Credit | \$ Job Training Credit | \$ Employer Sponsored Health Insurance Credit | \$ All New Employee Tax Credits | \$ Vacant Commercial Bldg Rehab Credit | \$ R&D Credit | \$ Commercial Vehicle ITC | Total Business Credits | # Certifications | \$ Estimated Credits |
| Rural | Central & Southern EZ | 701 | \$2,456,969 | \$38,563 | \$12,200 | \$319,516 | \$0 | \$0 | \$7,668 | \$2,834,916 | 1816 | \$736,639 |
| Rural | North-East-Central EZ | 1881 | \$42,844,039 | \$118,324 | \$27,000 | \$387,185 | \$45,590 | \$13,395 | \$1,909 | \$43,437,442 | 167 | \$49,794 |
| Rural | Northwest EZ | 298 | \$1,279,517 | \$15,102 | \$9,170 | \$95,630 | \$54,171 | \$39,301 | \$0 | \$1,492,891 | 937 | \$1,179,706 |
| Rural | Region 10 EZ | 344 | \$1,194,014 | \$30,279 | \$16,000 | \$280,776 | \$0 | \$170 | \$0 | \$1,521,239 | 1607 | \$562,419 |
| Rural | Southeast Central EZ | 496 | \$1,734,971 | \$13,783 | \$3,900 | \$41,216 | \$0 | \$0 | \$0 | \$1,793,870 | 128 | \$298,966 |
| Rural | Southwest EZ | 257 | \$491,041 | \$25,211 | \$2,000 | \$170,052 | \$65,112 | \$915 | \$0 | \$754,331 | 733 | \$347,162 |
| | Sub-Total Rural | 3977 | \$50,000,551 | \$241,262 | \$70,270 | \$1,294,375 | \$164,873 | \$53,781 | \$9,577 | \$51,834,689 | 5388 | \$3,174,686 |
| Urban | Adams County EZ | 323 | \$8,469,802 | \$350,933 | \$2,054,420 | \$3,583,905 | \$0 | \$63,650 | \$4,580 | \$14,527,290 | 546 | \$772,888 |
| Urban | Denver EZ | 290 | \$3,082,035 | \$2,627,415 | \$73,000 | \$430,759 | \$0 | \$130,707 | \$0 | \$6,343,916 | 6857 | \$4,861,122 |
| Urban | Jefferson County EZ | 225 | \$4,161,745 | \$160,488 | \$1,664,250 | \$882,267 | \$0 | \$396,056 | \$0 | \$7,264,806 | 1186 | \$1,220,258 |
| Urban | Larimer County EZ | 180 | \$899,793 | \$161,735 | \$14,800 | \$118,566 | \$50,000 | \$64,194 | \$0 | \$1,309,088 | 2062 | \$920,848 |
| Urban | Mesa County EZ | 231 | \$963,099 | \$116,265 | \$15,000 | \$245,215 | \$0 | \$26,677 | \$0 | \$1,366,256 | 3254 | \$1,730,231 |
| Urban | North Metro EZ | 53 | \$203,138 | \$9,783 | \$7,300 | \$30,289 | \$0 | \$4,493 | \$0 | \$255,003 | 225 | \$188,403 |
| Urban | Pikes Peak EZ | 393 | \$2,976,286 | \$195,217 | \$159,443 | \$762,401 | \$26,045 | \$398,228 | \$4,180 | \$4,521,800 | 4106 | \$3,043,503 |
| Urban | Pueblo EZ | 129 | \$1,484,552 | \$57,028 | \$3,200 | \$164,670 | \$68,436 | \$87,761 | \$0 | \$1,865,647 | 860 | \$338,822 |
| Urban | South Metro EZ | 91 | \$551,382 | \$323,411 | \$9,780 | \$35,156 | \$0 | \$27,922 | \$0 | \$947,651 | 338 | \$422,457 |
| Urban | Weld County EZ | 176 | \$12,390,873 | \$463,624 | \$25,833 | \$465,119 | \$0 | \$327,067 | \$6,191 | \$13,678,707 | 775 | \$324,464 |
| | Sub-Total Urban | 2091 | \$35,182,705 | \$4,465,899 | \$4,027,026 | \$6,718,347 | \$144,481 | \$1,526,755 | \$14,951 | \$52,080,164 | 20209 | \$13,822,996 |
| | Grand Total | 6068 | \$85,183,256 | \$4,707,161 | \$4,097,296 | \$8,012,722 | \$309,354 | \$1,580,536 | \$24,529 | \$103,914,853 | 25597 | \$16,997,682 |

Businesses certifying for EZ tax credits select the North American Industrial Classification code that best identifies the industry in which they operate. This table groups the credits certified by industry classification.

| Fiscal Year 2021-2022 - Credits Certified | | | | | | | |
|---|---------------------|--------------------------|------------------------|---------------------------------|---|--|--------------------|
| Industry | # of Certifications | \$ Investment Tax Credit | \$ Job Training Credit | \$ All New Employee Tax Credits | \$ Employer Sponsored Health Insurance Credit | \$ Vacant Commercial Bldg Rehab Credit | \$ R&D Credit |
| Agriculture, Forestry, Fishing and Hunting (not covered in economic census) | 2331 | \$7,521,189 | \$12,805 | \$0 | \$68,000 | | |
| Mining, Quarrying, and Oil and Gas Extraction | 48 | \$1,066,101 | \$46 | \$13,255 | | | \$26,596 |
| Utilities | 29 | \$2,564,263 | \$80,532 | \$201,166 | \$27,000 | | \$7,602 |
| Construction | 353 | \$981,762 | \$124,271 | \$18,901 | \$5,000 | \$57,299 | \$8,428 |
| Manufacturing | 345 | \$11,892,849 | \$407,198 | \$665,494 | \$162,550 | \$50,000 | \$1,887,321 |
| Wholesale Trade | 130 | \$1,290,015 | \$142,643 | \$0 | \$20,070 | | \$3,186 |
| Retail Trade | 813 | \$3,523,175 | \$50,236 | \$0 | \$1,906,273 | \$3,697 | \$1,748 |
| Transportation and Warehousing | 184 | \$23,026,722 | \$2,613,057 | \$10,625 | \$79,840 | \$0 | \$276,991 |
| Information | 584 | \$1,982,010 | \$21,704 | \$43,917 | \$8,000 | | \$4,798 |
| Finance and Insurance | 148 | \$332,389 | \$32,718 | \$0 | \$19,000 | | \$2,731 |
| Real Estate and Rental and Leasing | 193 | \$872,948 | \$5,188 | \$0 | | \$440,814 | \$7,102 |
| Professional, Scientific, and Technical Services | 187 | \$379,223 | \$110,225 | \$180 | \$224,333 | \$28,818 | \$112,132 |
| Management of Companies and Enterprises | 8 | \$20,992 | \$287,935 | \$219,513 | | \$50,000 | \$7,331 |
| Administrative and Support and Waste Management and Remediation Services | 80 | \$239,926 | \$46,855 | \$219,338 | \$2,000 | | |
| Educational Services | 6 | \$1,129 | \$126 | \$263,237 | \$4,000 | | |
| Health Care and Social Assistance | 118 | \$984,892 | \$942,986 | \$0 | \$9,000 | | |
| Arts, Entertainment, and Recreation | 40 | \$168,883 | \$55,822 | \$50,000 | | \$50,000 | |
| Accommodation and Food Services | 281 | \$437,260 | \$42,613 | \$0 | \$13,000 | \$26,950 | |
| Other Services (except Public Administration) | 190 | \$292,285 | \$28,898 | \$2,826 | \$13,470 | \$75,840 | |
| TOTAL | 6068 | \$57,578,013 | \$5,005,858 | \$1,708,452 | \$2,561,537 | \$783,418 | \$2,345,966 |

JOB STATISTICS

The statutes require the reporting of employment, jobs created, and those retained by industry classification. “Jobs retained” is defined as employment at the beginning of the year for certifying businesses with employment growth, plus employment at the end of the year for those reporting no employment growth or a loss. Businesses certifying must indicate if jobs were transferred from outside of an Enterprise Zone to a facility within an Enterprise Zone. These employment statistics are requested of all applicants for Enterprise Zone credits. Specific employee calculations are required for the New Employee Tax Credit.

| Fiscal Year 2021-2022 | | | | | |
|---|----------------------|-------------------|---------------|----------------|------------------|
| Industry | Beginning Employment | Ending Employment | Jobs Created | Jobs Retained | Jobs Transferred |
| Agriculture, Forestry, Fishing and Hunting (not covered in economic census) | 6,271 | 6,212 | 253 | 5,959 | 91 |
| Mining, Quarrying, and Oil and Gas Extraction | 1,372 | 1,279 | 60 | 1,219 | 5 |
| Utilities | 81 | 210 | 130 | 80 | - |
| Construction | 7,174 | 7,555 | 792 | 6,763 | 364 |
| Manufacturing | 31,538 | 31,059 | 1,774 | 29,285 | 52 |
| Wholesale Trade | 7,720 | 7,855 | 376 | 7,479 | 185 |
| Retail Trade | 39,901 | 45,820 | 6,649 | 39,171 | 2,220 |
| Transportation and Warehousing | 14,069 | 15,385 | 2,895 | 12,490 | 99 |
| Information | 1,890 | 1,919 | 266 | 1,653 | 3 |
| Finance and Insurance | 2,396 | 2,170 | 60 | 2,110 | 126 |
| Real Estate and Rental and Leasing | 1,126 | 1,186 | 178 | 1,008 | 130 |
| Professional, Scientific, and Technical Services | 2,776 | 2,931 | 247 | 2,684 | 5 |
| Management of Companies and Enterprises | 2,044 | 2,107 | 63 | 2,044 | - |
| Administrative and Support and Waste Management and Remediation Services | 2,554 | 4,804 | 2,377 | 2,427 | 11 |
| Educational Services | 502 | 598 | 96 | 502 | 8 |
| Health Care and Social Assistance | 7,988 | 8,194 | 328 | 7,866 | 58 |
| Arts, Entertainment, and Recreation | 745 | 533 | 79 | 454 | 5 |
| Accommodation and Food Services | 7,040 | 7,435 | 1,081 | 6,354 | 39 |
| Other Services (except Public Administration) | 2,950 | 2,969 | 178 | 2,791 | 79 |
| TOTAL | 140,137 | 150,221 | 17,882 | 132,339 | 3,480 |

WAGE STATISTICS

The Enterprise Zone statutes require the reporting of wages by employment status; the table below summarizes the information provided by businesses certifying for Enterprise Zone Credits.

| Fiscal Year 2021-2022 | | | | |
|--|-------------|------------|-----------|------------|
| Employee Type | Full-Time | Part-Time | Temporary | Contract |
| Average Annual Compensation | \$30,478.24 | \$6,446.29 | \$776.01 | \$2,330.72 |
| # of Employees for whom comp. Reported | 1,644,535 | 46,070 | 1,279 | 10,862 |

PROGRAM TRENDS

The table below documents the number of applications and total credits certified over several years.

| Historical 2012-2022 | | |
|----------------------|----------------------|-------------------------|
| Fiscal Year | Businesses Certified | Total Credits Certified |
| 2011 | 4,659 | \$ 91,613,844.00 |
| 2012 | 6,389 | \$ 116,160,138.00 |
| 2013 | 4,660 | \$ 112,314,458.00 |
| 2014 | 3,907 | \$ 43,061,497.00 |
| 2015 | 4,071 | \$ 77,443,624.00 |
| 2016 | 4,306 | \$ 70,344,648.00 |
| 2017 | 4,419 | \$ 67,292,273.00 |
| 2018 | 4,735 | \$ 54,309,435.00 |
| 2019 | 5,776 | \$ 55,251,948.00 |
| 2020 | 5,408 | \$ 92,250,303.00 |
| 2021 | 5,976 | \$ 75,689,003.00 |
| 2022 | 6,073 | \$ 103,890,326.00 |

The Investment Tax Credit encourages investment in business personal property in the Enterprise Zones; it accounts for the greatest number of certifications as well as the largest investments into the EZs.

A business making a qualified investment in business personal property earns a credit of 3% on the capitalized expense.

| Historical 2012-2022 | | | |
|----------------------|--|--|--------------------------|
| Businesses Certified | # Certifications for Investment Tax Credit | \$ Invested in Eligible Business Personal Property | \$ Investment Tax Credit |
| 2011 | 4,304 | \$ 2,532,665,102.00 | \$ 76,193,506.00 |
| 2012 | 6,213 | \$ 3,333,228,954.00 | \$ 100,831,813.00 |
| 2013 | 4,606 | \$ 3,198,458,969.00 | \$ 97,261,301.00 |
| 2014 | 3,875 | \$ 1,107,573,379.00 | \$ 33,227,202.00 |
| 2015 | 3,813 | \$ 2,042,076,832.00 | \$ 62,261,139.00 |
| 2016 | 3,900 | \$ 1,874,830,485.00 | \$ 56,244,947.00 |
| 2017 | 3,976 | \$ 1,416,348,065.00 | \$ 42,490,497.00 |
| 2018 | 4,262 | \$ 1,423,999,438.00 | \$ 42,720,034.00 |
| 2019 | 5,260 | \$ 1,364,110,733.00 | \$ 40,923,386.00 |
| 2020 | 4,932 | \$ 2,465,706,786.00 | \$ 73,971,303.00 |
| 2021 | 5,578 | \$ 3,036,374,202.67 | \$ 91,091,226.08 |
| 2022 | 5,690 | \$ 2,839,439,322.42 | \$ 85,183,256.00 |

Several of the Enterprise Zone tax credits support businesses that hire, train, and provide health coverage for new employees.

Businesses earn 12% on the cost a job-training program for employees working in an Enterprise Zone. Prior to 2014, the credit rate was 10%.

New businesses are eligible to earn the employer sponsored health insurance tax credit for the first two years that they operate in an Enterprise Zone. The business may earn a \$1,000 tax credit for each net new employee for whom the business pays at least 50% of the cost of a qualified health plan. The employer sponsored health insurance credit was \$200 per net new employee prior to 2014.

Businesses are encouraged to add jobs with the New Employee credit. The tax credit for each net new employee (as compared to the prior year) is \$1,100. The standard credit was \$500 per net new employee prior to 2014. If the business is in an Enhanced Rural Enterprise Zone (EREZ), the business earns an additional \$2,000 per net new employee. If the taxpayer is in the agricultural processing business, then the new employee credit is increased by \$500. If both an agricultural processor and located in an EREZ and additional \$500 is added to the credit value per net new employee.

| Historical 2012-2022 | | | | | | | | | |
|----------------------|--|-----------------------------|---------------------|------------------------|---|-------------------------------|---|---------------------|------------------------|
| FY | # Certifications for Job Training Credit | \$ Invested in Job Training | # Employees Trained | \$ Job Training Credit | # Certifications for Employer Health Credit | \$ Employer Health Tax Credit | # Certifications for New Employee Credits | # Net New Employees | \$ New Employee Credit |
| 2011 | 1,167 | \$65,632,740 | 31,127 | \$6,563,274 | 418 | \$406,773 | 4,659 | 5,323 | \$3,890,046 |
| 2012 | 4,725 | \$56,891,934 | 38,670 | \$5,689,193 | 4,139 | \$396,465 | 6,389 | 6,198 | \$4,087,536 |
| 2013 | 4,366 | \$70,499,292 | 94,246 | \$7,049,929 | 4,268 | \$443,708 | 4,660 | 6,399 | \$3,390,861 |
| 2014 | 3,847 | \$56,541,833 | 39,934 | \$5,654,183 | 3,844 | \$319,923 | 3,907 | 4,127 | \$2,707,518 |
| 2015 | 1,710 | \$93,166,861 | 32,996 | \$9,441,407 | 1,502 | \$1,401,095 | 4,071 | 3,559 | \$3,607,047 |
| 2016 | 488 | \$62,510,813 | 36,078 | \$6,523,367 | 176 | \$1,436,620 | 4,306 | 3,912 | \$4,921,574 |
| 2017 | 389 | \$156,307,817 | 32,484 | \$15,975,193 | 114 | \$1,358,682 | 4,419 | 4,578 | \$5,767,263 |
| 2018 | 482 | \$20,081,951 | 30,985 | \$2,409,695 | 109 | \$1,187,783 | 4,735 | 4,928 | \$6,360,507 |
| 2019 | 437 | \$42,826,913 | 32,234 | \$5,139,230 | 98 | \$740,028 | 5,776 | 4,912 | \$6,213,359 |
| 2020 | 500 | \$43,425,809 | 37,273 | \$5,211,099 | 87 | \$1,534,344 | 2,906 | 6,313 | \$7,887,549 |
| 2021 | 439 | \$41,715,422 | 25,608 | \$5,005,858 | 97 | \$2,561,537 | 2,688 | 6,124 | \$7,414,209 |
| 2022 | 354 | \$39,226,311 | 36,171 | \$4,707,161 | 66 | \$4,097,296 | 2,733 | 6,613 | \$7,463,015 |

Enterprise Zone credits also support the rehabilitation of old vacant buildings for commercial use. Qualified rehabilitation projects earn credits for 25% of qualified expenses up to a maximum credit of \$50,000 per building.

Increased investment in commercial research and experimental activities is encouraged with a 3% credit calculated on the difference between the current year expenditure and that of the prior two years.

