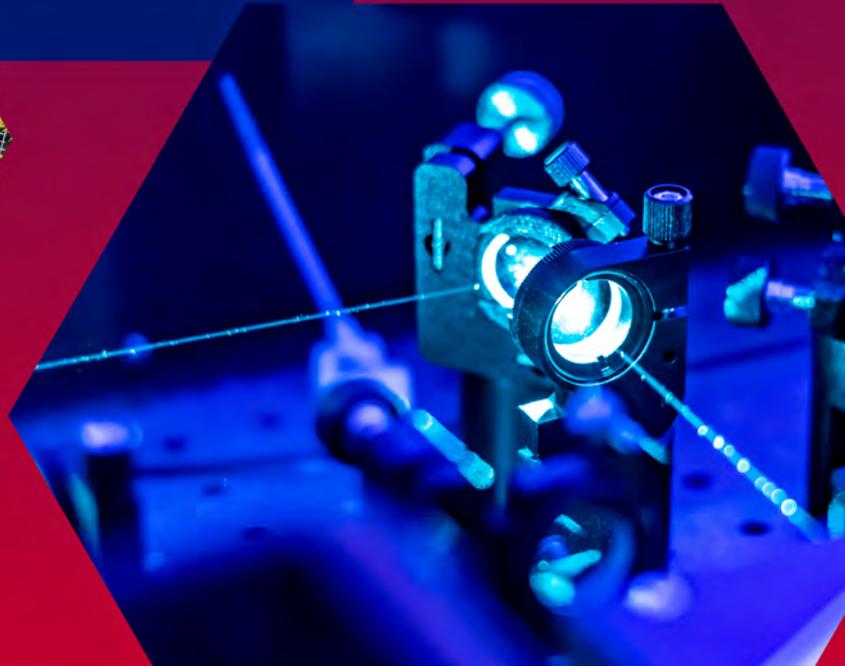




**COLORADO**  
Office of Economic Development  
& International Trade

# ANNUAL REPORT

FISCAL YEAR 2023-2024



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## LETTER FROM GOVERNOR JARED POLIS AND EXECUTIVE DIRECTOR EVE LIEBERMAN

October 31, 2024

The Office of Economic Development & International Trade (OEDIT) is committed to ensuring all are able to thrive in Colorado's economy. Our strong team of state leaders and state employees have worked hard this past year to address economic priorities including more housing now, supporting the development of new technologies and industries that will create jobs for Coloradans, supporting our rural communities, and assisting small businesses.

Overall, according to the [U.S. News & World Report](#), Colorado ranks as our nation's fourth-best economy. With a labor force participation rate at 67.9%, Colorado's participation ranks fourth in the nation. Based on 2023 [Census data](#), Colorado ranks second in terms of population with a bachelor's degree or higher of individuals who are 25 years and older at 46.4%. Our state's workforce is also STEM literate with 9.3% of adults working in STEM occupations—ranking fifth in the U.S. We're proud to say that 99.5% of Colorado businesses are considered small businesses and have [contributed](#) a net increase of 91,997 jobs.

OEDIT teams are working to ensure that Colorado's thriving economy remains strong and continues to grow. We are proud to highlight significant wins from the 2023-2024 fiscal year that will create good-paying jobs, increase the state's housing supply, save Coloradans money, and strengthen our economy.

OEDIT continues to address Colorado's housing challenges through comprehensive initiatives such as Proposition 123 (Prop. 123) and the Innovative Housing Incentive Program (IHIP). IHIP grants are projected to create up to 2,000 housing units and contribute to the recipients' work to create more than 7,500 units over the next three years.

Through voter-approved Prop. 123, OEDIT, with administrative support from the Colorado Housing and Finance Authority, is overseeing land banking, equity investment and concessionary debt initiatives to increase the state's supply of affordable housing. These initiatives are assisting Colorado communities as we acquire and preserve land for affordable housing and supporting the development of low- and middle-income housing, including rental units. To date, approximately 2,730 units of affordable housing have been funded by these initiatives.



Colorado also made the largest one-time investment by a state into the modular industry through factory development loans, supporting the production of more than 4,700 units per year and the creation of 1,280 jobs. These off-site housing manufacturers are developing and advancing innovative construction methods that can help make housing quicker to build, more cost-effective, and more sustainable.

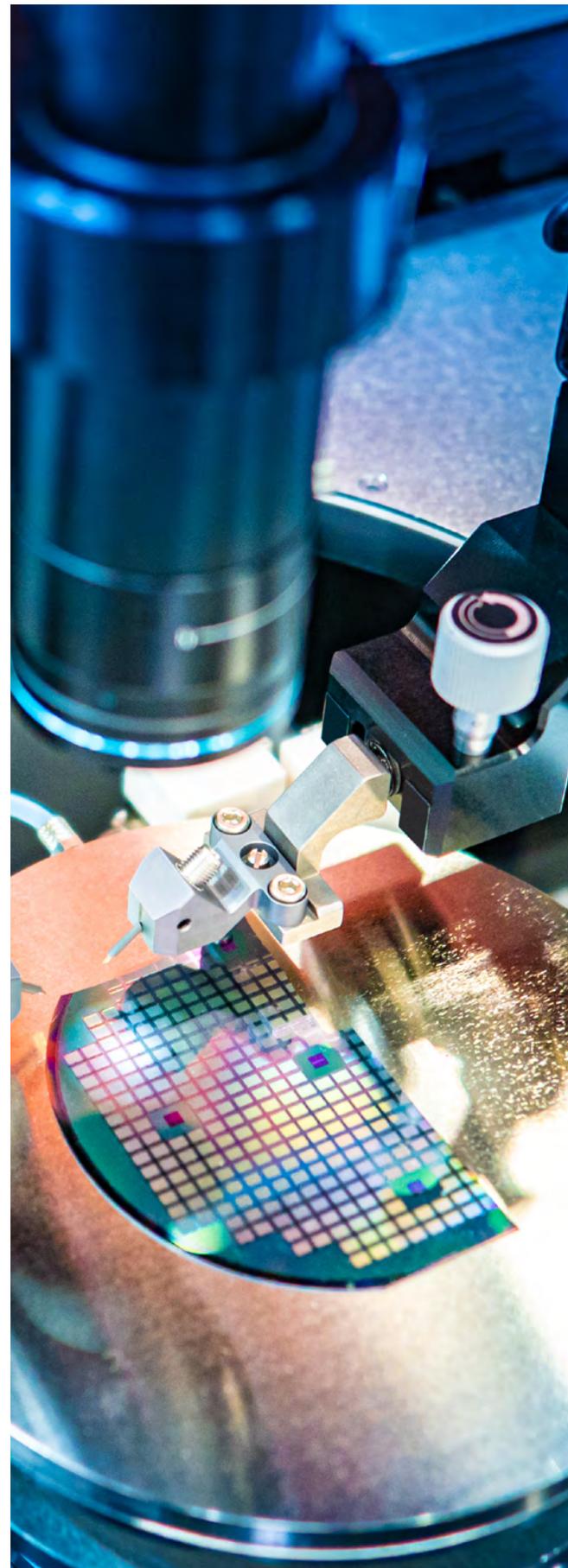
In 2023, our office supported the TechHubNow! Initiative, a private public partnership established by the Governor to successfully position Colorado for designation as a Regional Technology and Innovation Hub (Tech Hub) through the CHIPS and Science Act. This process resulted in the designation of the Elevate Quantum Tech Hub, which solidified Colorado's place as the global hub for developing Quantum technologies. Elevate Quantum unlocked \$74 million in state bipartisan support and an additional \$40.5 million in federal funding to date. This wave of support is projected to create more than \$1 billion in economic impact statewide. Plus, initiatives made possible by the funding are expected to create over 10,000 jobs by 2030—the majority of which will not require advanced degrees.

OEDIT also supported the successful selection of the Colorado-Wyoming Climate Resilience Engine (CO-WY Engine) as a U.S. National Science Foundation (NSF) Engine. This accomplishment positions the CO-WY Engine to receive up to \$160 million over the next 10 years to transform Colorado and the region into a national leader in developing climate-resilient and sustainable technologies—including 22,000 new climate technology-related jobs.

OEDIT has also been involved in leveraging CHIPS and Science Act funds to grow the state's semiconductor industry. Microchip and Entegris, pursuing expansion projects projected to create nearly 1,000 jobs and to invest over \$1.5 billion in capital, have been awarded federal CHIPS funding totaling over \$160 million. New OEDIT initiatives were instrumental in these wins.