The Commercial Vehicle Investment Tax Credit is 1.5% of the expense of the vehicle and qualified parts. This credit was put into place during fiscal year 2013.

| Historical 2012-2022 | | | | | | | | | |
|----------------------|---|--|--|--|-----------------|-------------------|------------------------|------------------------------------|---|
| FY | # Certifications for Vacant Building Rehab Credit | \$ Invested in Building Rehabilitation | \$ Vacant Building Rehabilitation Credit | # Certifications for Research & Development Credit | \$ Spend on R&D | \$ R&D Tax Credit | # Certifications CVITC | \$ Invested in Commercial Vehicles | \$ Commercial Vehical Investment Tax Credit |
| 2011 | 4,608 | \$9,953,388 | \$11,025,571 | 4,610 | \$142,427,047 | \$3,534,673 | | | |
| 2012 | 2,671 | \$8,134,362 | \$923,457 | 2,681 | \$206,785,085 | \$4,231,674 | | | |
| 2013 | 60 | \$5,504,080 | \$684,718 | 81 | \$140,551,842 | \$3,404,344 | 40 | \$5,499,294 | \$82,489 |
| 2014 | 14 | \$8,205,042 | \$406,884 | 70 | \$147,377,623 | \$591,957 | 39 | \$10,359,465 | \$155,392 |
| 2015 | 18 | \$6,749,761 | \$595,224 | 68 | \$121,402,734 | \$1,072,397 | 26 | \$4,354,331 | \$65,135 |
| 2016 | 18 | \$3,650,366 | \$443,741 | 75 | \$112,043,317 | \$719,785 | 22 | \$3,640,933 | \$54,614 |
| 2017 | 18 | \$11,010,883 | \$604,733 | 84 | \$161,539,911 | \$909,431 | 15 | \$11,285,162 | \$169,277 |
| 2018 | 16 | \$1,696,646 | \$337,902 | 76 | \$141,484,667 | \$949,141 | 24 | \$22,958,219 | \$344,373 |
| 2019 | 15 | \$3,113,372 | \$439,411 | 94 | \$140,926,690 | \$1,637,765 | 19 | \$9,131,394 | \$136,971 |
| 2020 | 14 | \$2,983,138 | \$377,785 | 113 | \$301,309,156 | \$3,268,224 | 27 | \$6,371,394 | \$95,568 |
| 2021 | 30 | \$5,447,144 | \$783,418 | 98 | \$280,074,526 | \$2,345,966 | 10 | \$2,445,641 | \$36,685 |
| 2022 | 11 | \$1,423,522 | \$309,354 | 100 | \$255,798,749 | \$1,580,536 | 11 | \$1,760,041 | \$26,401 |

Note: EZ Certification data is self-reported by a business representative; OEDIT does not verify investments, payroll counts, and the like. OEDIT does not make efforts to eliminate duplicate records and to verify outlying figures. OEDIT and local EZ Administrators certify the credits as being earned; the amount of the credit that the taxpayer claims against their Colorado state income tax liability is confidential information within the Colorado Department of Revenue (DOR). The DOR has approval and audit functions for EZ tax credits claimed on a state income tax return. The data in this report is for credits certified, and not credits actually claimed against state income tax liability. Reports cover certification applications processed and approved during the fiscal year. Certification figures may be amended in a later fiscal year, and will be re-reported in the year amended.

| Fiscal Year 2021-2022 - EZ Credits Certified | | | | | | | | | | | | |
|--|------------------------|----------------------|--------------------------|------------------------|---|---------------------------------|--|--------------------|---------------------------|------------------------|-----------------------|----------------------|
| | | Business Tax Credits | | | | | | | | | Contribution Projects | |
| Rural or Urban | Enterprise Zone | # of Certifications | \$ Investment Tax Credit | \$ Job Training Credit | \$ Employer Sponsored Health Insurance Credit | \$ All New Employee Tax Credits | \$ Vacant Commercial Bldg Rehab Credit | \$ R&D Credit | \$ Commercial Vehicle ITC | Total Business Credits | # Certifications | \$ Estimated Credits |
| Rural | Central & Southern EZ | 701 | \$2,456,969 | \$38,563 | \$12,200 | \$319,516 | \$0 | \$0 | \$7,668 | \$2,834,916 | 1816 | \$736,639 |
| Rural | North-East-Central EZ | 1881 | \$42,844,039 | \$118,324 | \$27,000 | \$387,185 | \$45,590 | \$13,395 | \$1,909 | \$43,437,442 | 167 | \$49,794 |
| Rural | Northwest EZ | 298 | \$1,279,517 | \$15,102 | \$9,170 | \$95,630 | \$54,171 | \$39,301 | \$0 | \$1,492,891 | 937 | \$1,179,706 |
| Rural | Region 10 EZ | 344 | \$1,194,014 | \$30,279 | \$16,000 | \$280,776 | \$0 | \$170 | \$0 | \$1,521,239 | 1607 | \$562,419 |
| Rural | Southeast Central EZ | 496 | \$1,734,971 | \$13,783 | \$3,900 | \$41,216 | \$0 | \$0 | \$0 | \$1,793,870 | 128 | \$298,966 |
| Rural | Southwest EZ | 257 | \$491,041 | \$25,211 | \$2,000 | \$170,052 | \$65,112 | \$915 | \$0 | \$754,331 | 733 | \$347,162 |
| | Sub-Total Rural | 3977 | \$50,000,551 | \$241,262 | \$70,270 | \$1,294,375 | \$164,873 | \$53,781 | \$9,577 | \$51,834,689 | 5388 | \$3,174,686 |
| Urban | Adams County EZ | 323 | \$8,469,802 | \$350,933 | \$2,054,420 | \$3,583,905 | \$0 | \$63,650 | \$4,580 | \$14,527,290 | 546 | \$772,888 |
| Urban | Denver EZ | 290 | \$3,082,035 | \$2,627,415 | \$73,000 | \$430,759 | \$0 | \$130,707 | \$0 | \$6,343,916 | 6857 | \$4,861,122 |
| Urban | Jefferson County EZ | 225 | \$4,161,745 | \$160,488 | \$1,664,250 | \$882,267 | \$0 | \$396,056 | \$0 | \$7,264,806 | 1186 | \$1,220,258 |
| Urban | Larimer County EZ | 180 | \$899,793 | \$161,735 | \$14,800 | \$118,566 | \$50,000 | \$64,194 | \$0 | \$1,309,088 | 2062 | \$920,848 |
| Urban | Mesa County EZ | 231 | \$963,099 | \$116,265 | \$15,000 | \$245,215 | \$0 | \$26,677 | \$0 | \$1,366,256 | 3254 | \$1,730,231 |
| Urban | North Metro EZ | 53 | \$203,138 | \$9,783 | \$7,300 | \$30,289 | \$0 | \$4,493 | \$0 | \$255,003 | 225 | \$188,403 |
| Urban | Pikes Peak EZ | 393 | \$2,976,286 | \$195,217 | \$159,443 | \$762,401 | \$26,045 | \$398,228 | \$4,180 | \$4,521,800 | 4106 | \$3,043,503 |
| Urban | Pueblo EZ | 129 | \$1,484,552 | \$57,028 | \$3,200 | \$164,670 | \$68,436 | \$87,761 | \$0 | \$1,865,647 | 860 | \$338,822 |
| Urban | South Metro EZ | 91 | \$551,382 | \$323,411 | \$9,780 | \$35,156 | \$0 | \$27,922 | \$0 | \$947,651 | 338 | \$422,457 |
| Urban | Weld County EZ | 176 | \$12,390,873 | \$463,624 | \$25,833 | \$465,119 | \$0 | \$327,067 | \$6,191 | \$13,678,707 | 775 | \$324,464 |
| | Sub-Total Urban | 2091 | \$35,182,705 | \$4,465,899 | \$4,027,026 | \$6,718,347 | \$144,481 | \$1,526,755 | \$14,951 | \$52,080,164 | 20209 | \$13,822,996 |
| | Grand Total | 6068 | \$85,183,256 | \$4,707,161 | \$4,097,296 | \$8,012,722 | \$309,354 | \$1,580,536 | \$24,529 | \$103,914,853 | 25597 | \$16,997,682 |

ADVANCED INDUSTRY TAX CREDIT

Annual Report
Fiscal Year 2021-2022



EXECUTIVE SUMMARY

The Advanced Industry Tax Credit (AITC) program was created to help advanced industry small businesses in Colorado receive more capital from Colorado investors by allowing taxpayers who invest in a qualified small business to claim an income tax credit of between 25 to 30 percent of their investment. There is no limit on the number of individual tax credits that may be issued, but the total dollar amount of credits that can be issued in a given year is \$750,000. Investors must make an investment of over \$10,000 to be eligible for the tax credit and can only claim one credit per small business. The small businesses must be headquartered in Colorado or have more than 50% of its employees based in Colorado, have received less than \$10 million from third party investors since the business was formed, have annual revenue of less than \$5 million per year, and have been operating and generating revenue for less than five years to be eligible for investments.

Through the main mechanism of income tax credits for qualifying investments in small businesses, AITC has promoted economic growth, created new high paying jobs, brought new products to market, raised additional capital, produced more revenue in Colorado, and positively impacted the investment community by reducing investor risk.

The program is still accepting investor applications and has not yet deployed the full tax credit pool for CY2022. The legislature renewed the program in the 2022 session. Through the legislation, the funding pool will increase to \$4 million annually, the maximum tax credit for an investment will increase from \$50,000 to \$100,000, and the tax credit rate for investments in businesses located in rural and economically distressed areas will increase to 35%. The program end date is January 1, 2027.

The Advanced Industries Investment Tax Credit supports breakthrough work by Colorado health innovators that saves and changes lives in our state and around the world. It spurs investment in life sciences startups, providing critical capital to support the development of promising technologies and providing ROI to the state through job creation and company growth.

SUMMARY

AGGREGATE DATA¹

| | CY ² 2018 | CY2019 | CY2020 | CY2021 | CY2022 | Grand Total |
|---|----------------------|-------------|-------------|-------------|-------------|--------------|
| Capital Invested by Qualified Investors | \$3,902,556 | \$2,913,656 | \$2,922,250 | \$3,185,824 | \$2,215,932 | \$14,330,218 |
| Dollar Amount of Tax Credits | \$750,000 | \$750,000 | \$750,000 | \$750,000 | \$411,608 | \$3,411,608 |
| Number of Tax Credits Issued | 48 | 47 | 51 | 54 | 24 | 224 |
| Number of Approved Businesses* | 73 | 35 | 87 | 42 | 48 | 285 |
| Projection of Net New Employees Hired | 75 | 185 | 287 | 82 | 45 | 674 |

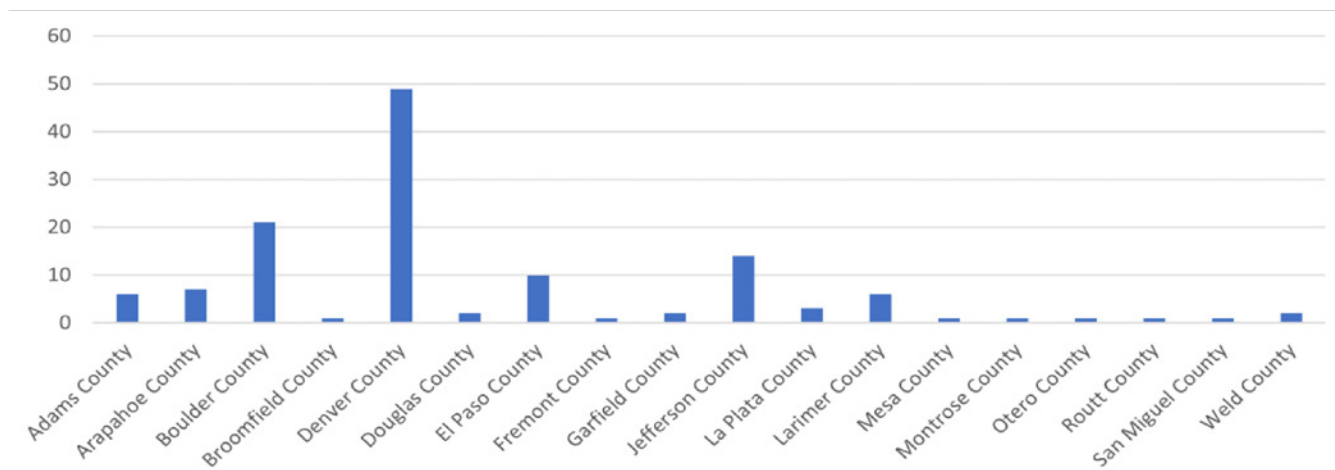
*Number of Approved Businesses each year represents the number of unique businesses either certified or re-certified each calendar year. Since some businesses are eligible small businesses for multiple years, the grand total is higher than the total number of approved unique businesses certified from 2018-2022.

¹ Data as of October 12, 2022

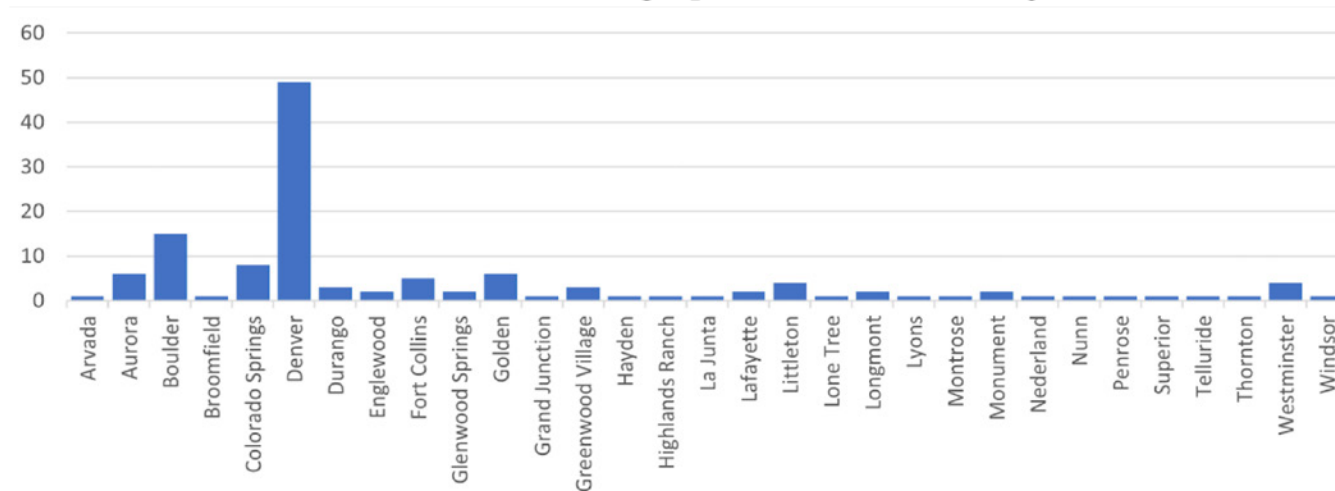
² CY - Calendar Year; Per statute, the program runs from January 1 to December 31.

QUALIFIED SMALL BUSINESS DATA

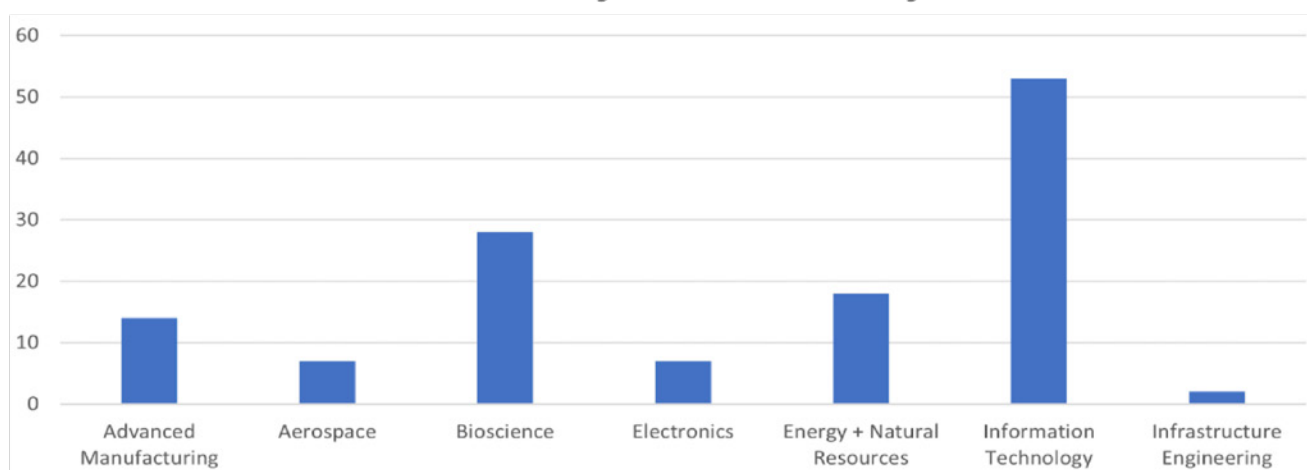
2018-2022 Qualified Small Business Geographic Distribution (County)



2018-2022 Qualified Small Business Geographic Distribution (City)



2018-2022 Qualified Small Business by Advanced Industry



TAX CREDIT ISSUANCES

The remaining section highlights each tax credit issuance from 2018-2022, the capital investment associated with the tax credit issuance, as well as the number of projected new employees hired from the investment.

Advanced Industry Tax Credit – Issuance Information [2018]

| Entry# | Investment Amount | Tax Credit Amount | New Employees |
|--------|-------------------|-------------------|---------------|
| 1 | \$165,000.00 | \$41,250.00 | 5 |
| 2 | \$25,000.00 | \$6,250.00 | |
| 3 | \$50,000.00 | \$12,500.00 | 5 |
| 4 | \$25,000.00 | \$6,250.00 | 1 |
| 5 | \$55,000.00 | \$13,750.00 | 4 |
| 6 | \$100,000.00 | \$25,000.00 | |
| 7 | \$25,000.00 | \$6,250.00 | 1 |
| 8 | \$175,000.00 | \$43,750.00 | |
| 12 | \$12,500.00 | \$3,125.00 | |
| 13 | \$10,000.00 | \$2,500.00 | |
| 15 | \$10,000.00 | \$2,500.00 | |
| 16 | \$111,000.00 | \$27,750.00 | 5 |
| 17 | \$50,000.00 | \$12,500.00 | 23 |
| 18 | \$100,000.00 | \$25,000.00 | 3 |
| 19 | \$10,000.00 | \$2,500.00 | |
| 20 | \$10,000.00 | \$2,500.00 | |
| 21 | \$10,000.00 | \$2,500.00 | |
| 22 | \$12,500.00 | \$3,125.00 | |
| 23 | \$12,500.00 | \$3,125.00 | |
| 24 | \$20,000.00 | \$5,000.00 | |
| 25 | \$100,000.00 | \$25,000.00 | 3 |
| 26 | \$20,000.00 | \$5,000.00 | |
| 29 | \$25,000.00 | \$6,250.00 | |
| 30 | \$50,000.00 | \$12,500.00 | |
| 32 | \$106,550.00 | \$26,638.00 | 2 |
| 33 | \$30,000.00 | \$7,500.00 | |
| 34 | \$30,000.00 | \$7,500.00 | |
| 35 | \$100,000.00 | \$25,000.00 | 5 |
| 36 | \$70,000.00 | \$17,500.00 | |
| 37 | \$50,000.00 | \$12,500.00 | |
| 38 | \$200,000.00 | \$50,000.00 | |
| 39 | \$200,000.00 | \$50,000.00 | |
| 40 | \$57,500.00 | \$14,375.00 | |
| 41 | \$25,000.00 | \$6,250.00 | |
| 42 | \$50,000.00 | \$12,500.00 | |
| 43 | \$25,000.00 | \$6,250.00 | |

| | | | |
|----|--------------|-------------|---|
| 44 | \$200,000.00 | \$50,000.00 | 3 |
| 45 | \$50,000.00 | \$12,500.00 | 2 |
| 46 | \$30,000.00 | \$7,500.00 | |
| 47 | \$100,000.00 | \$25,000.00 | 5 |
| 48 | \$100,000.00 | \$25,000.00 | 3 |
| 49 | \$100,000.00 | \$25,000.00 | 3 |
| 50 | \$25,000.00 | \$6,250.00 | |
| 51 | \$100,000.00 | \$25,000.00 | 2 |
| 52 | \$25,007.00 | \$6,252.00 | |
| 53 | \$84,999.24 | \$21,250.00 | |
| 54 | \$49,999.67 | \$12,500.00 | |
| 55 | \$100,000.00 | \$1,860.00 | |

Advanced Industry Tax Credit – Issuance Information [2019]

| Entry# | Investment Amount | Tax Credit Amount | New Employees |
|--------|-------------------|-------------------|---------------|
| 1 | \$33,300.00 | \$8,325.00 | 2 |
| 2 | \$50,000.00 | \$12,500.00 | 5 |
| 3 | \$210,000.00 | \$50,000.00 | 2 |
| 4 | \$50,000.00 | \$12,500.00 | 14 |
| 5 | \$25,000.00 | \$6,250.00 | 10 |
| 6 | \$125,000.00 | \$31,250.00 | 8 |
| 7 | \$100,000.18 | \$30,000.05 | 1 |
| 8 | \$50,000.00 | \$12,500.00 | |
| 9 | \$150,000.00 | \$37,500.00 | 14 |
| 10 | \$50,000.00 | \$12,500.00 | 14 |
| 11 | \$100,000.00 | \$25,000.00 | 14 |
| 12 | \$25,000.00 | \$6,250.00 | 0 |
| 13 | \$25,000.00 | \$6,250.00 | |
| 14 | \$94,999.23 | \$28,499.77 | 1 |
| 15 | \$60,000.00 | \$15,000.00 | 1 |
| 16 | \$29,999.42 | \$8,999.83 | |
| 17 | \$25,000.00 | \$7,500.00 | 5 |
| 18 | \$50,000.00 | \$12,500.00 | 2 |
| 19 | \$145,000.00 | \$36,250.00 | 2 |
| 20 | \$90,000.00 | \$22,500.00 | 12 |
| 21 | \$75,000.00 | \$18,750.00 | 10 |
| 22 | \$100,000.00 | \$30,000.00 | 5 |
| 23 | \$15,000.00 | \$3,750.00 | 0 |
| 24 | \$15,000.00 | \$4,500.00 | 4 |
| 25 | \$60,000.00 | \$18,000.00 | 5 |
| 26 | \$10,000.00 | \$3,000.00 | 5 |
| 27 | \$10,000.00 | \$2,500.00 | 0 |

| | | | |
|----|--------------|-------------|----|
| 28 | \$25,000.00 | \$6,250.00 | 0 |
| 29 | \$25,000.00 | \$7,500.00 | |
| 30 | \$100,000.00 | \$25,000.00 | |
| 31 | \$50,000.00 | \$12,500.00 | 0 |
| 32 | \$100,000.00 | \$25,000.00 | 1 |
| 33 | \$50,000.00 | \$12,500.00 | 0 |
| 34 | \$50,000.00 | \$15,000.00 | 0 |
| 35 | \$25,000.00 | \$6,250.00 | 0 |
| 37 | \$100,000.00 | \$25,000.00 | 0 |
| 38 | \$35,000.00 | \$8,750.00 | |
| 39 | \$50,000.00 | \$12,500.00 | 0 |
| 40 | \$50,000.00 | \$12,500.00 | 10 |
| 41 | \$25,000.00 | \$6,250.00 | 15 |
| 42 | \$30,000.00 | \$7,500.00 | 5 |
| 43 | \$10,000.00 | \$2,500.00 | |
| 44 | \$75,000.00 | \$18,750.00 | |
| 45 | \$98,713.04 | \$24,678.26 | 9 |
| 46 | \$141,644.00 | \$35,411.00 | 9 |
| 47 | \$25,000.00 | \$6,250.00 | 0 |
| 48 | \$75,000.00 | \$17,336.09 | |

Advanced Industry Tax Credit – Issuance Information [2020]

| Entry# | Investment Amount | Tax Credit Amount | New Employees |
|--------|-------------------|-------------------|---------------|
| 1 | \$25,000.00 | \$7,500.00 | 18 |
| 2 | \$110,000.00 | \$33,000.00 | 20 |
| 3 | \$126,000.00 | \$37,800.00 | 20 |
| 4 | \$75,000.00 | \$22,500.00 | |
| 5 | \$36,000.00 | \$10,800.00 | 20 |
| 6 | \$25,000.00 | \$7,500.00 | 20 |
| 7 | \$25,000.00 | \$7,500.00 | 20 |
| 8 | \$37,750.00 | \$11,325.00 | 20 |
| 9 | \$25,000.00 | \$7,500.00 | 20 |
| 10 | \$50,000.00 | \$15,000.00 | 20 |
| 11 | \$40,000.00 | \$12,000.00 | 20 |
| 12 | \$25,000.00 | \$7,500.00 | 20 |
| 13 | \$100,000.00 | \$30,000.00 | 20 |
| 14 | \$100,000.00 | \$25,000.00 | |
| 15 | \$50,000.00 | \$12,500.00 | 5 |
| 16 | \$100,000.00 | \$25,000.00 | |
| 17 | \$50,000.00 | \$15,000.00 | |
| 19 | \$100,000.00 | \$25,000.00 | 1 |
| 20 | \$25,000.00 | \$6,250.00 | 1 |

| | | | |
|----|--------------|-------------|---|
| 21 | \$50,000.00 | \$15,000.00 | |
| 22 | \$100,000.00 | \$25,000.00 | 1 |
| 23 | \$120,000.00 | \$30,000.00 | |
| 24 | \$35,000.00 | \$8,750.00 | |
| 25 | \$10,000.00 | \$2,500.00 | |
| 26 | \$35,000.00 | \$10,500.00 | 1 |
| 27 | \$80,000.00 | \$20,000.00 | 1 |
| 30 | \$20,000.00 | \$5,000.00 | |
| 31 | \$37,500.00 | \$9,375.00 | 3 |
| 32 | \$25,000.00 | \$6,250.00 | |
| 33 | \$37,500.00 | \$9,375.00 | 5 |
| 34 | \$290,000.00 | \$50,000.00 | 3 |
| 35 | \$20,000.00 | \$5,000.00 | 0 |
| 36 | \$10,000.00 | \$3,000.00 | 1 |
| 37 | \$10,000.00 | \$3,000.00 | 1 |
| 38 | \$65,000.00 | \$16,250.00 | 2 |
| 39 | \$95,000.00 | \$23,750.00 | 1 |
| 40 | \$50,000.00 | \$12,500.00 | |
| 43 | \$37,500.00 | \$9,375.00 | 2 |
| 44 | \$25,000.00 | \$6,250.00 | |
| 45 | \$10,000.00 | \$2,500.00 | 0 |
| 46 | \$100,000.00 | \$25,000.00 | 2 |
| 47 | \$10,000.00 | \$2,500.00 | 8 |
| 48 | \$20,000.00 | \$5,000.00 | 8 |
| 49 | \$25,000.00 | \$6,250.00 | 0 |
| 50 | \$200,000.00 | \$50,000.00 | 1 |
| 51 | \$25,000.00 | \$6,250.00 | 0 |
| 52 | \$25,000.00 | \$6,250.00 | 0 |
| 53 | \$200,000.00 | \$50,000.00 | 1 |
| 54 | \$10,000.00 | \$2,500.00 | 0 |
| 55 | \$10,000.00 | \$2,500.00 | |
| 56 | \$10,000.00 | \$1,700.00 | 1 |

Advanced Industry Tax Credit – Issuance Information [2021]

| Entry# | Investment Amount | Tax Credit Amount | New Employees |
|--------|-------------------|-------------------|---------------|
| 1 | \$50,000.00 | \$12,500.00 | 4 |
| 2 | \$50,000.00 | \$12,500.00 | 4 |
| 3 | \$50,000.00 | \$12,500.00 | 4 |
| 4 | \$15,000.00 | \$3,750.00 | 4 |
| 5 | \$20,000.00 | \$5,000.00 | 4 |
| 6 | \$50,000.00 | \$12,500.00 | |
| 7 | \$50,000.00 | \$12,500.00 | 4 |
| 8 | \$50,000.00 | \$12,500.00 | 4 |
| 9 | \$25,000.00 | \$6,250.00 | 4 |

| | | | |
|----|--------------|-------------|----|
| 10 | \$40,000.00 | \$10,000.00 | 0 |
| 11 | \$50,000.00 | \$12,500.00 | 1 |
| 12 | \$53,000.00 | \$13,250.00 | 2 |
| 13 | \$15,000.00 | \$3,750.00 | |
| 16 | \$31,660.72 | \$7,915.18 | 1 |
| 17 | \$35,000.00 | \$8,750.00 | |
| 18 | \$15,000.00 | \$3,750.00 | 2 |
| 19 | \$10,000.00 | \$3,000.00 | |
| 20 | \$50,000.00 | \$15,000.00 | 1 |
| 21 | \$15,000.00 | \$4,500.00 | 1 |
| 23 | \$25,000.00 | \$6,250.00 | |
| 24 | \$10,000.00 | \$2,500.00 | |
| 25 | \$60,000.00 | \$15,000.00 | |
| 26 | \$50,000.00 | \$12,500.00 | |
| 27 | \$31,660.00 | \$7,915.00 | 2 |
| 28 | \$200,000.00 | \$50,000.00 | 1 |
| 29 | \$25,000.00 | \$6,250.00 | |
| 30 | \$125,000.00 | \$31,250.00 | 2 |
| 31 | \$75,000.00 | \$18,750.00 | |
| 33 | \$10,000.00 | \$2,500.00 | |
| 34 | \$75,000.00 | \$22,500.00 | 1 |
| 35 | \$100,000.00 | \$30,000.00 | 1 |
| 36 | \$100,000.00 | \$30,000.00 | 1 |
| 37 | \$30,000.00 | \$9,000.00 | 1 |
| 38 | \$50,000.00 | \$12,500.00 | |
| 39 | \$27,500.00 | \$8,250.00 | 12 |
| 40 | \$50,000.00 | \$15,000.00 | |
| 41 | \$15,000.00 | \$3,750.00 | |
| 42 | \$40,000.00 | \$12,000.00 | 1 |
| 43 | \$35,000.00 | \$10,500.00 | |
| 44 | \$25,000.00 | \$7,500.00 | |
| 45 | \$100,000.00 | \$25,000.00 | |
| 46 | \$20,000.00 | \$5,000.00 | |
| 47 | \$50,000.14 | \$12,500.04 | |
| 48 | \$150,003.42 | \$37,500.86 | 5 |
| 49 | \$25,000.00 | \$7,500.00 | |
| 51 | \$100,000.00 | \$30,000.00 | |
| 52 | \$10,000.00 | \$3,000.00 | 1 |
| 53 | \$10,000.00 | \$3,000.00 | |
| 54 | \$125,000.00 | \$31,250.00 | |
| 55 | \$450,000.00 | \$50,000.00 | 10 |
| 56 | \$100,000.00 | \$25,000.00 | 1 |
| 57 | \$12,000.00 | \$3,600.00 | 0 |
| 58 | \$100,000.00 | \$25,000.00 | 2 |
| 59 | \$100,000.00 | \$5,318.92 | 1 |

Advanced Industry Tax Credit – Issuance Information [2022]

| Entry# | Investment Amount | Tax Credit Amount | New Employees |
|--------|-------------------|-------------------|---------------|
| 2 | \$800,000.00 | \$50,000.00 | 5 |
| 3 | \$50,400.00 | \$12,600.00 | 1 |
| 4 | \$200,000.00 | \$50,000.00 | 2 |
| 5 | \$60,000.00 | \$15,000.00 | 1 |
| 6 | \$100,000.00 | \$25,000.00 | 2 |
| 7 | \$30,998.01 | \$7,749.50 | 2 |
| 8 | \$50,000.00 | \$12,500.00 | 2 |
| 9 | \$50,400.00 | \$12,600.00 | 1 |
| 11 | \$25,000.00 | \$6,250.00 | |
| 12 | \$12,500.00 | \$3,750.00 | |
| 13 | \$10,000.00 | \$2,500.00 | |
| 14 | \$15,000.00 | \$3,750.00 | |
| 15 | \$100,000.00 | \$25,000.00 | |
| 16 | \$50,000.00 | \$12,500.00 | 10 |
| 17 | \$100,000.00 | \$25,000.00 | 10 |
| 18 | \$100,000.00 | \$30,000.00 | 3 |
| 19 | \$171,550.00 | \$42,887.50 | 3 |
| 20 | \$10,000.00 | \$3,000.00 | 1 |
| 21 | \$20,000.14 | \$5,000.04 | |
| 22 | \$20,000.00 | \$6,000.00 | 0 |
| 24 | \$10,000.00 | \$3,000.00 | 2 |
| 25 | \$80,083.49 | \$20,020.87 | |
| 26 | \$50,000.48 | \$12,500.12 | 0 |
| 27 | \$100,000.00 | \$25,000.00 | 0 |

COLORADO STARTUP LOAN FUND

Annual Report
Fiscal Year 2021-2022



COLORADO STARTUP LOAN FUND HIGHLIGHTS

The Colorado Startup Loan Fund (CSLF) Program was established in 2021 by HB21-1288 and appropriated \$42.35 million to support underrepresented small businesses through loan and grant capital.

- ▶ \$40 million from the General Fund for general program uses (after a budget swap of \$10 million in state and local federal recovery funds for state general dollars due to eligible use restrictions of state and local federal recovery funds under ARPA)
- ▶ \$1.35 million from the General Fund to be used to issue grants to support the SBDC Accelerated Growth Program established by SB 21-241
- ▶ \$1.0 million to fund loans for borrowers who meet the statutory requirements of Disproportionately Impacted Businesses defined in SB21-001

OEDIT completed a market survey comprised of interviews with community groups, business leaders, and small business lenders throughout the State. It was determined that to achieve the desired outputs of the program, the most effective use of funds would be to grant funds to organizations working throughout the state with a demonstrated history of serving otherwise underserved borrowers. These lenders would then be tasked with establishing revolving loan funds that could be integrated into their programs and that align with the statutes and mission of the Colorado Startup Loan Program. It was also determined that it would be in the interest of the program to designate the majority of funds for revolving loan capital, with a smaller portion reserved for technical assistance and small grants associated with loans.

In February 2022, after a competitive and equitable solicitation process with input from community leaders, 8 mission-based lenders were selected to operate loan funds under the guidelines of the CSLF. Based on the amounts requested in the applications and the capacity demonstrated by the organizations, a total of \$31,257,356 in grants were awarded:

| | |
|---|--------------|
| B:Side Fund | \$1,595,000 |
| CEDS Finance | \$583,334 |
| Colorado Enterprise Fund | \$10,356,220 |
| Exponential Impact | \$888,250 |
| First Southwest Community Fund | \$2,680,000 |
| Lendistry | \$5,275,000 |
| Region 9 Economic Development Group of Southwest Colorado | \$5,000,000 |
| Rocky Mountain Microfinance Institute | \$3,801,000 |

These lenders offer loans in every county in the state and also offer diverse loan products with loans ranging from \$2,500 to \$150,000. Loans issued through these lenders under the Colorado Startup loan fund will:

- ▶ Create opportunities for new and existing businesses that are unable to qualify for traditional financing
- ▶ Create opportunities for existing businesses who experienced financial losses or other impacts from the COVID-19 pandemic that may inhibit their ability to obtain capital through traditional sources
- ▶ Increase access to capital for underserved communities

The initial tranches of capital have been deployed to grantees (lenders) as of September 2022. Under the terms of the grant agreements with these lenders, at least 60% of all program loans must be extended to businesses

owned by “underserved” borrowers, which the program has defined as persons who identify as belonging to an ethnic or racial minority group, are refugees, are immigrants, identify as women, identify as having a disability, identify as LGBTQ+, live in a Rural County, are veterans, or are Low Income. In addition, at least 40% of all program loans must be extended to startup businesses which the program has defined as small businesses that began operations in the 24 months prior to a loan or grant application.

Per the requirements of HB21-1288, future legislative reports will include the following details of program performance:

- ▶ The number of total businesses applying to the program
- ▶ A breakdown of the number of applicants from businesses owned by women/specified minorities/veterans
- ▶ The percentage of applicants funded v. the average funding rate
- ▶ A breakdown of the percentage of applicants funded and the average funding rate of businesses owned by women/minorities/veterans
- ▶ Type and Size of businesses funded by the program

INNOVATIVE HOUSING INITIATIVE PROGRAM

Annual Report
Fiscal Year 2021-2022



SUMMARY

The Innovative Housing Incentive Program was signed into law in May 2022, establishing a \$40 million program to support modular and other innovative housing manufacturers through grants and loans. The program funds were appropriated in July 2022, when a full-time program manager was hired to implement the program.

OEDIT has created draft program guidelines and gathered public comments. As of October 2022 the office is now in the process of finalizing guidelines and standing up the program, and anticipates opening applications for the grants in December 2022 and March 2023.

OEDIT is statutorily required to include the following details in the annual report, though there was no activity for the program in the previous fiscal year.

- ▶ Number of businesses that applied to the program: 0
- ▶ The percentage of applications funded: N/A, no applications in FY 21-22
- ▶ Average rate of funding: N/A, no funding in FY 21-22
- ▶ Type of housing the innovative housing businesses that receive funding manufacture: N/A

Geographic distribution of applications for and recipients of grants and loans: N/A

COLORADO CREATIVE INDUSTRIES

Colorado Creative Industries (CCI) believes in the power of creativity to inspire human connections, create social change, and support economic vibrancy throughout Colorado. We focus on strengthening the vitality of visual, performing, and literary arts through promotion, resources, and funding opportunities.

Our mission is to promote, support and expand the creative industries to drive Colorado's economy, grow jobs and enhance our quality of life. The creative economy subgroups are design, film and media, literary and publishing, performing arts, visual arts and design, and heritage.

COLORADO CREATIVE INDUSTRIES OVERVIEW

Colorado ranks in the top five of all states regarding the number of people performing and creating art, and it leads all other states for the number of people attending performing arts events. The U.S. Bureau of Economic Analysis reports that in 2020, arts and cultural production accounted for \$14.4 billion and 3.8% of the Colorado economy, contributing 97,408 jobs.

Yet arts and culture have experienced significant economic setbacks from COVID-19. Across the spectrum of artistic and creative endeavors, restrictions on gatherings, changes in consumer behavior, and high unemployment have taken a devastating toll on the sector. Colorado's largest and fastest growing creative industries have also been some of the hardest hit by the impacts of COVID-19. The Music, Theater, Dance, and Visual Arts industry cluster is responsible for the majority of losses due to the COVID-19 crisis. Data estimates that between April and July 2020, creative industries lost 59,600 jobs and \$2.6 billion. The estimated losses contracted the region's creative economy by 31% in terms of employment and 8% in annual sales revenue.

Creative industries are an agile industry cluster that was an engine of growth following the last recession and is a proven asset for rural as well as urban economic development. In addition to the proven economic benefits, arts and culture are essential to wellness and social recovery. According to Americans for the Arts research, 72% of Americans believe "the arts unify our communities regardless of age, race, and ethnicity" and 81% say the arts are a "positive experience in a troubled world."

Throughout the year, CCI stayed focused on its mission: to promote, support and expand the creative industries to drive Colorado's economy, create jobs, and enhance our quality of life.

COLORADO CREATIVE INDUSTRIES HIGHLIGHTS

COVID-19 RESPONSE FROM CCI

- ▶ Established the Community Revitalization (CRG) Grant Program in May 2021 through SB21-252, which provided \$65 million in gap funding for 34 projects in creative districts, historic districts, main streets or neighborhood commercial centers. Detailed report follows.
- ▶ Secured \$15.5 million in additional funding from the Colorado legislature for a second round of the Colorado Arts Relief grant to support arts, cultural and entertainment artists, crew members, and organizations affected by the COVID-19 pandemic. \$13.3 million was awarded for general operating support in awards of \$10,000-\$200,000 to 252 arts, culture, and entertainment organizations in 36 counties across Colorado. \$1.8 million was awarded in amounts of \$1,000-\$4,000 to 641 individuals in 36 counties in Colorado.

- ▶ Established the Creative Corps American Rescue Plan (ARP) grant through a partnership agreement with the National Endowment for the Arts. Colorado Creative Corps ARP Grant awarded a total of \$500,000 to 34 individual artists for specific, definable projects that connect artists and organizations to local initiatives.
- ▶ Awarded 30 general operating support ARP grants totaling \$330,000 to state certified Creative Districts through a partnership agreement with the National Endowment for the Arts.
- ▶ Awarded general operating grants to 122 organizations in 28 counties totaling \$1,832,000 through the Colorado Creates grant through a partnership agreement with the National Endowment for the Arts. These grants benefit both small and large communities, with 40% of grant funds awarded in communities located outside the Denver metro area.

ARTS EDUCATION

- ▶ In partnership with Think 360 Arts for Learning, CCI executed a Creative Aging program funded by a \$23,000 grant from the E.A. Michelson Foundation. The program supports trained teaching artists to conduct residencies at partner organizations, such as senior centers, public libraries, nursing homes and community centers to engage older adults in the arts. The program primarily serves low-income adults to support healthy aging and contribute to lifelong vitality.
- ▶ In partnership with Think 360 Arts for Learning, CCI served 499 students in rural areas and 152 artists and educators were provided professional development focused on K-12 learning in the arts. \$40,722 was awarded in Colorado Arts Partnership grants to public schools, serving 2,983 youth.
- ▶ CCI managed the 16th annual Poetry Out Loud program in partnership with Lighthouse Writers Workshop. The program engaged 25 Colorado high schools, 9 teaching artists and approximately 2,800 Colorado high school students. Aidyn Reid of Fountain Valley High School won state finals and placed second in the national competition.

ART IN PUBLIC PLACES

- ▶ In FY 21-22, 8 new projects were funded through Capital Construction Funds for approximately \$680,000. Ten artworks were installed in locations around the state for ongoing projects. One artist was selected for a newly funded project.

CERTIFIED CREATIVE DISTRICTS

- ▶ The Certified Creative District program continued to gain momentum. Since the program's inception in 2012, 30 Colorado communities have achieved "certified" status and several additional communities are participating in the Call Yourself Creative program to support the development of creative districts. Four new Creative Districts were certified in FY 21-22 including: Aurora Cultural Arts District, Gunnison Creative District, La Junta Creative District and La Veta Creative District.
- ▶ In FY 21-22, CCI invested \$330,000 to support strategic plan implementation projects and general operating support in 30 creative district communities.
- ▶ CCI hosted an in-person convening for state certified creative districts in September 2021 in conjunction with the annual Creative Industries Summit in Steamboat Springs.