As a state, we are also making targeted investments in innovative talent development initiatives that support in-demand industries and foster new pathways to high-paying jobs by region across the state. The [Opportunity Now Colorado](#) initiative is investing \$92 million to start or expand partnerships between industry and educational institutions that will help workers develop new skills to fill Colorado's great jobs. To date, grant recipients serve all 14 regions and all 64 counties of Colorado. The top industries served include advanced industries, education, health care, and infrastructure and, all representing key workforce needs in Colorado.

Additionally, per HB24-1365, OEDIT will be launching a \$15 million annual Opportunity Now Tax Credit application in 2025, which aims to encourage workforce development in industries impacted by the Infrastructure Investment and Jobs Act (IIJA), Inflation Reduction Act (IRA), and/or CHIPS and Science Act (CHIPS).



This year, we also celebrate the codification of the Employee Ownership (EO) Office. The office provides resources for Colorado businesses to convert to employee ownership, which provides a guaranteed succession plan, creates a more engaged workforce, and is a way to attract and retain top talent. The newly passed bill, HB24-1157, also established a new tax credit to support Colorado businesses in their first seven years of employee ownership, building on existing incentives and Colorado’s leadership on employee ownership.

Through the State Small Business Credit Initiative (SSBCI) Capital Program, Colorado is making significant strides in democratizing access to capital and fostering entrepreneurship, especially in underserved communities. The U.S. Treasury approved the Cash Collateral Support, CLIMBER Loan, and Colorado Venture Capital plans to receive and deploy these funds. A remarkable 82.38% of SSBCI funds have been deployed to companies led by Socially and Economically Disadvantaged Individuals (SEDI) who have experienced diminished access to capital - this includes individuals and companies located in economically distressed, rural, and coal transition communities, those that identify as women, minority, veteran, or having a disability.

In total SSBCI funds have provided funding to 39 Colorado small businesses through June 30, 2024 resulting in the creation or retention of 330 jobs across the state. SSBCI funds are also aligned with the efforts of the Employee Ownership Office and have been used to facilitate the transition of a company to a 100% Employee-owned (ESOP) business. We are delighted to bring in and align these federal funds with existing state initiatives that expand access to capital and cultivate a more prosperous and equitable future for all Coloradans.

Finally, the Colorado Tourism Office (CTO) [reported](#) \$28.2 billion in travel spending in 2023, a 3.9% increase, and 93.3 million visitors, a 3.6% increase, driving steady statewide tourism growth. In addition, the CTO continued its focus on the Destination Stewardship Strategic Planning Initiative which aims to balance the quality of life for residents and the visitor experience while enhancing Colorado’s environment, cultures and communities.

Our collaborative efforts work towards building an economy in Colorado where all can thrive. This only scratches the surface of the work our divisions are up to. With the hard work of our dedicated public servants, our state’s future looks bright and full of opportunities. Thank you all for another great year.



Jared Polis  
Governor



Eve Lieberman  
Executive Director

# II.

# 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.

# 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, Export Accelerator, and the Global Consultant Network.

- ▶ Funding was provided to 59 Early Stage companies, 52 Proof of Concept recipients and two Collaborative Infrastructure projects, totaling \$21,935,844.
- ▶ Funding was provided for 18 Export Accelerator companies to support their international business development activities, totaling \$95,885.
- ▶ Funding was provided for 13 Global Consultant Network recipients to receive consulting services at no cost. Funding totaled \$65,110.

## AEROSPACE & DEFENSE

Colorado's aerospace ecosystem is the global leader and ranks #1 per capita in aerospace employment with an extensive network of highly innovative and collaborative aerospace businesses. Aerospace employment increased 26.3% over the past five years. There are over 2,000 aerospace businesses employing over 55,000 employees directly and another 184,000 indirectly.

Colorado aerospace businesses, national security units, universities, and federal labs are at the center of the nation's space industry and national security space missions. The Aerospace and Defense industry is an economic engine for the State attracting federal contracts at a record pace this past year, winning over \$23 billion in federal contracts, another \$12.5 billion economic impact from our military bases, and \$3.4 billion to our federal labs. Thanks to Colorado's incredible quality of life, world-class talent pool, ability to attract and retain talent, and full-spectrum aerospace ecosystem, more aerospace and defense companies are calling Colorado home.

Furthermore, the space industry is intertwined with quantum computing, quantum sensing, artificial intelligence, information technology, cyber security, and advanced manufacturing. Colorado's attributes and its powerful aerospace ecosystem are attracting companies and national security work in these advanced industries as well.