COLORADO MUSIC STRATEGY

- ▶ 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. This collaborative effort includes the Bohemian Foundation, Denver Arts & Venues, and leaders in the music industry across the state.

COLORADO POET LAUREATE

- ▶ Bobby LeFebre was named Colorado's eighth poet laureate in 2019, making him the youngest and first person of color to be appointed to the position in its 100-year history. In his second year as Colorado Poet Laureate, LeFebre engaged in almost one hundred readings, interviews, school visits, keynotes, protests, panel discussions, and workshops. In 2021, he received the American Academy of Poet Laureate Fellowship. The Colorado Poet Laureate serves a four-year term.

GRANTMAKING AND BUSINESS SUPPORT

- ▶ CCI leveraged \$808,100 in state partnership funds from the National Endowment for the Arts, with a required match in state funds. The funding includes \$10,000 to develop a folk arts program.
- ▶ Awarded \$450,000 to 22 Colorado artists and organizations through the Arts in Society public-private funding collaborative. Grants support projects that use the arts to address social issues. Partners include Arts & Venues Denver, Bonfils-Stanton Foundation, the Colorado Health Foundation, Hemera Foundation, the Scientific and Cultural Facilities District and Redline.
- ▶ Partnered with the Colorado Business Committee for the Arts on the inaugural Advancing Creatives Intensive, a six-module curriculum designed to be a launch pad for creative professionals and entrepreneurs who want to articulate and take practical steps to achieve their business goals. The program awarded \$9,700 in mini grants to participants for activities supporting tangible business goals.

LEADERSHIP AND PROFESSIONAL DEVELOPMENT

- ▶ CCI hosted the 10th annual Creative Industries Summit in the Steamboat Springs Creative District, September 29-October 1, 2021. The event provided an opportunity for professionals from across the sector to come together to reflect on what the industry has been through in the last 18 months and where it will go in the future.
- ▶ 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 141 individuals, 45 percent of whom are from rural or small communities. Fifty-four change Leaders have completed certification projects. CCI hosted an in-person Change Leader institute in March 2022.
- ▶ Re-launched the Accessibility Corner, a blog and webinar series focused on accessibility in the arts. We define accessibility as "when the needs of people with disabilities are specifically considered, and products, services, and facilities are built or modified so that they can be used by people of all abilities."

SPACE TO CREATE

- ▶ Space to Create Colorado, the first state initiative in the nation to advance affordable space for artists and creative industry workers, continued work with three communities: Grand Lake, Trinidad, and Ridgway. The project in Trinidad began a phased opening in June 2020. The entire 200 block of Trinidad's downtown Main Street was transformed into a dynamic complex combining 3 historic structures with distinct exteriors, linking the second stories of all three with 13 affordable, live/work apartments. An adjacent new building was constructed with 28 more units of affordable live/work apartments. Construction is underway in Ridgway with an estimated completion date of fall 2022. This initiative is a collaborative effort between multiple state agencies, local government and philanthropic partners including OEDIT, the Department of Local Affairs, History Colorado, Boettcher, Gates and El Pomar foundations.

THE CCI TEAM

The Colorado Office of Economic Development & International Trade's CCI Team has the following seven members:

- ▶ Director of Colorado Creative Industries: Margaret Hunt
- ▶ Program Manager: Libby Barbee
- ▶ Deputy Director of Colorado Creative Industries: Christine Costello
- ▶ Grants and Accessibility Manager: Marcie Gantz
- ▶ Program Manager: Sarah Harrison
- ▶ Administration and Partnerships Director: Ruth Willson
- ▶ Project Coordinator: Emma Acheson



COMMUNITY REVITALIZATION GRANT PROGRAM

Annual Report
Fiscal Report 2021-2022



OVERVIEW

The Community Revitalization (CRG) Grant Program was established May 2021 by SB21-251, which provided \$65 million in gap funding for projects in creative districts, historic districts, main streets or neighborhood commercial centers. These grants support projects that combine creative industry workforce housing, commercial spaces, performance space, community gathering spaces, child care centers, and retail partnerships for the purpose of economic recovery and diversification by supporting creative sector entrepreneurs, artisans, and community non-profit organizations.

Of the 34 projects awarded with SB21-252 funding:



64% are located
in rural areas



50% are located in
Opportunity Zones



79% include energy efficiency
improvement or renewable energy

Two-thirds of the awarded projects created workforce housing in communities throughout the state, totaling 393 units and counting. Of these housing units, 263 units are affordable housing (below 80% AMI).

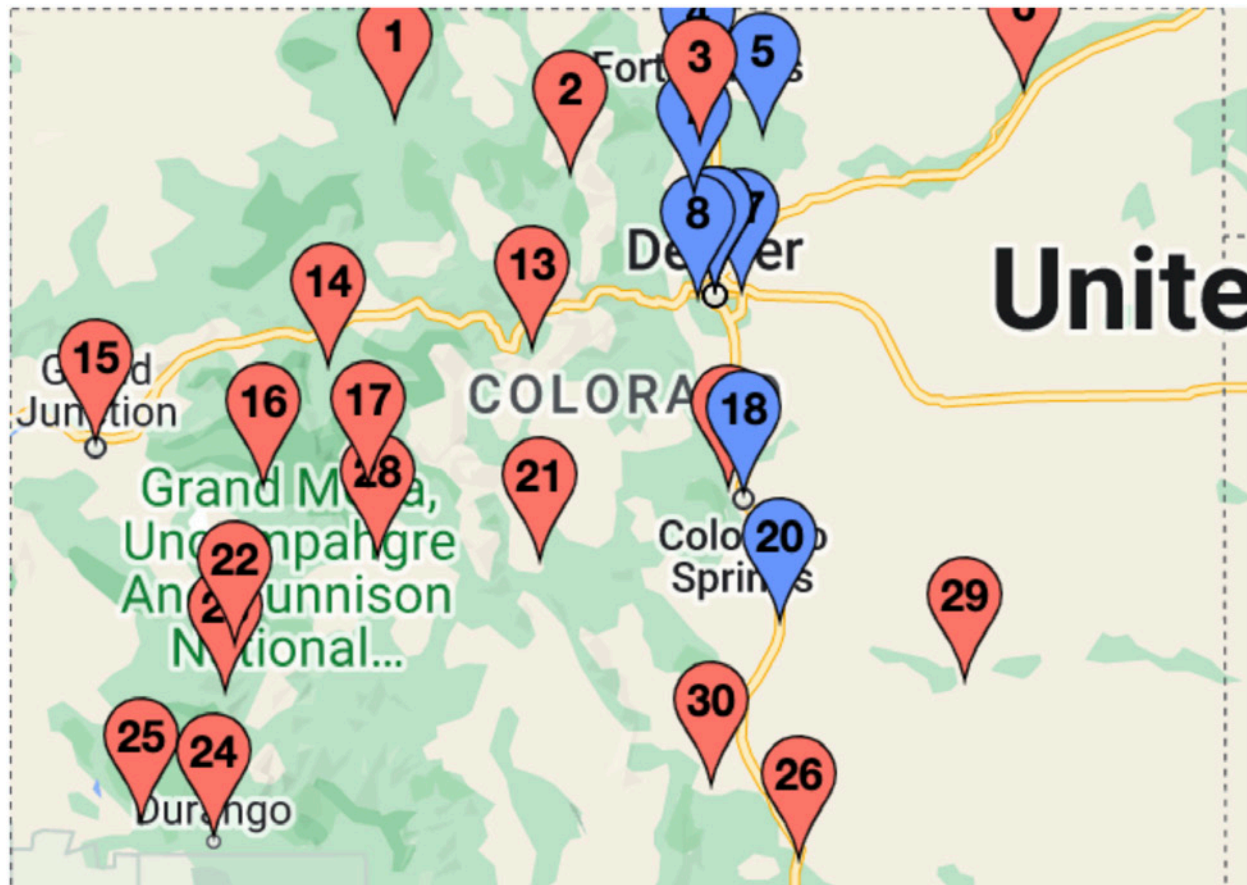
The Colorado Economic Development Commission (EDC) committed \$17 million for Community Revitalization-reviewed projects which include 50 units of affordable housing or more. At least \$3.2 million of this EDC funding will go to rural communities.

LIST OF AWARDED PROJECTS

| Awarded Projects HB21-252 | City | Amount |
|---------------------------------|----------------|-------------|
| Montbello FreshLo | Denver | \$2,500,000 |
| Wonderbound | Denver | \$750,000 |
| St. Cloud Hotel | Cañon City | \$3,000,000 |
| Ridgway Space to Create | Ridgway | \$2,000,000 |
| Fox West Theater | Trinidad | \$3,450,000 |
| Chaffee County Arts Center | Salida | \$450,000 |
| Jane's Place | Salida | \$1,300,000 |
| RiNo Art Park | Denver | \$1,250,000 |
| Fuel & Iron | Pueblo | \$1,000,000 |
| East Street School | Trinidad | \$4,000,000 |
| Artspace Feed & Grain | Loveland | \$5,000,000 |
| 40 West Drumstick Building | Lakewood | \$600,000 |
| Rose Mountain | Pagosa Springs | \$2,400,000 |
| Old Firehouse | Ridgway | \$500,000 |
| The Commons Space to Create | Trinidad | \$1,550,000 |
| Artspace CO Springs | CO Springs | \$5,000,000 |
| Brush Creative Minds Art Center | Brush | \$75,000 |
| CampV | Naturita | \$2,000,000 |

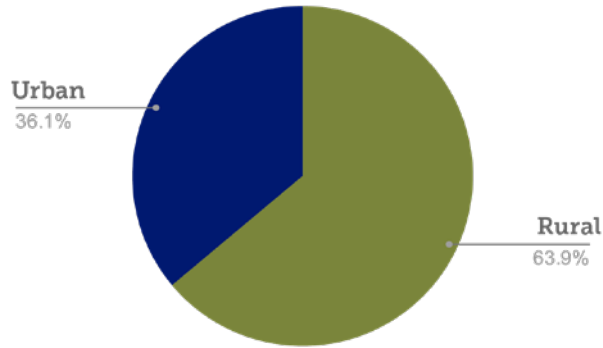
| | | |
|---------------------------------------|-------------------|----------------------|
| Carnegie Center for Creativity | Fort Collins | \$2,400,000 |
| Foothills Art Center Creative Hub | Golden | \$1,450,000 |
| Colorado's Home for the Literary Arts | Denver | \$2,400,000 |
| Dancing into the Future | Denver | \$4,000,000 |
| Hayden Center | Hayden | \$71,000 |
| Holiday Theater | Denver | \$1,000,000 |
| Julie Harris Theater | Steamboat Springs | \$710,000 |
| La Plaza Inn | Walsenburg | \$1,300,000 |
| Oliver House | Norwood | \$175,000 |
| Montrose Urban Renewal | Montrose | \$2,000,000 |
| Plaza Block Building | La Junta | \$2,000,000 |
| SDMPTU | Antonito | \$1,076,000 |
| Telluride Arts Transfer Warehouse | Telluride | \$3,000,000 |
| Warehouse Food Hall | Craig | \$50,000 |
| VFW Post 1 | Denver | \$760,849 |
| Westwood Redeemer | Denver | \$2,000,000 |
| World's Wonder View Tower | Genoa | \$1,500,000 |
| Total: 34 | | \$65,000,000* |

MAP OF AWARDED PROJECTS:

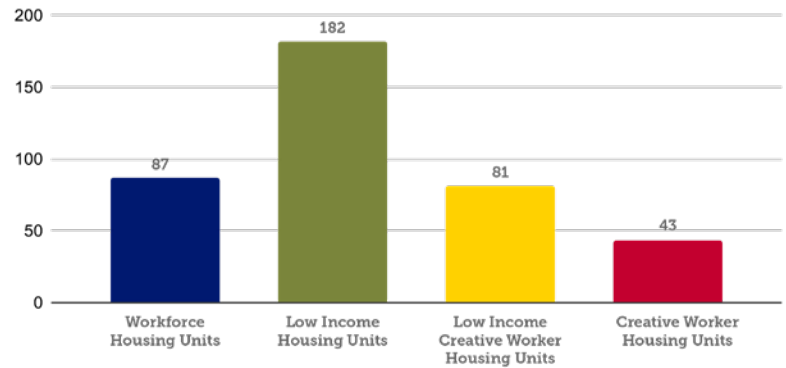


CHARTS

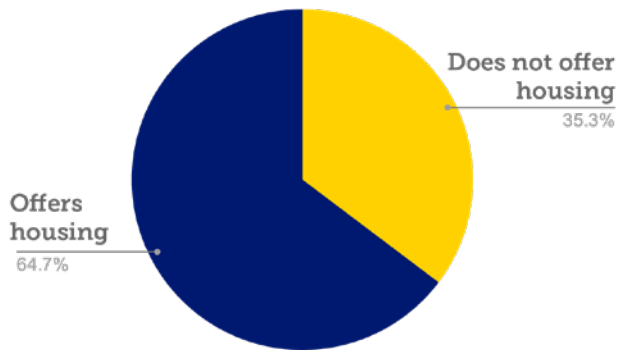
**Geographic Distribution
(Number of Projects)**



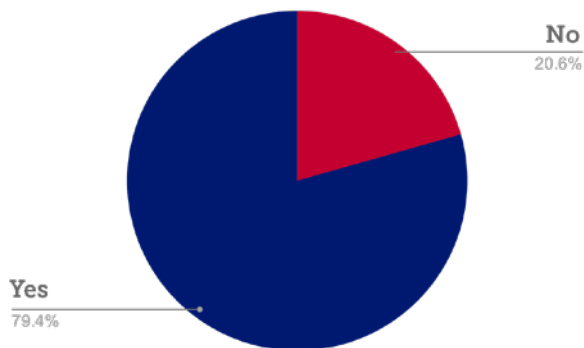
Number of CRG Housing Units by Groups Served



Projects with Housing



**Projects with Renewables or
Clean Energy Features**



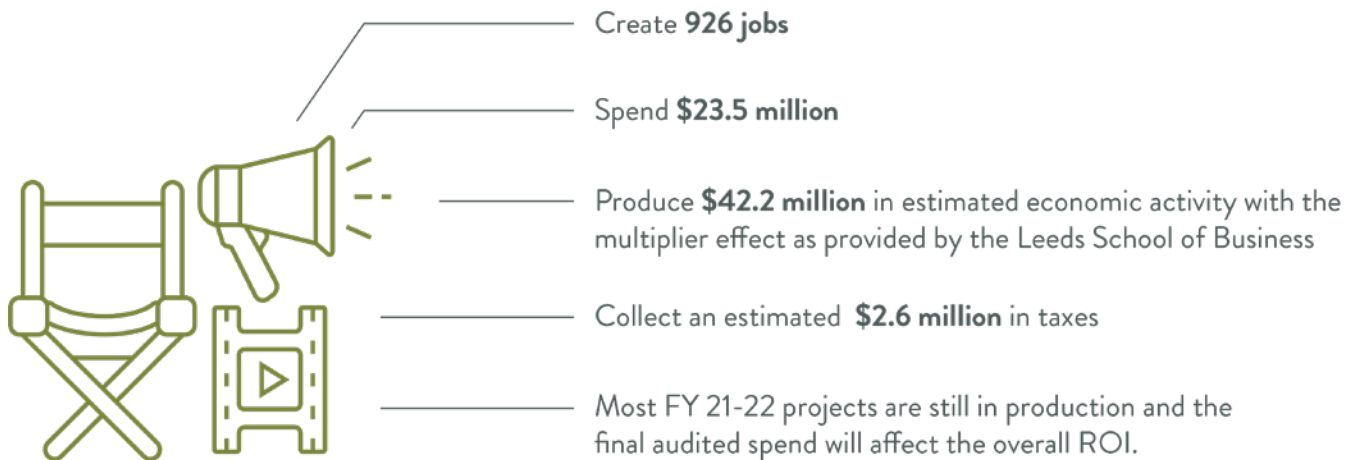
COLORADO OFFICE OF FILM, TELEVISION & MEDIA

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 performance-based rebate incentive of up to 20% of qualified local expenditures to spur content creation in Colorado, and connects filmmakers, animators and gamers to the resources they need, such as location assistance, crew referrals and intergovernmental cooperation.

COFTM SERVICES & ACHIEVEMENTS

COLORADO OFFICE OF FILM, TELEVISION & MEDIA HIGHLIGHTS

- ▶ In FY 21-22 COFTM and the EDC pre-approved incentives totaling approximately \$3.8 million for 23 new projects. These projects estimated that they would:



- ▶ COFTM hosted, sponsored, and/or provided in-kind marketing support for approximately 30 virtual and in-person industry events and film festivals.
- ▶ In FY 21-22, COFTM continued hosting virtual Career Connections Panels for universities across the state. The Office hosted panels of top industry professionals via Zoom for the benefit of students of Colorado institutions of higher education, including Colorado State University, Colorado State University-Pueblo, and the University of Denver. The mission of the program 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.
- ▶ COFTM sponsored and/or coordinated 13 social impact and education grant video projects that either have been completed or are in production. These projects include:
 - **Farm to Faucet**: COFTM collaborated with Adams State University and the Rio Grande Water Conservation District to produce this 30-minute documentary chronicling the intersection of urban development with rural water rights by following the divergent stories of verdant Otero County and dry Crowley County in the San Luis Valley. The documentary premiered on PBS12 on May 13, 2022.
 - **Small Business Week PSAs**: COFTM partnered with Business Support/Small Business Development Center Network to produce seven public service announcements celebrating the hard work of small businesses and the importance of buying locally around Colorado. These PSAs were shared across OEDIT's channels and networks in September 2021 for Small Business Week and reshared by the businesses featured.
 - **Made in Moffat**: COFTM partnered with the Office of Outdoor Recreation, Colorado Mesa University, and the University of Colorado Boulder to produce this short documentary about the outdoor recreation industry and current culture in Moffat County. This project was supported by a COFTM Education Grant. The documentary also features original animations from students at Colorado Mesa University. The film was distributed at an OREC conference and CSU students submitted it to several outdoor recreation-focused film festivals.

- **Homelessness:** In partnership with the Caring for Denver Foundation and Denver Film, COFTM is producing a 30-minute documentary about homelessness in Denver that will help audiences understand the oftentimes unexpected causes of homelessness and the solutions various leaders in the field are working towards. The documentary is anticipated to be finished by the end of 2022 and will then be submitted to local PBS stations.
 - **[S.T.A.R. \(Support Team Assisted Response\)](#):** With support from the Caring for Denver Foundation and Deck Nine Games, COFTM produced this 30-minute documentary about Denver's new S.T.A.R. Program. The documentary follows the creation of the program and current employees as they serve local communities. The film has been completed and will premiere on a local PBS station on a date yet to be determined.
 - **Second Chance Center:** COFTM is working in partnership with the Bonfils Stanton Foundation and Colorado Film School to produce a documentary highlighting the people behind the Second Chance Center in Aurora, which houses recently incarcerated people as they reintegrate into society. This project is supported by a COFTM Education Grant. The documentary is in post-production and will premiere on a local PBS station on a date yet to be determined.
 - **[Palisade Plunge Sizzle](#):** COFTM partnered with the Colorado Tourism Office, the Office of Outdoor Recreation, the Grand Junction Economic Partnership, and Ken Gart to produce a sizzle reel featuring the new Palisade Plunge mountain biking route in Mesa County. The sizzle reel will be used to showcase the bike route and simulate the creation of a bike riding event at the Plunge.
 - **[Denver Rustlers](#):** COFTM partnered with Sewald Hanfling Public Affairs, Cigna Insurance, and Denver School of the Arts to produce a 30-minute documentary featuring the livestock-raising kids and the big names and faces behind the annual Rustlers trip to the Colorado State Fair. The documentary premiered on PBS12 on August 26, 2022.
 - **[Colorado Springs City Auditorium](#):** COFTM partnered with the Colorado Springs Community Cultural Collective to produce a 30-minute documentary about the past and future development of the Colorado Springs City Auditorium. The documentary has been completed and will premiere on Rocky Mountain PBS on a date yet to be determined.
 - **The Taylor Aguilar Story:** COFTM is working with local filmmakers at CSU to produce a documentary about Taylor Aguilar, a CSU alum, who became blind while pursuing a Master's degree in filmmaking. This project is supported by a COFTM Education Grant, and is currently in production.
 - **[The Great Colorado Payback](#):** COFTM partnered with the State Treasurer's Office to produce this 30-minute documentary about the Great Colorado Payback, a program of the Treasurer's Office that reunites people with their lost or forgotten assets. The film has been completed and will premiere on a local PBS station on a date yet to be determined.
 - **Gerrymandering:** COFTM is partnering with Michael Bennet's office to produce this documentary that dives into the past, present, and future of gerrymandering practices around the U.S. The documentary is currently in production and will be submitted to local PBS stations once completed.
 - **From Service to Civilian:** Funded through a bill sponsored by Representative David Ortiz, this 30-minute documentary follows the stories of veterans reentering the civilian workforce and the various advocates and organizations that support them in this process. The documentary is in post-production and will be submitted to local PBS stations once completed.
- ▶ COFTM presented the fifth year of Side Stories, a cinematic immersive experience in the RiNo neighborhood in Denver. Five local artists received grants to create new video installations that were then projected on exteriors in RiNo. The project is a collaboration with Mainspring Developers, the Martin Family Foundation, and RiNo Art District.
 - ▶ In partnership with the Gates Family Foundation, COFTM coordinated and executed two two-week long summer filmmaking workshops for high school students at the Ute Mountain Ute and Southern Ute tribes. Students spent one week learning the basics of interviewing and filming subjects and one week learning the basics of film editing.

- ▶ COFTM revamped the Film Festival Rural Technical Assistance Program and began the program with the Pueblo Film Festival. The program works with rural communities to create successful and sustainable film festivals to bring more film culture to their regions.
- ▶ COFTM was a finalist for the 2021 Makers & Shakers Film Commission of the Year Award for the 2020-2021 Rural Theaters Support Initiative and was one of only two U.S. film commissions to become a finalist.

FILM INCENTIVES

The following incentives were approved by the Economic Development Commission for Colorado-based film, television and media projects.

TELEVISION

Hometown Takeover Season 2

Season 2 of HGTV's show *Hometown Takeover* was approved by the EDC in April 2022. The show is a reality home renovation show. The show is renovating and filming in the town of Fort Morgan. They anticipate spending \$2.4 million locally and hiring 19 Colorado crew members. The season will air on HGTV in 2023.

She Quit

Approved by the EDC in July 2021, *She Quit* is produced by local production company Greater Purpose Media. The six-episode docu-series follows the stories of Black women who have left the traditional workforce due to its negative impact on their health and financial and emotional wellbeing. The production anticipated filming in various locations state-wide, including along the Front Range, in Salida, Steamboat Springs, and Crested Butte. They anticipated spending \$380,000 locally and hiring 16 local cast and crew members. Rocky Mountain PBS will air the series once complete.

FEATURE FILMS

The Get Back Girl

Approved by the EDC in May 2022, *The Get Back Girl* is produced by local production company Prophecy Pictures Inc. The independent film follows Amelia, a famous writer whose parents have been killed, and explores isolation as it relates to mental health and revenge as a metaphor for breaking free from what constrains us all. The production anticipated filming in Denver, Silverthorne, and Eagle County; spending \$780,000 locally; and hiring 55 local cast and crew members.

Dead Zone

Approved by the EDC in April 2022, *Dead Zone* is a zombie comedy produced by local production company Element 144 LicenseCO, LLC. The film was shot in Mesa County and had both veterans and local students working behind the camera. The production spent \$490,000 and hired 30 local cast and crew members. The film is now available to stream for free on Tubi.

Just Jake

Approved by the EDC in April 2022, *Just Jake* is a faith-based, family-friendly comedy produced by local production company Just Jake Move, LLC. The production anticipated filming in Colorado Springs, Castle Rock, and Golden; spending \$1M locally; and hiring 62 local cast and crew members. The producers are in talks with both foreign and domestic buyers to acquire the film.

The Ascendents

Approved by the EDC in March 2022, *The Ascendents* is a satirical vampire movie produced by local production company The Ascendents LLC. The production anticipated filming in locations including El Paso County, Fountain, and Beckwith Ranch. They anticipated spending \$430,000 locally and hiring 84 local cast and crew members. The production is in talks with various distributors and also plans to submit the finished film to film festivals.

Black Diamond

Approved by the EDC in February 2022, *Black Diamond* is a thriller feature film set in the Rocky Mountains and produced by Black Diamond LLC. The production filmed in Telluride. They anticipated spending \$2.2M locally and hiring 77 local cast and crew members. The producers intend to submit the finished film to film festivals and pursue distribution through distribution companies.

Legacy Peak

Approved by the EDC in September 2021, *Legacy Peak* is a faith-based, family adventure film set in the Rocky Mountains and produced by local production company Legacy Peak Movie LLC. The production anticipated filming in Windsor, Granby, and Estes Park; spending \$1.6M locally; and hiring 43 local cast and crew members. The film will be released by Sony Affirm, the faith-based studio arm of Sony Pictures Worldwide.

Publish or Perish

Approved by the EDC in August 2021, *Publish or Perish* is a horror comedy feature about a professor obsessed with gaining tenure. It is produced by local production company Publish or Perish Movie LLC. The production filmed exclusively in Colorado, with an interior set constructed at CU Denver. The production anticipated spending \$710,000 locally and hiring 60 local cast and crew members. The producers are pursuing distribution deals with various potential distributors.

The Happy Camper

Approved by the EDC in August 2021, *The Happy Camper* is a romantic comedy produced by local production company Colorado Rom-Com II LLC. The production filmed in Colorado Springs, spent \$720,000 locally, and hired 36 local cast and crew members. The Happy Camper premiered in October 2022.

The Engagement Plot

Approved by the EDC in August 2021, *The Engagement Plot* is a romantic comedy produced by local production company Colorado Rom-Com I LLC. The production filmed in Colorado Springs, spent \$760,000, and hired 48 local cast and crew members. The film premiered on UPtv on August 21, 2022.

Furry Little Christmas

Approved by the EDC in July 2021, *Furry Little Christmas* is a lighthearted holiday love story produced by local production company Jealous Films LLC. The production anticipated filming at locations across the Front Range, including Denver, Boulder, Fort Collins, and Colorado Springs. The production spent \$220,000 locally and hired 33 local cast and crew members. The film premiered on UPtv on December 5, 2021.

DOCUMENTARIES

The Five States of Colorado

Approved by the EDC in August 2021, *The Five States of Colorado* is a feature-length documentary that reveals the five diverse regions found within the man-made boundaries of Colorado. It is produced by Colorado Humanities, a local 501(c)3. The production anticipated filming throughout the five regions of Colorado: southern Colorado, western Colorado, the eastern plains, the front range, and metropolitan Denver; spending \$370,000 locally, and hiring 5 local crew members. Beginning in February 2023, the film will be screened statewide at regional premiere events, film festivals, on public and commercial television stations, and distributed digitally to public libraries and schools.

Unnamed Covid Documentary

Approved by the EDC in August 2021, this documentary chronicled the making of feature film Project “Extraction” in the midst of the Covid-19 pandemic. The documentary was produced by local production company WS Boneyard Movie. The production spent \$110,000 locally and was estimated to hire 15 local cast and crew members. The project has a sales agent signed on and they will be pursuing distribution channels.

WEB SERIES

Keysight’s Emerging Technology Web Series

Approved by the EDC in April 2022, *Keysight’s Emerging Technology Web Series* is a branded pilot project for Keysight, a test and measurement equipment provider for electronic design, e-mobility, network monitoring, 5G, and more. Keysight contracted with local production company MassFX Media for this project. The production anticipated filming at studio locations in the Denver area, spending \$200,000 locally, and hiring 28 local cast and crew members. The completed series will be self-distributed on online platforms like Vimeo, YouTube, or Keysight’s discovery portal.

VIDEO GAMES

Project Artemis - Phase III

Idol Minds, LLC has been in business for over 20 years and is located in Westminster, CO. Project “Artemis” is a new interactive game that features industry-leading motion capture processes and pipelines and Colorado acting talent. Idol Minds has a development contract with an unannounced LA-based video game publisher. The third phase of “Artemis” is estimated to spend \$2.3M locally and hire 39 local cast and crew members.

Orange Lazarus - Phase I

Idol Minds, LLC applied for another incentive in FY 21-22 for the first phase of “Orange Lazarus.” Like their other projects, Orange Lazarus is a new interactive video game, this time focusing on community and how important it is in times of stress, upheaval, and danger. The first phase of Orange Lazarus is estimated to spend \$940,000 locally and hire 37 local cast and crew members.

Project Medusa - Phase II

Idol Minds, LLC applied for another incentive in FY 21-22 for the second phase of Project Medusa. Like their other projects, Project Medusa is an interactive video game with compelling character graphics, lush environments, and nuanced performances from the digital characters. The second phase of Project Medusa is estimated to spend \$230,000 locally and hire 13 local crew members.

Project Black Bird

Project Black Bird is an unannounced game being developed by Boulder-based Serenity Forge. In the six years since its inception, Serenity Forge has released numerous thought-provoking and innovative games, including “Where the Water Tastes Like Wine”, “Lifeless Planet,” and “A Case of Distrust.” Serenity Forge has historically had strong working relationships with PC distribution platforms, including Steam, GOG, Humble, GameJolt, and itch.io, as well as console platforms such as Nintendo, Sony, and Microsoft. Project Black Bird is estimated to spend \$1.2 million locally and hire 11 local crew members.

Project Chronos - Phase II

Idol Minds, LLC applied for another in FY 21-22 for the second phase of Project Chronos. Like their other projects, Chronos is an interactive game that features industry-leading motion capture processes and pipelines and Colorado acting talent. Idol Minds has a development contract with an unannounced LA-based video game publisher. The second phase of Chronos is estimated to spend \$3.5 million locally and hire 60 cast and crew members.

Project Artemis - Phase II

Idol Minds, LLC has been in business for over twenty years and is located in Westminster, CO. Project Artemis is an interactive game that features industry-leading motion capture processes and pipelines and Colorado acting talent. Idol Minds has a development contract with an unannounced LA-based video game publisher. The second phase of Artemis was estimated to spend \$2.2 million locally and hire 39 local cast and crew members.

LIVE EVENT

2022 Ouray Ice Fest Live Stream & Show

Burst Marketing partnered with Citizen Pictures to produce the second annual livestream broadcast for the annual Ouray Ice Festival and Competition. Producers covered 3 hours of the live finale, where the top 16 men and women raced to the finish up a 150-foot canyon of sheer rock and ice. This was an opportunity for the Colorado-based, world-class climbing event to announce itself on the global stage. The highlight documentary has found distribution around the world, in Australia, Africa, Asia, and Europe. The production spent \$250,000 locally and hired 30 crew members.

OTHER

Reel Rock 17

Approved by the EDC in April 2022, *Reel Rock 17* is the 17th part of an annual touring exhibition featuring short documentaries depicting the world of climbing and adventure. The production anticipated filming in locations across the state, spending \$550,000 locally, and hiring 86 local crew members. *Reel Rock 17* will premiere in spring of 2023 before heading to 800+ screens on all seven continents.

THE COFTM TEAM

The Colorado Office of Economic Development & International Trade's COFTM Team has the following three members:

- ▶ Film Commissioner: Donald Zuckerman
- ▶ Deputy Film Commissioner: Kelly Baug
- ▶ Program Manager: Hasit Soltani



COLORADO TOURISM OFFICE

The mission of the Colorado Tourism Office (CTO) is to generate traveler spending through the promotion and development of compelling, sustainable travel experiences throughout all four corners of our state. We accomplish this goal through a statewide collaboration with destination marketing organizations, local communities, and private businesses.

COLORADO TOURISM OFFICE: ANNUAL REPORT FISCAL YEAR 2021- 2022

The Colorado Tourism Office (CTO) continues to adapt and adjust to the travel impacts of COVID-19 by building strategies for recovery and resilience with a focus on collaboration and meeting the unique recovery needs of each community. Total travel spending finished at \$21.9 billion, which is significantly up from \$15.4 billion in 2020 but still down from the record-setting 2019 with \$24.2 billion. Out of the eight Colorado travel regions, half were up in direct travel spending from 2019 to 2021 while the other four are down and still in need of recovery resources and assistance. For example, the Denver & Cities of the Rockies region remains down over 19% in direct travel spending while the Rockies Playground region is up around 9% from 2019 to 2021.

84.2M COLORADO WELCOMED 84.2M VISITORS IN 2020

160K 161.0K JOBS WERE SUPPORTED BY DIRECT TRAVEL-GENERATED SPENDING

\$21.9B DIRECT TRAVEL SPENDING

CTO SERVICES & HIGHLIGHTS

MARKETING & PROMOTION

- ▶ The Summer FY 21-22 campaign (June to August 2021) started later than normal due to COVID-19 restrictions. Given the abbreviated campaign window and the previous success of the Fall FY 20-21 in-state campaign, the CTO launched its first national campaign for the fall season. Promoting this key shoulder season (August to October 2021) in conjunction with summer was extremely successful, directly influencing 2.2 million trips and \$3.3 billion in spending. By adding a fall campaign, CTO spent 22% more on media; that investment resulted in a 54% increase in the number of incremental trips, a 57% increase in influenced spending, and a 28% increase in ROI.
- ▶ The CTO launched a new insight-driven campaign, *Shine a Little Brighter*, for Winter FY 21-22. The campaign (October 2021 to March 2022) achieved a clickthrough rate (CTR) nearly five times the industry average and contributed to a record-breaking ROI that was 13% higher than 2019, placing Colorado in the top 10% of ROIs in the nation. Campaign creative also fell in the top 10% of all destination ads, with ad-exposed travelers three times more likely to visit the state. The campaign directly influenced over 900,000 trips and \$1.9 billion in spending, 12% higher than the FY 19-20 campaign.
- ▶ The CTO continued to elevate diversity, equity and inclusion through all of its marketing efforts, including photography and videography, targeting, public relations and programming. Key results included notably higher campaign recall among our Hispanic (20%) and Black (39%) audiences as well as the addition of a partner-adopted media co-op program specifically tailored to diverse audiences, including Black and LGBTQ+ visitors. Additionally, the PR team conducted a focused campaign that targeted and hosted BIPOC and LGBTQ+ publications and writers.
- ▶ The CTO *Do Colorado Right* campaign continued in FY 21-22, educating both visitors and residents on how to explore Colorado mindfully and respectfully. Promotion topics included fire mitigation, off-peak travel, backcountry safety and more. Content was created in conjunction with partners throughout the state, including Colorado Department of Transportation (CDOT), Colorado Avalanche Information Center (CAIC) and Colorado Search and Rescue (CSAR). The campaign achieved a click-through rate three times the industry benchmark and delivered 17 million in paid impressions, with additional support from social media and colorado.com.

- ▶ In July 2021, the CTO revised their social strategy, developing a roadmap and social media playbook by channel. We decreased posting frequency by 60%, based on industry best practices, which resulted in increased impressions of 124% and increased average engagement per post by 85%. In addition to this, the CTO also created animated GIFs that received 2 million views in their first three months. The team were early adopters of paid advertising on TikTok, garnering more than 84 million total video views across all campaigns.
- ▶ The CTO continued its popular Media Co-Op programs in FY 21-22, garnering over 30 participating partners and creating over 200 unique creative assets. These partners contributed \$297,000 in funding and received over \$1.3 million in value to support their messaging, including over 126 million media impressions.
- ▶ The CTO helped support marketing efforts for Tour Colorado and Destination Colorado, including \$250,000 in incremental funding for the Meetings and Events Incentive campaign, designed to reignite the critical meetings and events business throughout the state.
- ▶ Colorado's marketing was enhanced by a national and in-state focused public relations program. The Public Relations team placed more than 220 stories in 50+ of CTO's top target outlets and generated more than 7.3 billion impressions providing a media value of \$24.6 million. The team generated at least three feature placements for each focused PR campaign.
- ▶ In 2022, Colorado.com accommodated 11.7 million user sessions, placing it fourth in the country, among the top performing state tourism websites for visitation, according to SEMRush.
- ▶ In 2022, CTO distributed 400,000 Explore Colorado 2022 Official Travel Guides through Miles Partnership. It also distributed two issues of the seasonal magazine *Love, Colorado* which has 243,000 subscribers, 91% of which live out of state.
- ▶ In FY 21-22, the social media team hosted 13 diverse social media influencers as a part of their strategic marketing tactics, generating 12.5 million social media impressions.
- ▶ We shifted our paid search strategy to focus on higher-funnel search terms, generating over 400,000 partner referrals.
- ▶ With input from the industry, we evolved our brand book to ensure brand consistency; refining our positioning, defining photography, social and influencer guidelines and refreshing our brand logo and voice.

INTERNATIONAL TOURISM

- ▶ International visitors are Colorado's highest-value tourists, staying longer and visiting more areas of the state, leading to tremendous economic impact.
- ▶ The United States borders re-opened in November 2021 to international tourists, the first step in bringing international visitors back to Colorado. The CTO's strategy of keeping representatives in-market during the pandemic in the top overseas markets of the United Kingdom, Australia, and Germany is already paying off. Recovery began in 2021 with visitation increasing 23% over 2020, and 2022 is expected to return at 70% of 2019 visitation numbers.
- ▶ In July 2021, the CTO hired full-time marketing representation in Mexico. This allowed the CTO to undertake activities to promote year-round travel from this important market. Mexico represented 54% of all international visitors to Colorado in 2021, almost doubling the 2020 visitation numbers and falling just short of record visitation figures in 2019.
- ▶ In 2021, international visitation to Colorado increased 23% over 2020, however it was still down 67% from a record high of over one million international visitors in 2019. Mexico was the top market in 2021, almost doubling 2020 visitation numbers with over 180,000 visitors. Projections show that with the increase of capacity on European flights in Summer 2022 and the lifting of travel bans, international visitation will return to 70% of 2019 numbers in 2022.

- ▶ Funding from the U.S. Economic Development Administration (EDA) State Tourism Non-Competitive grant will allow the international program to reach more potential international tourists than ever before. These funds will allow the CTO to do additional consumer-facing promotion throughout Europe for Spring, Summer and Fall travel, as well as winter-specific promotion in the top ski markets of Mexico, Australia and the United Kingdom to impact an industry adversely affected by the pandemic.

DESTINATION STEWARDSHIP

The Colorado Tourism Office (CTO) has been and will continue integrating destination stewardship as a key tenet of all our tourism work and programming. As destination stewards, we approach the complex challenges and changing landscapes of the Colorado tourism industry from a holistic perspective to find harmony between quality of life for residents and a strong visitor economy while protecting our culture and natural resources. Our destination stewardship efforts prioritize elevating responsible travel and sustainability, championing resilient destinations and advancing inclusiveness and collaboration.

Destinations that serve as gateways to our natural resources have been facing more challenges in recent years due to an increase in visitor pressure on the environment and resident quality of life. Because of these changing landscapes across the tourism industry and a growing need for support for our industry, the CTO continues to strengthen its destination stewardship work.

Much of the work we do supports our destination stewardship approach such as our Destination Development programs, Grants & Funding opportunities, Welcome Centers, and industry programs such as Colorado Concierge, Colorado Tourism Leadership Journey, and our annual Governor's Tourism Conference.