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 200 Colorado companies are taking part in the Artemis program. The most visible single contribution is Colorado's Lockheed Martin Space Systems' Orion spacecraft.

The James Webb telescope, the world's most advanced space research facility, sent vividly detailed photographs looking back in time some 13 billion years and further out into the universe than thought possible only a few years ago. Colorado's Ball Aerospace (now BAE Space and Mission Systems) was the prime contractor on the telescope's optics.

Colorado's United Launch Alliance (ULA) recently launched its first Vulcan rocket, which will replace both the

Delta and Atlas systems. Additionally, ULA launched Starliner to the International Space Station, giving America its sixth historic and second current manned spacecraft capability. It was ULA's 161st successful launch out of 161 attempts and its first manned mission. In a few years, there will be four manned spacecraft, two of which will be made in Colorado—Lockheed Martin's Orion and Sierra Space's Dream Chaser.

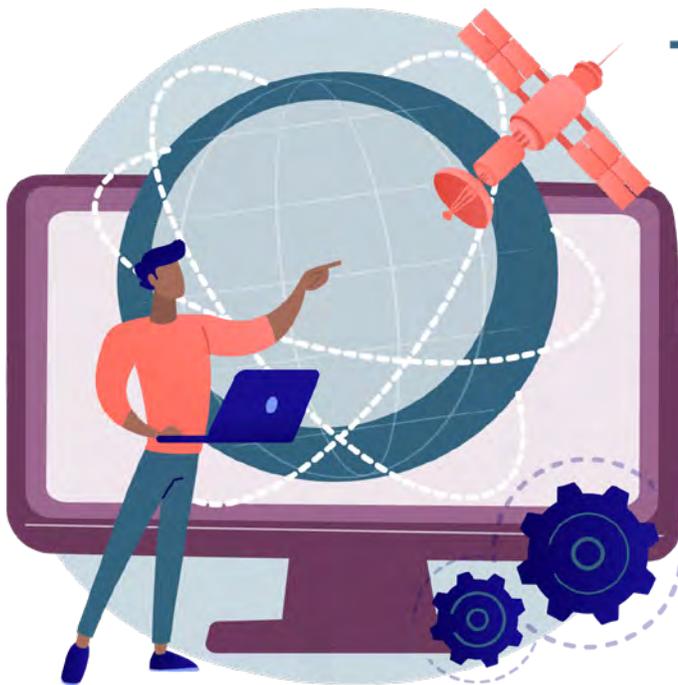
Colorado is also home to 50% of our nation's Space Force, providing some of our nation's most critical space capabilities. The capabilities include precision navigation and timing signals (GPS), ballistic missile threat detection and warning, space domain awareness, and communications systems. These capabilities are enabled by a significant defense space infrastructure and a world-class innovative and thriving aerospace business ecosystem.

Colorado is the home for the U.S. Northern Command (USNORTHCOM), North American Aerospace Defense Command (NORAD), and the U.S. Space Command (USSPACECOM), Space Force Operations Command (SpOC), three of six U.S. Space Force bases, and the U.S. Air Force Academy.

Recently, Colorado was named the permanent home of the U.S. Space Command (USSPACECOM). This allowed USSPACECOM to capitalize on the state's vibrant aerospace ecosystem and achieve Full Operational Capability (FOC).

Colorado is also home to the Space Force's Space Domain Awareness (SDA) Lab. This lab brings together companies to collectively solve the SDA effort, a complex challenge that no one company or technology can solve. The lab is growing fast with over 40 companies and institutions currently helping.

In FY 23-24, OEDIT awarded 10 Advanced Industry Grants and four STEP grants to aerospace/defense companies and contracted Job Growth Incentive Tax Credits which could create 3,922 new jobs at aerospace/defense companies. Additionally, the Department of Defense added 1,700 permanent positions to the state.