- ▶ Jan 2021, Colorado was awarded \$3.8 billion of state aid provided by the American Rescue Plan Act. This program is over two years with FY 21-22, with phase one being **Restart Destinations Program** and **Reimagine Destinations Program** as phase two, beginning in FY 23.
 - In FY22, the CTO approved 28 destinations to participate in the Restart Destinations Program. Participating destinations received a recovery assessment, a full-day community visioning and action planning workshop, 75 hours of technical assistance to implement one or more recovery projects, and direct marketing support from the Colorado Tourism Office. The Colorado Tourism Office Destination Development team successfully delivered all 28 Restart Destinations Program workshops for all participating destinations between October 7, 2021 and January 4, 2022. Each workshop offered a unique opportunity to identify common barriers and opportunities to advance tourism across Colorado, while also providing a forum for individual destinations to chart a path forward that is in alignment with their capacity and available resources.
 - The Colorado Tourism Office approved 19 industry associations to participate in the **Restart Industry Associations Program**. Participating industry associations received 75 hours of technical assistance to implement one or more recovery projects and direct marketing support from the CTO.
- ▶ The Colorado Tourism Office, the Colorado Energy Office, and the Colorado Department of Transportation continue to work with the Colorado Scenic & Historic Byway Commission to designate **Colorado Electric Byways** across the state. The Colorado Scenic & Historic Byway Commission conducted a virtual vote in December 2021 to officially designate the Colorado Rivers Headwaters Scenic & Historic Byway as the newest Colorado Electric Byway. The complete list of Colorado Electric Byways includes:
 - Collegiate Peaks Scenic Byway
 - Colorado River Headwaters Scenic Byway
 - Flat Tops Scenic Byway
 - Grand Mesa Scenic Byway
 - Lariat Loop Scenic Byway
 - Silver Thread Scenic Byway

- Top of the Rockies Scenic
 - Trail Ridge Road Scenic Byway
- ▶ The **Care for Colorado Coalition** is now an alliance of more than 70 statewide organizations, state agencies, federal agencies and businesses. The coalition is dedicated to educating Coloradans and visitors to protect the state's extraordinary natural and cultural resources.
 - ▶ The 2021 **Colorado Governor's Tourism Conference** was a hybrid conference held at the Pueblo Convention Center, November 3-5, 2021. Attendees had the option to participate in the conference in person or virtually and had more than 430 travel and tourism representatives registered.
 - ▶ After almost a year-long hiatus due to COVID-19, the **Colorado Tourism Leadership Journey Class** of 2020 re-convened in person to connect and discuss the theme of Public-Private Partnerships. The Class of 2020 graduated at the 2021 Colorado Governor's Tourism Conference. After a months-long evaluation of the program, the CTO re-launched the Colorado Leadership Journey program in May 2022 with applications for the Class of 2023.
 - ▶ **National Travel and Tourism Week** was celebrated May 1-7, 2022. This is an annual industry tradition celebrating the value travel and tourism holds for our economy, local businesses, personal well-being and beyond. We celebrated this week by honoring our frontline workers and identifying the Top Frontline Tourism Worker Award winners for their dedication through an industry wide webinar with over 100 registrants. In conjunction with the governor's office, the CTO team also helped support the Celebrate Colorado initiative this same week to educate visitors and residents about free and low cost events throughout the state.
 - ▶ In FY 21-22, the **Colorado Concierge** program underwent an overhaul. This program will be switching platforms from the TravPro platform to a new Learning Management System (LMS) called Thinkific. The goal of the switch is to consolidate all of CTO's educational resources into one LMS. Currently the CRAFT Learning Labs are housed on Thinkific along with other OEDIT training courses and workshops.
 - ▶ The CTO accepted applications for the traditional annual **Tourism Marketing Matching Grant Program** in early August 2021. To support our partners struggling with reduced budgets, we increased the maximum grant award amount to \$40,000 and lowered the match requirement to 2:1 for the FY22 grant period cycle. We awarded \$710,461 to 22 industry partners across 6 travel regions.
 - ▶ On February 1, 2022 the CTO launched the annual **Tourism Management Grant program**. This program provides funding for tourism-related projects that develop, enhance or manage visitor experiences throughout the state. In FY 21-22, \$289,537 was awarded through 15 Tourism Management Grants.
 - ▶ **Meeting and Events Incentive Program** was extended in 2021 by the state legislators from December 31, 2022 to June 30, 2024. This program provides pre-approved applicants with a 10% rebate between \$3,500 and \$100,000 for the eligible costs of hosting meetings and events in Colorado. The program supports the attraction of new events and the retention of events that are in danger of cancellation, postponement, or relocation to other states. As of June 30, 2022, the program received 240 submitted applications. A total of 119 applications have been approved for a total of \$2,444,475 in cash rebates to 20 counties. Additionally, \$308,000 was awarded in direct support to attract eligible events that affect multiple counties and have the potential to generate significant economic impact to the state.
 - ▶ Colorado has been awarded approximately \$9.6 million through the **Economic Development Administration Travel, Tourism, and Outdoor Recreation program**. The \$9.6 million in funding will be split evenly between the Outdoor Recreation Industry Office (OREC) and the CTO, and is being used to accelerate the recovery of communities that depend on the travel, tourism, and outdoor recreation sectors. The CTO was allocated \$4.8 million with \$2.8 million going toward international marketing to replace funding lost due to COVID-19 and rebuild the international markets. An additional \$1.8 million is being used for a new grant called the **Tourism Recovery Marketing Grant**, launched in June 2022, to support regions not yet recovered from the pandemic, with the remaining balance of the funding used for administrative costs.

- In June 2022, the CTO opened the **Tourism Recovery Marketing Grant** to provide funding to eligible applicants to support the economic recovery of the travel and tourism industry in Colorado through the execution of tourism marketing and promotional campaigns. The maximum grant amount of \$500,000 is the largest to date for any CTO grant program.
- ▶ Colorado welcomed 887,410 guests in FY22 through the state's ten [welcome centers](#).



THE CTO TEAM

The Colorado Office of Economic Development & International Trade's CTO Team has the following 23 members:

- ▶ Director of Colorado Tourism Office: Tim Wolfe
- ▶ Director, International Tourism: Andrea Blankenship
- ▶ Deputy Director of Marketing: Shelley Cooper
- ▶ Deputy Director, Destination Stewardship: Jill Corbin
- ▶ Destination Stewardship Specialist: Jackson Feld
- ▶ Senior Manager, Fiscal and Operations: David Fishman
- ▶ Director, Destination Development: Andrew Grossman
- ▶ Program Manager: Kaiti Jacobson
- ▶ Destination Development Program Manager: Hilary Lewkowitz
- ▶ Director, Visitor Services: Taren Mulch
- ▶ Director of Grants and Funding: Elizabeth O'Rear
- ▶ Brand Manager: Natazshya Rodriguez
- ▶ Grants & Funding Manager: Sami Wells
- ▶ International Program Manager: Hope Smith
- ▶ Marketing Manager: Christina Tuchman
- ▶ International Promotions Manager: Julie Dufault
- ▶ Communications Manager, Programs and Promotions: Hayes Norris
- ▶ Manager, Fruita Colorado Welcome Center: Laurie Dickey
- ▶ Administrative Coordinator: Will Anderson
- ▶ Assistant Manager, Burlington Welcome Center: Dena Daniel
- ▶ Marketing Copywriter: Michelle Wulfson
- ▶ Manager, Burlington Colorado Welcome Center: Nellie Perry
- ▶ Assistant Manager, Fruita Colorado Welcome Center: Phil Amundson

Sources:

SMARI Research, FY 2022,
MMGY Tableau, FY 2022,
2021 Longwoods Travel USA Colorado Report,
Colorado Travel Impacts 2021 (Dean Runyan Associates),
Tourism Economics, 2021 International Data,
Sprout Social,
TikTok ,
GIPHY,
Sideqik

OUTDOOR RECREATION INDUSTRY OFFICE

The Colorado Outdoor Recreation Industry Office (OREC) 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.

OREC's mission is to champion industry, communities, and people to come to life through Colorado's great outdoors.

Colorado's outdoor recreation industry accounts for \$9.6 billion in value-added (GDP) annually and contributed 120,000 direct jobs in 2020. According to the 2017 SCORP report, 92% of Colorado residents participate in outdoor recreation each year. Colorado's outdoor economy contributes to a higher quality of life, making people and communities happier and healthier.

We are privileged to live in a state that has no rival when it comes to our iconic natural landscapes. From our 22 million acres of public land, 105,344 miles of rivers, 690 peaks over 13,000 feet, and expansive vistas of prairies, mountain valleys, and desert canyons, these spaces are central to Colorado's lifestyle, heritage, identity, and world-class recreation economy.

OREC SERVICES & ACHIEVEMENTS

OUTDOOR RECREATION INDUSTRY OFFICE OVERVIEW

The Outdoor Recreation Industry Office (OREC), a division of the Colorado Office of Economic Development and International Trade (OEDIT), serves as the state's primary coordinating body to work with relevant federal, state, and local governments, nongovernmental organizations, businesses and constituents to promote the cultivation and development of Colorado's outdoor recreation industry. The office is established as the central coordinator of outdoor recreation industry matters, which include attracting, retaining, and expanding businesses, partnering with the outdoor recreation industry to protect and conserve lands, waters, air, and climate, and promoting efforts that increase diversity, equity, and inclusion in the outdoors—ensuring that all Coloradans benefit from the continued health of the outdoor recreation industry.

Our mission at the Colorado Outdoor Recreation Industry Office is to champion industries, communities, and people to thrive through Colorado's great outdoors. We do this by targeting our efforts across four impact areas:

Economic development

Advance economic prosperity for all of Colorado through the outdoor recreation industry.

Conservation and stewardship

Engage the outdoor recreation industry in conservation and stewardship of lands, waters, and climate.

Education and workforce training

Support diverse and inclusive education and training pathways that will meet the real needs of the outdoor recreation industry.

Public health, wellness and safety

Improve the health and wellness of all Coloradans through promotion of sustainable and inclusive access to outdoor recreation.

Colorado's outdoor recreation industry is vital to Colorado's diverse economy and the general welfare of all Coloradans; the continued growth and health of the outdoor recreation economy requires the State's coordination, promotion, and support; and Colorado's natural beauty forms the backbone of the outdoor recreation industry and provides diverse recreation opportunities that improve Coloradans' health, enhance our quality of life, and strengthen Colorado's economy.

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

- ▶ Promoting inclusive access for all
- ▶ Strengthening a 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

NATIONAL MEMBERSHIPS

- ▶ OREC represents the State of Colorado in the Confluence of States, a national bi-partisan coalition promoting policies that are pro-business and pro-conservation.

- ▶ OREC represents the State of Colorado in the National Governors Association Outdoor Recreation Learning Network, and served as a mentor to other states in their creation of outdoor recreation industry offices.
- ▶ OREC serves as a State Member of the Outdoor Recreation Roundtable, the nation's premier collection of Outdoor Recreation Trade Associations.

OFFICE LEADERSHIP

- ▶ Conor Hall joined the team in February 2022 as the third director in the history of the office. He previously worked for the Trust for Public Land and served in various senior roles in the Hickenlooper Administration.

ECONOMIC DEVELOPMENT HIGHLIGHTS

- ▶ Announced the opening of the Colorado State Outdoor Recreation Grant (COSORG) program on June 1, 2022. This funding comes from the Economic Development Administration (EDA) and American Rescue Plan Act (ARPA) recovery funding. This grant supports projects related to economic development and pandemic recovery in the outdoor recreation sector including outdoor recreation infrastructure upgrades; technical and planning assistance related to outdoor recreation; marketing and promotion of outdoor recreation events and assets; outdoor recreation workforce development; and other related outdoor recreation projects. To date, \$768,013 has been awarded to 10 local government and nonprofit entities across the state for technical assistance and planning; marketing and promotion; and workforce development projects intended to support job creation and retention in Colorado's outdoor recreation industry. In total, OREC has received 69 applications requesting \$12.5 million in funding. Applications from the second cycle of funding are currently being reviewed. Future review deadlines are December 31 and March 31, 2023.
- ▶ Supported the relocation of SheFly Apparel HQ to Gunnison, Colorado. SheFly is a women-owned, early-stage outdoor clothing company specializing in patented zipper technology that allows people to "answer nature's call comfortably and safely, without exposing skin to the elements or other people."
- ▶ Announced the creation of the Colorado Outdoor Industry Impact Fund, which will support outdoor recreation industry businesses and nonprofits with pandemic recovery efforts. This funding comes from American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funding (SLFRF).
- ▶ Provided funding to Colorado Mesa University to conduct an economic impact study capturing the economic benefit of investment in outdoor recreation in Colorado's Grand Valley.
- ▶ Implemented opportunities for brand engagement at Outdoor Retailer by organizing a show walkthrough for the Governor and meetings with Colorado outdoor businesses.
- ▶ Adjacent to the OR Summer Show, OREC hosted the first Outdoor Industry Manufacturing Roundtable alongside CompanyWeek and Colorado Outdoors to discuss programs available to support outdoor industry manufacturing jobs and manufacturing cluster development around the state.
- ▶ Colorado hosted the annual summit of the Confluence of States, as well as the U.S. Outdoor Media Summit in Estes Park in September 2021. The Confluence of States held a signing ceremony for new member states joining the coalition, signifying one of the nation's most significant bipartisan political movements.
- ▶ Partnered with the Denver Metro Economic Development Corporation for the creation of an outdoor industry vertical within their organization. This will allow for more comprehensive and updated data on labor trends and the economic impact of the industry around the state. This vertical will also house the Colorado Outdoor Industry Alliance - an entity that will serve as an advocate for the interests of the industry.

CONSERVATION & STEWARDSHIP

- ▶ Was accepted as a member of the United Nations Global Mountain Partnership. The UN Mountain Partnership is a voluntary alliance of government agencies, nonprofit organizations, and for-profit businesses committed to working together with the common goal of achieving sustainable mountain development around the world.
- ▶ Worked with Colorado Parks and Wildlife (CPW) and Great Outdoors Colorado (GOCO) to support and fund new and existing coalitions to join a statewide initiative working to ensure that Colorado's land, water, and wildlife thrive while also providing for equitable access to quality outdoor recreation experiences.
- ▶ Served as a member of the Rocky Mountain Restoration Initiative (RMRI), a collaborative effort aimed at increasing the resilience of forests, wildlife habitats, communities, recreation opportunities, and water resources across all lands in the Rocky Mountains.
- ▶ Served on the Interagency Council on Conservation and Recreation, responsible for overseeing the Colorado Outdoor Regional Partnerships Initiative and supporting the development of a statewide plan to balance outdoor recreation and conservation of public and private lands and wildlife habitat.
- ▶ Partnered with the Colorado Tourism Office (CTO) in the Care for Colorado Coalition to promote destination management and stewardship campaigns across the state.
- ▶ Created and promoted its directory of winter outdoor recreation guides and outfitters in Colorado as well as educational resources and training to encourage new outdoor users to get outdoors safely in the winter.
- ▶ Served on the Elevate Conservation Outdoor for All planning committee to host an event designed to address diversity and inclusion in the outdoor recreation industry, recognize leaders from the BIPOC community, and honor the intersection of conservation and recreation.

EDUCATION & WORKFORCE TRAINING

- ▶ Supported the creation and establishment of the Colorado Outdoor Equity Grant Program. This program offers grants to entities providing conservation, environmental, outdoor experiences and education opportunities to underserved youth and families.
- ▶ Partnered with the University of Colorado Boulder Masters of the Environment Program to support a 2021-2022 Graduate Capstone project that looked at the economic and social impacts of outdoor recreation in Moffat County.
- ▶ Hosted the 5th annual Colorado Outdoor Industry Leadership Summit (COILS) in Crested Butte, Colorado. The office welcomed over 200 attendees and covered issues in economic development, conservation and stewardship, education and workforce training, equity in the outdoors and public health and wellness.
- ▶ Served on the Advisory Board and as a judge for the annual Wright Collegiate Challenge, a student innovation competition designed to spark out-of-the-box ideas and entrepreneurial thinking to address current-day challenges with the outdoor recreation industry.

PUBLIC HEALTH & WELLNESS

- ▶ Assisted in securing a technical assistance grant for the Town of Monte Vista through the EPA's Recreation Economies for Rural Communities (RERC) program. The RERC program helps communities identify strategies to grow their outdoor recreation economy and revitalize their Main Streets, all while supporting quality of life.

THE OREC TEAM

The Colorado Office of Economic Development & International Trade's OREC Team has the following five members:

- ▶ Director: Conor Hall
- ▶ Deputy Director: Samantha Albert
- ▶ Program Manager: Matt Nunez
- ▶ Operations and Marketing Manager: Awanti Sura
- ▶ Stimulus Compliance Manager: Giselle Habeych



ADDENDA

The Colorado Economic Development Commission: Annual Report Fiscal Year 2021-2022



COLORADO

Office of Economic Development
& International Trade

THE COLORADO ECONOMIC DEVELOPMENT COMMISSION

ANNUAL REPORT FISCAL YEAR 2021-2022

Colorado Office of Economic Development and International Trade

Governor Jared Polis

Patrick Meyers, Executive Director

Jeff Kraft, Deputy Director and Director of Business Funding and Incentives



COLORADO

Office of Economic Development
& International Trade

Business Funding and Incentives
Economic Development Commission
1600 Broadway, Suite 2500
Denver, CO 80202

October 1, 2022

Members of the Second Regular Session of the 72nd General Assembly:

On behalf of the Colorado Economic Development Commission (EDC), I am pleased to present you with the Commission's Activity Report for the fiscal year 2021-2022. This report contains information regarding projects and activities supported by the EDC from July 2021 through June 2022 as well as the status of active initiatives previously approved by the EDC.

The EDC was very appreciative of the General Assembly and the Governor for the approval of the annual appropriation of \$5 million in funding that assisted with projects during the FY 21-22.

In addition, the EDC is well on the way deploying the additional funding received in a previous fiscal year for COVID Recovery efforts statewide. Roughly 80% of the \$15 million from the one-time infusion of state funds into the Strategic Fund recovery funds have been allocated. All of the Federal American Recovery Plan Act (ARPA) stimulus package of \$30 million plus \$10 million for rural Colorado funds have been allocated among OEDIT divisions and have spending plans to power Colorado economy's recovery.

The Rural Jump-Start program's expansion to include cash grants, in addition to the tax credit incentive, is sparking enthusiastic business development in rural Colorado.

Over the last twelve months, the EDC continued to support businesses and job creation efforts throughout the state by supporting communities' efforts to attract new jobs and businesses.

We welcome your comments on this report. On behalf of the EDC, we want to thank Governor Polis and members of the General Assembly for your ongoing support and guidance.

Sincerely,

Carrie Schiff
Chair - Economic Development Commission

TABLE OF CONTENTS

| | |
|---|----|
| Executive Summary | 4 |
| Strategic Fund Incentive | 4 |
| Strategic Fund Initiative | 7 |
| Job Growth Incentive Tax Credit (JGITC) | 9 |
| Regional Tourism Act (RTA) | 14 |
| Enterprise Zone | 15 |
| Rural Jump-Start | 15 |
| Rural Jump-Start Grants | 15 |
| Transferable Tax Credits | 16 |
| EDO (Economic Development Organization) Program | 16 |
| Advanced Industry Accelerator Grants | 16 |
| Opportunity Zone Program | 16 |
| Disproportionately Impacted Business Fund | 17 |

COMMISSION MEMBERS AS OF JUNE 30, 2022

CHAIR

Carrie Schiff
Boulder, CO

MEMBERS

Jandel Allen-Davis
Denver, CO

Carl Young
Walsenburg, CO

David Dragoo
Montrose, CO

Jay Seaton
Grand Junction, CO

Andrew Sparn
Boulder, CO

Steven Paletz
Denver, CO

Chris Franz
Colorado Springs, CO

Walker Stapleton
Greenwood Village, CO

Simon Tafoya
Denver, CO

EXECUTIVE SUMMARY

The Colorado Economic Development Commission (EDC) supports various economic development initiatives through its oversight of Strategic Fund Incentives and Special Projects, Enterprise Zones, the Job Growth Incentive Tax Credit program (JGITC), the Regional Tourism Act (RTA), Rural Jump-Start, and Transferable Tax Credits.