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Colorado's aerospace ecosystem ranks  
**#1 per capita**

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Aerospace employment increased  
**26.3% over the past five years**

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The Aerospace and Defense industry attracted federal contracts at a record pace this past year, **winning over \$23 billion in federal contracts**, another **\$12.5 billion economic impact** from our military bases, and **\$3.4 billion to our federal labs**

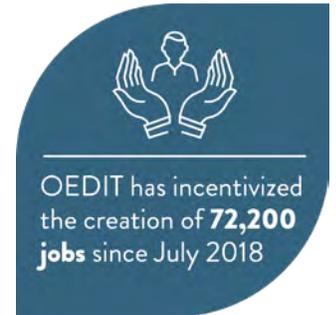
## BUSINESS RECRUITMENT, RETENTION & EXPANSION

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 Job Growth 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 jobs that meet or exceed salary requirements over eight years. Under the Job Growth Incentive Tax Credit and Strategic Fund Programs, OEDIT has incentivized the creation of 72,200 jobs since July 2018.

Projects have returned to their pre-pandemic schedule of identifying and choosing 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 Job Growth Incentive.



### ***Notable Global Business Development Projects***

<b>Company</b>	<b>Project</b>	<b>New Jobs</b>	<b>Region of Interest</b>
<b>AEROSPACE</b>			
Boecore	Bullseye	600	Region 4 - Colorado Springs
Beyond the 600 jobs projected in space and missile work, Boecore plans to nearly triple its office space by moving into a 17,000-square-foot facility. Boecore also plans to build a large sensitive compartmented information facility (SCIF), where officials and government contractors can review highly classified information.			
<b>ENERGY &amp; NATURAL RESOURCES</b>			
MSW Recycler	Molecule	90	Region 2 - Weld County
MSW Recycler has selected Colorado to construct a used tire recycling facility that will produce, among other materials, biofuels, carbon black, and base metals used in manufacturing.			
<b>FOOD &amp; BEVERAGES</b>			
Shelter Distilling	Chapter	40	Region 10 - Montrose
Operator and owner of a spirits distillery that produces spirits, canned cocktails, and canned beer along with a food joint that serves snacks and appetizers, enabling consumers to taste freshly crafted beer and other spirits as well as indulge in a variety of outdoor dining options.			
<b>INFORMATION &amp; TECHNOLOGY</b>			
Invictus International Consulting	Stronghold	130	Region 4 - Colorado Springs
Provider of cyber security consulting services intended to protect the nation’s global defense and critical infrastructure. The company offers a wide range of services in four main areas including cybersecurity, enterprise information technology, intelligence analysis and software development, enabling U.S. Government and commercial customers to intelligently classify and red flag suspicious behavior.			
<b>INFORMATION &amp; TECHNOLOGY</b>			
Goose Gear	Geese	49	Region 11 - Grand Junction
Goose Gear is a manufacturer of custom storage and camping solutions intended for overland expeditions. The company’s product range includes overland gear and supplies, off-road camping gear, storage systems, vehicle drawers, and more, that are capable of meeting the needs of the demanding environments faced during local or world-traveling and off-road adventures.			
Alquist 3D	Innovate CO	79	Region 2 - Greeley
Developer of a three-dimensional printed home construction technology designed to address the inequitable housing market. The company’s construction technology uses cutting-edge technology to create homes, buildings, and other structures aimed at decreasing the cost of houses and solving the housing crisis, enabling economically distressed and underserved communities with a safe, affordable place to call home.			
Spectrum AMT	Da Vinci	100	Region 4 - Colorado Springs
Provider of product development and manufacturing services catering to aerospace, medical, industrial, and commercial marketplaces. The Company produces complex cables, harnesses, satellite buses, and other electronics products.			
Scythe Robotics	Eldorado	394	Region 3 - Longmont
Developer of intelligent autonomous robots designed to tackle challenges in unstructured outdoor environments. The company’s robots are based on emission-free machines to handle the mowing with all-day battery life and high-torque electric motors, enabling clients to avoid damaging sensitive turf and keep progressing quickly through their work.			

## SEMICONDUCTORS

The federal government has made domestic development of advanced technology a prime focus with legislation like the Investment in Infrastructure and Jobs Act (IIJA), Inflation Reduction Act (IRA), and Creating Helpful Incentives to Produce Semiconductors and Science Act (CHIPS Act). Together these amount to a \$2 trillion investment in American advanced industries. Semiconductors, as the fundamental enabling technology that underpin the modern world, have become a focal point of this national industrial policy. As such, the CHIPS Act and its counterparts represent a once-in-a-generation opportunity for the State to spur local investment, employment, and development of new technologies.