The following table provides a general summary of newly approved Strategic Incentives, Strategic Initiatives and Job Growth Incentive Tax Credit projects from July 2020 through June 2021:

ACTIVITY HIGHLIGHTS ON SELECTED PROGRAMS

| Program | Grant Dollars Paid in FY21-22 | Tax Credits Issued in FY21-22 | Applicants Approved in FY21-22 | Active* Projects as of June 30, 2022 |
|---|-------------------------------|-------------------------------|--------------------------------|--------------------------------------|
| Strategic Fund Incentive - Long Bill | \$955,428 | n/a | 0 | 22 |
| Strategic Fund Incentive - CRPS** | \$0 | n/a | 8 | 9 |
| Strategic Fund Initiative - Long Bill | \$2,733,077 | n/a | 2 | 18 |
| Strategic Fund Initiative - ARPA*** | \$253,005 | n/a | 6 | 6 |
| Strategic Fund Initiative - CRPS | \$1,794,367 | n/a | 6 | 9 |
| Job Growth Incentive Tax Credit | n/a | \$48,849,850 | 34 | 171 |
| Regional Tourism Act | n/a | n/a | n/a | 3 |
| Disproportionately Impacted Business Fund | \$1,815,203 | n/a | 1231 | 0 |
| Rural Jump-Start | \$105,059 | \$3,996,484 | 13 | 25 |

* Active Projects are defined as projects that have been approved by the EDC, and are either a) in the process of selecting Colorado for their project; b) in the process of signing a contract (or similar document) with the State of Colorado; or c) have signed a contract, report regarding performance to the state, and receive discretionary payments from the state in the event of qualification for those payments. Non-Active Projects include projects that did not select Colorado, have expired, and/or have been fully paid out.

** CRPS denotes funding from the Colorado Recovery Plan Stimulus' one-time infusion of \$15 million into the Strategic Fund for supporting businesses that have existing operations in Colorado and economic development organizations that were impacted by the COVID-19 Pandemic.

***ARPA denotes funding from the American Rescue Plan Act's \$40 million allocated to the Economic Development Commission for COVID-19 economic recovery efforts.

STRATEGIC FUND INCENTIVE

The Strategic Cash Fund program supports and encourages new business development, business expansions, and relocations that will generate new jobs throughout the state. In FY 21-22 the EDC approved three Strategic Incentive projects (projects that have an interstate or international competitive element and require a dollar for dollar local match to state funds) for up to a maximum \$532,000 in performance-based cash incentives associated with the future creation of up to 105 net new jobs to the State of Colorado. These projects are executed in conjunction with businesses, partner communities, key industry leaders, local economic development organizations and other regional organizations. In FY 21-22, there were five LONE (Location

Neutral Employment) projects, for up to a maximum \$411,000 in performance-based cash incentives associated with the future creation of up to 81 net new jobs in rural/Tribal/Just Transition communities in the State of Colorado. All LONE projects are coupled with a JGITC (Job Growth Incentive Tax Credit) award below.

| Project Name | Project County | EDC Approval Amount Awarded | EDC Approval Jobs to be Created | Min AAW For County | EDC Approval Date |
|--------------------------------|-----------------|-----------------------------|---------------------------------|--------------------|-------------------|
| Project Baseball - LONE | Boulder County | \$25,000 | 5 | \$75,205 | 7/15/21 |
| Project Gold - LONE | Adams County | \$75,000 | 15 | \$75,205 | 8/19/21 |
| Hotel Engine - LONE | Arapahoe County | \$135,000 | 27 | \$75,205 | 10/21/21 |
| Project Teal | Gunnison County | \$156,000 | 24 | \$40,131 | 10/21/21 |
| West Star Aviation | Mesa County | \$246,000 | 61 | \$50,908 | 2/17/22 |
| Zoom - LONE | Denver County | \$150,000 | 30 | \$75,205 | 3/17/22 |
| Project Owl | Mesa County | \$130,000 | 20 | \$46,280 | 6/16/22 |
| Project Soap - LONE | Denver County | \$26,000 | 4 | \$75,205 | 6/16/22 |
| 8 | | \$943,000 | 186 | | |

DESCRIPTIONS OF APPLICANTS APPROVED IN FY 21-22

- Project Baseball** is a leader in crime and fraud intelligence solutions to reduce mobile device fraud. The company is establishing their U.S. headquarters in Colorado. This project was part of a LONE (Location Neutral Employment) program to incentivize the hiring of remote rural workers in Colorado and has a corresponding Job Growth Incentive Tax Credit (JGITC) award.
- Project Gold** is a life sciences company focused on genomic sequencing. The company will open a secondary office that will also serve as an R&D hub. This project was part of a LONE (Location Neutral Employment) program to incentivize the hiring of remote rural workers in Colorado and has a corresponding Job Growth Incentive Tax Credit (JGITC) award.
- Hotel Engine** is a Denver-based hotel booking management platform for business and work travel. This project represents the company's continued growth in Colorado. This project was part of a LONE (Location Neutral Employment) program to incentivize the hiring of remote rural workers in Colorado and has a corresponding Job Growth Incentive Tax Credit (JGITC) award.
- Project Teal** is an early stage women's outdoor apparel brand. The company will establish their headquarters and consolidate its team in Gunnison County.
- West Star Aviation** specializes in aviation repair and maintenance of all kinds. The company will increase their capacity and capabilities by expanding their Grand Junction Maintenance, Repair, and Overhaul. This project has a corresponding Job Growth Incentive Tax Credit (JGITC) award.
- Zoom** is a leading virtual meeting platform. The company will expand their existing Colorado workforce. This project was part of a LONE (Location Neutral Employment) program to incentivize the hiring of remote rural workers in Colorado and has a corresponding Job Growth Incentive Tax Credit (JGITC) award.
- Project Owl** is a multi-disciplinary engineering firm that is structured as an ESOP. This project will expand the company's current operations in Mesa County to meet business demands.
- Project Soap** is a digital product agency and VC firm that will establish a US office to be closer to their North American clients. This project was part of a LONE (Location Neutral Employment) program to incentivize the hiring of remote rural workers in Colorado and has a corresponding Job Growth Incentive Tax Credit (JGITC) award.

STRATEGIC INCENTIVE PAYMENTS MADE IN FY 21-22

Eleven companies reported on their job creation performance and received their strategic fund incentive payments in FY 21-22. All eleven companies provided the relevant attestations, certifications, and annual reports, as well as meeting all statutory requirements. The companies and the sum of payments made during this fiscal year are summarized below:

| Grantee (Credit Year) | Project County | Amount of Grant Paid in FY22 | Remaining Balance | New Full-Time Permanent Jobs Created (to date) | Average Annual Wage |
|-----------------------------------|-------------------|------------------------------|-------------------|--|---------------------|
| BombBomb | El Paso County | \$32,928 | \$260,732 | 24 | \$84,596 |
| Formstack ('20+'21) | El Paso County | \$180,000 | \$65,000 | 30 | \$140,036 |
| JM Smuckers LLC ('18+'20) | Weld County | \$570,000 | \$510,000 | 330 | \$65,442 |
| KEHe Distributors | Adams County | \$35,000 | \$132,500 | 140 | \$55,363 |
| Mayfly Group LLC ('20+'21) | Montrose County | \$45,000 | \$165,000 | 23 | \$53,330 |
| netPolarity ('20+'21) | Mesa County | \$15,000 | \$132,500 | 6 | \$52,414 |
| Viega LLC | Broomfield County | \$22,500 | \$107,500 | 147 | \$95,118 |
| Wausau Supply Co. | Lincoln County | \$55,000 | \$35,000 | 11 | \$80,538 |
| 8 | | \$955,428 | | 711 | |

The below table summarizes, per statute, each company, their contact and location information, and their current compliance status:

| Grantee | Chief Officer of Entity | Business Address | Business Phone Number | Attestations, Certifications, Annual Report Submitted? | All Statutory Requirements Met? |
|-----------------------------------|-------------------------|--|-----------------------|--|---------------------------------|
| BombBomb | Conor McCluskey (CEO) | 90 S Cascade Ave # 510, Colorado Springs, CO 80903 | 866-209-4602 | TRUE | TRUE |
| Formstack ('20+'21) | Chris Byers (CEO) | 6 South Tejon St., Ste 700, Colorado Springs, CO 80903 | 317-542-3125 | TRUE | TRUE |
| JM Smuckers LLC ('18+'20) | Mark Smucker (CEO) | 2900 Peak Ave, Longmont, CO 80504 | 330-684-3312 | TRUE | TRUE |
| KEHe Distributors | Tim Wiggins (CFO) | 2200 N. Himalaya Road, Aurora, CO 80011 | 630-343-0000 | TRUE | TRUE |
| Mayfly Group LLC ('20+'21) | David Dragoo (CEO) | 1101 Mayfly Drive, Montrose, Colorado | 970-249-0606 | TRUE | TRUE |
| netPolarity ('20+'21) | Haixia Zhang (CEO) | 900 E Campbell Ave, Campbell, CA 95008 | 1-408-971-1100 | TRUE | TRUE |
| Viega LLC | Rober Boots (COO) | 585 Interlocken Blvd. Broomfield, CO 80021 | (800) 976-9819 | TRUE | TRUE |
| Wausau Supply Co. | Charlie Herwig (CEO) | 2490 Market Place, Limon, CO 80828 | (800) 236-1528 | TRUE | TRUE |

STRATEGIC FUND INITIATIVE

The Strategic Fund Initiative program provides support for initiatives led by nonprofit entities pertaining to key industries or regional development.

STRATEGIC INITIATIVES APPROVED IN FY 21-22

| Project Name | Project Area | EDC Approval Amount Awarded | EDC Approval Date |
|---|--------------|-----------------------------|-------------------|
| SBDC FY22 Gap Funding - CRPS | State | \$450,000 | 8/19/21 |
| PTAC Update and Expansion Request - CRPS | State | \$300,000 | 12/16/21 |
| Technical Assistance - ARPA (Rural) | Rural | \$3,460,000 | 12/16/21 |
| Technical Assistance - ARPA (General) | State | \$4,040,000 | 12/16/21 |
| CCI CCRG - ARPA - Rural | State | \$3,200,000 | 1/20/22 |
| CCI CCRG - ARPA - General | State | \$13,300,000 | 1/20/22 |
| Tourism - ARPA - Rural | Rural | \$3,000,000 | 2/17/22 |
| Tourism - ARPA - General | State | \$6,000,000 | 2/17/22 |
| OR Show Extension - VISIT DENVER - CRPS | Urban | \$400,000 | 2/17/22 |
| BBB - CRPS | State | \$4,200,000 | 3/1/22 |
| BBB - ARPA General | State | \$2,000,000 | 3/1/22 |
| Workforce Resilience - ARPA - Rural | Rural | \$2,000,000 | 3/19/22 |
| Workforce Resilience - ARPA - General | State | \$1,000,000 | 3/19/22 |
| Outdoor Industry Impact Fund - ARPA - General | State | \$2,000,000 | 4/21/22 |
| Kiva Colorado - CRPS | State | \$120,000 | 4/21/22 |
| Quantum Industry Support - CRPS | State | \$1,500,000 | 4/21/22 |
| BEN - Blackstone Entrepreneurs Network | State | \$750,000 | 5/19/22 |
| Coventure Accelerator - Yr3 | Rural | \$50,000 | 6/16/22 |
| 18 | | \$47,770,000 | |

DESCRIPTIONS OF STRATEGIC INITIATIVES APPROVED IN FY 21-22

- SBDC FY22 Gap Funding - CRPS:** This award provided three months of state funding for the Small Business Development Center Network in order to bridge the timing gap between CARES Act and ARPA funding and preserve existing staff and consulting capacity.
- PTAC Update and Expansion Request:** Five years of enhanced funding to permanently expand operations for the Colorado Procurement Technical Assistance Center in rural Colorado.
- Technical Assistance - ARPA (Rural):** Funding for technical assistance via the SBDCs and several other nonprofits focused on business support, over the duration of ARPA Funding to be deployed in rural Colorado.
- Technical Assistance - ARPA (General):** Funding for technical assistance via the SBDCs and several other business support non-profits over the duration of ARPA Funding.
- CCI CCRG - ARPA (Rural):** Funding for the Colorado Community Revitalization Grants, focused on prioritizing creative sector related projects with an affordable housing component in rural Colorado.

6. **CCI CCRG - ARPA (General):** Funding for the Colorado Community Revitalization Grants, focused on prioritizing creative sector related projects with an affordable housing component.
7. **Tourism - ARPA (Rural):** Funding will be for marketing and promotional campaigns, targeted diversity, equity, and inclusion campaigns, destination stewardship efforts, and tourism employment strategies for workforce attraction and retention for small business in rural Colorado.
8. **Tourism - ARPA (General):** Funding will be for marketing and promotional campaigns, targeted diversity, equity, and inclusion campaigns, destination stewardship efforts, and tourism employment strategies for workforce attraction and retention for small business. Includes a focus on communities where tourism spending hasn't fully recovered from the COVID-induced drop in activity.
9. **OR Show Extension - VISIT DENVER:** Funding to build a package with local partners to keep the Outdoor Retailer Show in Colorado
10. **BBB - ARPA:** Provides state funding to unlock Federal EDA Build Back Better grant funds that the Colorado Coalition, lead by Innoshare, applied for.
11. **BBB (General):** Provides state funding to unlock Federal EDA Build Back Better grant funds that the Colorado Coalition, lead by Innoshare, applied for.
12. **Workforce Resilience - ARPA (Rural):** Partnering with the Colorado Community College System, the funding will be directed to rural businesses to support training & up-skilling grants, and for a new hires training grant program as well as one-time IT investments for training systems.
13. **Workforce Resilience - ARPA (General):** Partnering with the Colorado Community College System, the funding will be directed to businesses to support training & up-skilling grants, and for a new hires training grant program as well as one-time IT investments for training systems.
14. **Outdoor Industry Impact Fund - ARPA (General):** Funding will aid businesses and nonprofits who endured a negative economic impact due to the pandemic in returning to pre-pandemic levels of production, revenue and jobs via direct to business/nonprofit grants.
15. **Kiva Colorado:** Funding will formally expand the crowdfunding lending platform outreach and support to potential borrowers in all four corners of the state of Colorado.
16. **Quantum Industry Support:** This is a set aside of funds for future projects that would enhance the quantum industry in Colorado.
17. **BEN - Blackstone Entrepreneurs Network:** Provides state funding to a nonprofit organization that supports growth-stage companies through a mentorship network.
18. **Coventure Accelerator - Yr 3:** Third tranche of funding for the support of Coventure, which provides co-working spaces, curated programming, business incubation and acceleration, access to capital and professional services in Carbondale, CO.

STRATEGIC INITIATIVE PAYMENTS MADE IN FY 21-22 (ALL PROJECTS)

| Project Name | Project Area | Amount Paid in FY 21-22 |
|--|--------------|-------------------------|
| Colorado Office of Film, Television, & Media | Statewide | \$351,376.90 |
| Coventure Accelerator - Yr2 | Rural | \$25,500.00 |
| Estes Park Incubator - yr2 | Rural | \$39,078.95 |
| Governor's Employee Ownership Commision: FY20 - FY23 | Statewide | \$620,769.17 |
| Opportunity Zone Initiative | Statewide | \$372,314.68 |

| | | |
|--|-----------|-----------------------|
| SSBCI 2021 - RFP contractor(s) - 2 years | Statewide | \$173,812.51 |
| DIBs - OEDIT Administration - Fiscal Note 0.5FTE over 2yrs | Statewide | \$66,712.40 |
| DIBs - Colorado Enterprise Fund - Grant | Statewide | \$1,940,000.00 |
| DIBs - Startup Loan Fund in Strategic Fund | Statewide | \$19,430.00 |
| DIBs - Technical Assistance | Statewide | \$273,713.73 |
| Rural Jump-Start Zone Grant Fund Account - ADMN | Rural | \$47,763.38 |
| Rural Jump-Start Zone Grant Fund Account - Grants | Rural | \$105,058.63 |
| SBDC FY22 Gap Funding - CRPS | Statewide | \$131,446.67 |
| CRPS - Program Manager Admin - 2.5 years | Statewide | \$115,592.92 |
| CRPS - EDO Support - Long Bill footnote | Statewide | \$1,500,000.00 |
| Rural Technical Assistance Program (RTAP) | Rural | \$142,576.26 |
| PTAC - FY21 and FY22 "gap funding" | Urban | \$25,000.00 |
| Startup Colorado | Rural | \$200,000.00 |
| 18 | | \$6,150,146.20 |

JOB GROWTH INCENTIVE TAX CREDIT (JGITC)

The performance-based Job Growth Incentive Tax Credit (JGITC) program provides a state income tax credit to businesses undertaking job creation projects that would not likely occur in Colorado without this program and will create net new high-paying positions in the state.

Requirements under the statute specify that Colorado is competing with at least one other state or country for the project and that the company must create at least 20 net new full-time positions during the credit period (not to exceed 96 consecutive months) with an average yearly wage of at least 100% of the county average wage rate where the business is located. A business located in an Enhanced Rural Enterprise Zone has to create at least five net new jobs in Colorado during the credit period with an average yearly wage of at least 100% of the county average wage rate where the business is located.

Information on tax credits claimed is not available to report since the Department of Revenue has indicated this information is deemed private and confidential tax information.

TABLE OF APPLICATIONS APPROVED IN FY 21-22:

(At the time this report was created, Projects with a "*" are either: "Waiting on a Decision" from the company, "Not Moving Forward", or the company "Chose Another State or Country".)

| Project/Account Name | Project County | EDC Approval Amount Awarded | EDC Approval Net New Jobs | Min AAW For County | Date Approved by EDC |
|----------------------|-------------------|-----------------------------|---------------------------|--------------------|----------------------|
| Project 14er* | Adams County | \$4,637,869 | 188 | \$57,213 | 7/15/21 |
| Project Baseball | Boulder County | \$158,902 | 21 | \$74,516 | 7/15/21 |
| Project Windward* | Broomfield County | \$12,522,868 | 625 | \$93,808 | 7/15/21 |
| PTERODYNAMICS INC.. | El Paso County | \$2,545,891 | 186 | \$52,780 | 7/15/21 |

| | | | | | |
|------------------------------|-------------------|----------------------|-------------|----------|----------|
| Project Robotico* | Arapahoe County | \$1,092,122 | 163 | \$69,992 | 8/19/21 |
| Project Aardvark | Boulder County | \$4,618,688 | 196 | \$74,516 | 8/19/21 |
| Tipico | Denver County | \$7,525,623 | 441 | \$75,205 | 8/19/21 |
| Genapsys | Adams County | \$4,504,239 | 241 | \$57,213 | 8/19/21 |
| Project Discovery* | Larimer County | \$459,658 | 28 | \$54,145 | 9/16/21 |
| Project Linen | Broomfield County | \$1,448,055 | 144 | \$93,808 | 9/16/21 |
| Elsmere Education | Denver County | \$1,697,949 | 138 | \$75,205 | 9/16/21 |
| Epredia | Denver County | \$7,652,902 | 300 | \$75,205 | 9/16/21 |
| Project Polish* | Larimer County | \$2,122,622 | 298 | \$54,145 | 10/21/21 |
| Hotel Engine | Denver County | \$8,846,623 | 1739 | \$75,205 | 10/21/21 |
| Edge R&D | Douglas County | \$856,281 | 69 | \$70,577 | 10/21/21 |
| CCS Facility Services | Denver County | \$1,136,599 | 261 | \$75,205 | 10/21/21 |
| Project Chapter* | Montrose County | \$292,763 | 40 | \$41,314 | 11/18/21 |
| Project Branch | Denver County | \$1,733,923 | 120 | \$75,205 | 12/16/21 |
| Teladoc | Denver County | \$1,955,234 | 200 | \$75,205 | 12/16/21 |
| Project Illumination* | Montrose County | \$260,827 | 52 | \$41,314 | 1/20/22 |
| Project Prima | Adams County | \$1,199,035 | 203 | \$57,213 | 1/20/22 |
| Project Buffalo | Douglas County | \$7,572,781 | 400 | \$70,577 | 1/20/22 |
| West Star Aviation | Mesa County | \$1,454,571 | 110 | \$46,280 | 2/17/22 |
| Greenfield Holdings | Denver County | \$162,974 | 20 | \$75,205 | 2/17/22 |
| Project Jungle* | Denver County | \$940,391 | 105 | \$75,205 | 3/17/22 |
| Project Orchid | Boulder County | \$1,207,255 | 62 | \$74,516 | 3/17/22 |
| Zoom | Denver County | \$5,251,448 | 300 | \$75,205 | 3/17/22 |
| Project Bourbon | El Paso County | \$5,570,470 | 585 | \$52,780 | 3/17/22 |
| Project Cell | Boulder County | \$4,490,550 | 340 | \$74,516 | 4/21/22 |
| Project Salsa* | El Paso County | \$12,379,172 | 644 | \$52,780 | 4/21/22 |
| Project Myth* | Adams County | \$1,199,873 | 399 | \$57,213 | 5/19/22 |
| Project Cobalt | Denver County | \$1,287,128 | 150 | \$75,205 | 5/19/22 |
| Project Soap | Denver County | \$455,184 | 42 | \$75,205 | 6/16/22 |
| Project Outback | Jefferson County | \$1,996,009 | 155 | \$61,763 | 6/16/22 |
| 34 | | \$111,236,479 | 8965 | | |

DESCRIPTIONS OF APPLICANTS APPROVED IN FY 21-22

1. **Project 14er*** is an advanced materials process focused on Atomic Layer Deposition. This project includes the buildout of a leading-edge battery fabrication plant.
2. **Project Baseball** is a leader in crime and fraud intelligence solutions to reduce mobile device fraud. The company will establish their U.S. Headquarters in Colorado. This project was part of a LONE (Location Neutral Employment) program to incentivize the hiring of remote rural workers in Colorado and has a corresponding Strategic Fund Incentive.
3. **Project Windward*** is a global apparel company specializing in comfort footwear. The company will expand their current Colorado workforce to meet increasing demands.
4. **PTERODYNAMICS INC.** is an aircraft design company focused on improving VTOL aircrafts and expanding market opportunities for air mobility services. The company will establish their headquarters for R&D, operations, and production in Colorado.

5. **Project Robotico*** manufactures fully automated packaging machinery, including bagging and stretch wrapping systems. This company will move to a larger facility to increase their production capabilities and efficiency.
6. **Project Aardvark** is an aerospace company focused on providing satellite propellant and expanding the operational potential of new and existing space assets. The company will locate its headquarters in Colorado.
7. **Tipico** is a sports betting company. The company will open a tech hub in Colorado to serve as their long term office and house their growing tech staff.
8. **Genapsys** is a life science company focused on genomic sequencing. The company will open a second Colorado office to serve as their hub for R&D efforts. This project was part of the LONE (Location Neutral Employment) program to incentivize the hiring of remote rural workers in Colorado and has a corresponding Strategic Fund Incentive.
9. **Project Discovery*** is a pharmaceutical development company providing contract research services. The company plans to expand their current space to increase their contract research services.
10. **Project Linen** creates molecular detection technology for food safety. The company will relocate their HQ, R&D and production to Colorado.
11. **Elsmere Education** is an educational technology company that partners with institutions of higher education. The company will expand their office size and capabilities in Colorado.
12. **Epredia** is a global healthcare company that develops, manufactures and sells medical devices. The company will establish their North American Headquarters in Colorado.
13. **Project Polish*** produces point-of-care diagnostic equipment. The company will establish a rapid response facility to produce their testing equipment.
14. **Hotel Engine** is a Denver-based hotel booking management platform for business and work travel. This project represents the company's continued growth in Colorado. This project was part of a LONE (Location Neutral Employment) program to incentivize the hiring of remote rural workers in Colorado and has a corresponding Strategic Fund Incentive.
15. **Edge R&D** provides business intelligence, data management, and other technology solutions. The company will expand their team in Colorado.
16. **CCS Facility Services** provides facility related services to mechanical, engineering and maintenance clients. The company will add members to its support team by expanding their operations in Colorado.
17. **Project Chapter*** is a distiller and brewer that produces spirits, canned cocktails and canned beer. The company will locate an office in Colorado to serve as their distribution center for the western U.S.
18. **Project Branch** is a health tech SaaS company that creates a practice management platform for autism therapy providers. The company's new Colorado office will expand their marketing and operations departments.
19. **Teladoc** is a comprehensive virtual healthcare service provider. The company's new Colorado office will expand their virtual care services.
20. **Project Illumination*** is a consumer product manufacturer focused on direct-to-consumer sales. The company will relocate an acquired office to Montrose, Colorado.
21. **Project Prima** is a craft brewery with a significant presence in Colorado that distributes beer to several other states. The company will establish their corporate headquarters in Northglenn, Colorado.
22. **Project Buffalo** is a leading aerospace company. The new Colorado office will support the company's existing projects.

23. **West Star Aviation** specializes in aviation repair and maintenance of all kinds. The company will increase its capacity and capabilities by expanding its Grand Junction Maintenance, Repair, and Overhaul. This project has a corresponding Strategic Fund Grant incentive.
24. **Greenfield Holdings** is an agricultural commodity trading, handling, and storage company. The company will establish its corporate headquarters in Colorado.
25. **Project Jungle*** is a fintech company with a platform that streamlines customer fulfillment and origination processes in the banking and financial services industry. The company will establish a Service Support branch in Denver County.
26. **Project Orchid** performs discovery research across therapeutic modalities. The company will open a new office in Colorado that specializes in discovery and laboratory operations
27. **Zoom** is a leading virtual meeting platform. The company will expand their existing Colorado workforce. This project represents the company's continued growth in Colorado. This project was part of a LONE (Location Neutral Employment) program to incentivize the hiring of remote rural workers in Colorado and has a corresponding Strategic Fund Incentive.
28. **Project Bourbon** is a government contractor that provides enterprise data management and analytic solutions. The company will expand their capabilities in El Paso County.
29. **Project Cell** is a gene-editing biotech company with a platform for data analysis on cell therapy. This project involves an expansion of the company's research operations and the establishment of their manufacturing facilities.
30. **Project Salsa*** is a prime semiconductor manufacturing company. The company will expand their Colorado facilities to increase capacity and create room for more jobs.
31. **Project Myth*** developed employee management software to assist with time sheets and schedules in the workplace. The company will establish a tech hub in Colorado.
32. **Project Cobalt** is a space resources startup company focused on asteroid mining. The company will establish their Colorado presence in Denver County.
33. **Project Soap** is a digital product agency and VC firm that will establish a U.S. office to be closer to North American clients. This project represents the company's continued growth in Colorado. This project was part of a LONE (Location Neutral Employment) program to incentivize the hiring of remote rural workers in Colorado and has a corresponding Strategic Fund Incentive.
34. **Project Outback** is an international green energy company committed to producing zero-carbon green hydrogen from renewable resources. The company will establish their Global Technology Hub in Colorado, with a goal of producing 15 million tonnes per year of green hydrogen by 2030.

JGITC TAX CREDITS ISSUED IN FY 21-22:

| Account Name | Credit Year | Project County | Tax Credit Amount Issued | Net New Jobs Created |
|----------------------|-------------|------------------|--------------------------|----------------------|
| BP plc | 2019 | Denver County | \$1,550,341.59 | 281 |
| Strava, Inc | 2019 | Denver County | \$113,371.22 | 31 |
| TeeTurtle, LLC | 2019 | Denver County | \$32,754.47 | 23 |
| ZingFit | 2019 | Boulder County | \$42,084.96 | 24 |
| Anheuser-Busch InBev | 2020 | Larimer County | \$193,892.88 | 40 |
| Ball Corp | 2020 | Jefferson County | \$2,359,422.77 | 484 |
| Biomet, Inc. | 2020 | Jefferson County | \$198,310.11 | 40 |
| BP plc | 2020 | Denver County | \$1,392,622.90 | 258 |

| | | | | |
|--|------|-------------------|----------------|------|
| Charter Communications | 2020 | Arapahoe County | \$4,575,553.91 | 922 |
| Charter Communications | 2020 | Arapahoe County | \$5,714,236.12 | 1200 |
| Chatham Financial | 2020 | Jefferson County | \$118,551.11 | 32 |
| Comcast | 2020 | Arapahoe County | \$4,261,502.73 | 1030 |
| Coyote Logistics | 2020 | Denver County | \$263,751.71 | 171 |
| Crocs | 2020 | Broomfield County | \$153,959.76 | 26 |
| DaVita | 2020 | Denver County | \$2,196,322.88 | 438 |
| Fidelity Investments | 2020 | Arapahoe County | \$1,184,010.55 | 400 |
| Frontdoor | 2020 | Denver County | \$272,070.29 | 64 |
| Gusto | 2020 | Denver County | \$2,176,347.37 | 932 |
| Hach Company | 2020 | Larimer County | \$555,373.88 | 106 |
| Infocu5 | 2020 | Mesa County | \$20,488.70 | 39 |
| Kiewit Engineering & Design Company | 2020 | Douglas County | \$738,312.82 | 212 |
| Lockheed Martin Corporation - Blue | 2020 | Jefferson County | \$2,961,187.85 | 500 |
| Lockheed Martin Corporation - Marble | 2020 | Arapahoe County | \$1,312,389.51 | 337 |
| Loxo Oncology Inc | 2020 | Boulder County | \$46,582.35 | 21 |
| Marketo, Inc | 2020 | Denver County | \$1,418,103.09 | 357 |
| Maxar Technologies Holdings Inc. | 2020 | Adams County | \$693,354.11 | 118 |
| Medtronic | 2020 | Boulder County | \$231,583.90 | 43 |
| Mikron Group | 2020 | Arapahoe County | \$214,623.73 | 65 |
| Molecular Products Inc. | 2020 | Boulder County | \$76,875.28 | 31 |
| Netapp | 2020 | Boulder County | \$406,795.69 | 61 |
| Optiv Security | 2020 | Denver County | \$550,877.57 | 121 |
| Partners Group | 2020 | Broomfield County | \$983,706.88 | 150 |
| Pilatus | 2020 | Jefferson County | \$118,617.33 | 40 |
| PointsBet | 2020 | Denver County | \$168,701.04 | 85 |
| Robinhood Markets, Inc. | 2020 | Denver County | \$262,652.58 | 182 |
| SALESFORCE.COM INC. | 2020 | Denver County | \$700,641.11 | 197 |
| Slack | 2020 | Denver County | \$783,771.87 | 166 |
| Swisslog Healthcare Solutions | 2020 | Broomfield County | \$239,903.40 | 61 |
| TMC Design Corporation | 2020 | El Paso County | \$142,585.64 | 25 |
| Travelers Haven LLC | 2020 | Denver County | \$275,918.90 | 107 |
| United Airlines, Inc. | 2020 | Denver County | \$1,545,670.25 | 254 |
| Vail Resorts | 2020 | Broomfield County | \$222,403.62 | 56 |
| VELOCITY GLOBAL LLC | 2020 | Denver County | \$400,425.13 | 137 |
| VF Corporation | 2020 | Denver County | \$3,845,805.40 | 800 |
| Xactly Corp | 2020 | Denver County | \$316,996.04 | 84 |
| Crusoe Energy Systems | 2021 | Denver County | \$43,808.79 | 22 |
| DHI Group, Inc | 2021 | Arapahoe County | \$146,628.37 | 20 |
| Frontdoor | 2021 | Denver County | \$214,183.00 | 54 |
| KPMG LLP | 2021 | Denver County | \$966,335.00 | 271 |

| | | | | |
|--------------------------------|------|----------------|------------------------|---------------|
| Molecular Products Inc. | 2021 | Boulder County | \$109,608.87 | 44 |
| Optiv Security | 2021 | Denver County | \$607,680.19 | 126 |
| Technical Youth LLC | 2021 | Denver County | \$240,047.92 | 70 |
| Woodward Inc. | 2021 | Larimer County | \$488,102.52 | 133 |
| 53 | | | \$48,849,849.66 | 11,491 |

Note: The above reports are for Tax Credit Certificates issued. Information on how much of the tax credits have been claimed on a company's tax return is not available to report since the Department of Revenue has indicated this information is deemed private and confidential tax information. Tax Credit Certificates issued to companies with no state tax liability may be carried forward for up to ten years from the date of issuance. At the end of the ten-year period, the tax credit certificate expires and may not be transferred or refunded.

REGIONAL TOURISM ACT (RTA)

The RTA program gives local governments the opportunity to apply to the EDC for approval of a large scale regional tourism project that is of an extraordinary and unique nature and that is anticipated to result in a substantial increase in out-of-state tourism and that generates a significant portion of the sales tax revenue by transactions with nonresidents of the Regional Tourism Zone. The local government must provide reliable economic data demonstrating that in the absence of state sales tax increment revenue, the project is not reasonably anticipated to be developed within the foreseeable future. The EDC shall not approve any project that, if approved, would likely create a state sales tax revenue dedication of more than \$50 million to all Regional Tourism Projects in any given year.

Per statute, no new applications can be submitted, and no applications were approved in FY 21-22.

APPROVED RTA PROJECTS

| Project | Date Approved by EDC | Amount of Award | Current Status of Project |
|--|----------------------|----------------------|--|
| Pueblo Heritage of Heroes / Professional Bull Riders University | 5/18/2012 | \$35,700,000 | Completed |
| Aurora Hotel & Conference Center (Gaylord Rockies) | 5/18/2012 | \$81,433,000 | Completed |
| Colorado Springs City for Champions | 12/16/2013 | \$120,500,000 | Olympic Museum and UCCS Sports Medicine and Performance Center are completed and Colorado Sports and Event Center completed. USAFA Visitor Center has begun construction |
| Go NOCO (4 attractions in Northern Colorado) | 11/12/2015 | \$71,488,491 | In planning, Peligrande & Loveland Whitewater Adventure Park Project Elements Revoked, Stanley Film Center commenced substantial work |
| Denver National Western Center | 11/12/2015 | \$121,464,164 | Under construction. Various RTA supported elements completed. |
| Total | | \$430,585,655 | |

ENTERPRISE ZONE

The General Assembly has given the Commission responsibilities in the following areas of Enterprise Zone policy:

- A. Zone boundary terminations and designations.** The Enterprise Zone statute gives the Commission authority to designate or terminate Enterprise Zones proposed by local representatives. All Enterprise Zones were reviewed and re-established effective January 1, 2016 for the requirements of House Bill 13-1142. The commission approved three boundary amendments in FY 21-22 that added to the Pikes Peak EZ, Jeffco EZ, and North Metro EZ. Enterprise Zone Administrators have an opportunity to propose boundary amendments once a year at a designated EDC meeting.
- B. Review of proposals for projects eligible for the Enterprise Zone Contribution Tax Credit.** The statute allows for state income tax credit (up to 25%) for contributions that directly link to job creation and retention and/or business expansion in an Enterprise Zone. Projects must support the economic development goals established for the Enterprise Zone. The Commission has the responsibility for annually reviewing and re-certifying existing projects. There were 352 active Contribution Projects at fiscal year-end, June 30, 2022.
- C. The EDC has provided administrative funds to support local administration.** \$358,500.00 has been allocated for 19 Administrators with oversight of 16 Statutory Zones.

For information on the operations of the Enterprise Zone program, please see the Enterprise Zone Program Annual Report.

RURAL JUMP-START

The Rural Jump-Start Zone program provides tax relief to new businesses and their new hires located in certain economically distressed counties of rural Colorado. Companies participating in the Rural Jump-Start program must have a relationship with a local economic development organization or an institute of higher education, be new to Colorado, export goods or services outside their county and cannot compete with a similar existing business in an adjacent economically distressed county.

As of June 30, 2022, 26 companies are participating in the Rural Jump-Start program that are projected to create 396 new jobs. Twenty counties had also formed Rural Jump-Start Zones. This program was extended in statute during the spring 2020 legislative session and expires on December 31, 2025.

RURAL JUMP-START GRANTS

In June 2021, Senate Bill 21-229 was passed to create a grant program in addition to the Rural Jump-Start Zone tax relief program. This bill creates a \$3 million fund to be used for grants to new Rural Jump-Start businesses for starting operations in a Rural Jump-Start Zone and for new hires FY 21-22 through FY 23-24. New businesses locating in Rural Jump-Start zones are eligible for up to \$20,000 in grants; in Tier 1 Just Transition Communities, up to \$40,000. The new business is also eligible for up to \$2,500 for each net new hire in a Rural Jump-Start Zone, and up to \$5,000 per net new hire in a Tier 1 Just Transition Community. In FY 21-22, \$662,500 was awarded to new businesses.

TRANSFERABLE TAX CREDITS

The transferable tax credit program is authorized to pre-certify \$30 million in tax credit transferability over three fiscal years from 2017 to 2020. As of June 30, 2022 the program has pre-certified \$30 million worth of tax credits for transferability. These pre-certifications are split among two companies, Evraz (\$17 million) and VF Corporation (\$13 million). Both companies are moving ahead with their projects, but as of June 30, 2022, neither company had transferred a tax credit under the program.

EDO (ECONOMIC DEVELOPMENT ORGANIZATION) PROGRAM

As part of SB21-042 which made a one-time \$15 million infusion, known as the Colorado Recovery Plan Stimulus (CRPS), into the EDC's Strategic Fund, \$1.5 million was set aside "to be used to support local economic development organizations throughout the state." OEDIT, working closely with the Economic Development Council of Colorado (EDCC), created the EDO Program that focused on helping EDOs maintain critical operations and economic recovery efforts during a time of unprecedented revenue and operations interruption created by the COVID-19 pandemic. The grant program was created with a panel of economic development experts throughout Colorado, a grant application was created, the panel scored the applications, recipients were chosen and funds were distributed in FY22. 55 applicants were selected to receive grant \$1,487,00 in funding. EDOs from 34 counties/regions of all corners of Colorado received funding. EDO Types included: Accelerator/Incubator (4), Chamber of Commerce (24), Economic Development Agency (23), Government (3), Technical Assistance (1).

ADVANCED INDUSTRY ACCELERATOR GRANTS

Information on grants given under the Advanced Industry Accelerator Grant program, which are reviewed by the EDC, are contained in the Advanced Industry Grant Annual Report.

OPPORTUNITY ZONE PROGRAM

Colorado has 126 Opportunity Zones (OZ), which are areas in which investors receive an incentive for investing in a business or real estate property located within the zone. In FY 21-22, OEDIT launched the new Opportunity Zone Video Spotlight grant, which pairs economic development organizations with local filmmakers who help them create video investment prospectuses. OEDIT also launched a new iteration of the OZ Capital Accelerator Program in partnership with gener8tor, helping draw investment to promising startups in OZs across the state. The federal Opportunity Zone program does not include any public reporting mechanism, so full reporting is not available. However, from investors' self-reporting we know that Colorado has attracted the third most per capita OZ investment across the country and that well over 1,500 units of workforce housing is under development as a result.

DISPROPORTIONATELY IMPACTED BUSINESS FUND

In January 2021, Senate Bill 21-001 was passed to create a program to support small businesses that are suffering disproportionate impacts from the COVID-19 pandemic. This bill creates a \$4 million fund to be used for grants (\$1.94 million), loans (\$1 million), technical assistance (\$900,000), and administration (\$160,000) to small businesses and operate in FY 21-22 and now has an additional extension until December 2023.

The Disproportionately Impacted Businesses (DIB) Grant program intended to cover expenses related to COVID-19 losses up to \$10,000 that have not been covered by other federal or state funding. As of March 1, 2022, the program has been fully developed, awarding 311 businesses with grants of the DIB Relief Fund, totaling \$1,815,203.39 in relief funding. The technical assistant program is in operation from October 18, 2021 and intends to provide training and small assistance to support the creation of legal, accounting and digital requirements tools to micro and small businesses and make them more efficient and eligible for benefits provided by both local and federal governments. Up to the end of the fiscal year 2022, this technical assistance program has supported 920 DIB businesses including payments of 39 small grants with a total of \$27,786.99 paid. The loan funding portion of the DIB Relief Fund is expected to be starting its operations in the month of October 2022.



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