Colorado is a leader in advanced technologies and an integral part of the global semiconductor ecosystem. In fact, Colorado—and particularly the Front Range from Fort Collins to Colorado Springs—is among a handful of places in the U.S. with a strong concentration of semiconductor manufacturing and design. A thriving local network of industry leaders and research institutions operate across segments of the value chain and enable clusters of downstream advanced industries in the state, such as aerospace, bioscience, and cleantech.

This ecosystem is primed to benefit from the federal investments—especially CHIPS—and the Semiconductor Industry Manager is working to ensure those benefits are realized locally.

In FY 23-24, the Semiconductor Industry Manager completed the following actions:

- ▶ **Program Policies and Procedures:** The Colorado CHIPS Refundable Tax Credits and CHIPS Zones were established by HB23-1260, in March 2023. The Semiconductor Industry Manager managed the development of new policies and procedures, including deadlines, applications, and evaluation mechanisms.
- ▶ **Colorado CHIPS Zones:** Established the first two CHIPS Zones in Colorado, in Fort Collins (July 2023) and Longmont (February 2024). Companies operating in the zones include AMD, Broadcom, NVIDIA, Micron, HP, Intel, Seagate, and others. At least four other localities have expressed interest in forming zones within their jurisdictions. CHIPS Zones give semiconductor companies operating within a zone access to five existing Enterprise Zone Credits that they would not be able to access otherwise.
- ▶ **Colorado CHIPS Refundable Tax Certificates:** Awarded the first two Refund Certificates through the program, to Microchip and Entegris (both December 2023). See table below for more detail. At least four other semiconductor companies have expressed interest in earning the refundable credits.
- ▶ Traveled to SEMICON Europa, SEMICON Korea, and Taiwan to develop ties with the global semiconductor community.
- ▶ **Colorado CHIPS Community Support Program:** Completed Cycle 1 by the end of FY 23-24. The program includes a suite of three grants to help communities identify, invest in, and market assets that will make them more competitive for semiconductor and advanced industry operations.
- ▶ Hosted the Colorado Semiconductor Workforce and Innovation Forum.
- ▶ Hosted inbound delegation of 27 Taiwanese businesses and organizations in semiconductors/quantum/ photonics.
- ▶ Exhibited at SEMICON Taiwan and brought three companies to exhibit and pursue connections.

## CHIPS Refundable Tax Credits Awarded

Company	Project	New Jobs	Region of Interest
Microchip	Hydrogen	371	Region - Colorado Springs
<p>Microchip Technology Incorporated is a leading provider of smart, connected and secure embedded control solutions. The company's solutions serve more than 125,000 customers across the industrial, automotive, consumer, aerospace and defense, communications and computing markets. Its Colorado Springs facility—Fab 5—is focused on 8-bit microcontrollers and silicon carbide power devices and employs about 850 workers.</p> <p>Project Hydrogen will see a \$900 million expansion over the next decade that will add almost 400 workers. The project will encompass five distinct expansions that will increase the output of products by three to seven times current capacity.</p> <p>With the help of this Refund Certificate, Microchip was successful in securing an agreement with the CHIPS Program Office for \$90 million. This was part of the second announced award from the CHIPS direct funding program.</p>			
Entegris	Helium	600	Region - Colorado Springs
<p>Entegris is a leading manufacturer of equipment, products, advanced materials and solutions critical for the semiconductor, life sciences, and other high-technology industries. Its broad range of products are essential to the semiconductor fabrication process. It has been in Colorado Springs for over three decades and currently employs over 300 workers there.</p> <p>Project Helium includes a multi-facility construction of state-of-the-art manufacturing space totaling 680,000 sq. ft. on a greenfield site in Colorado Springs. The new space will house several of the company's essential product lines and will support investments in the Mountain West region from large-scale semiconductor customers like Intel, TSMC, Samsung, and Micron.</p>			

## GLOBAL DIPLOMACY

Promoting investment and trade in Colorado relies on developing relationships fostered through 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. Through maintaining contacts with these organizations, GBD increases the likelihood of Colorado being recommended as an ideal destination for migratory or expanding businesses.

To accomplish this, 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 elevate the profile of Colorado's outstanding business ecosystem internationally. 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 of senior foreign government and/or business representatives. The goals of these delegations generally focus on developing stronger bilateral ties, identifying business and investment opportunities in the state, understanding Colorado's economic growth initiatives, and discussing future economic engagement opportunities, such as formal trade missions. In FY 23-24, GBD hosted diplomatic visits from 35 different countries.

Following the slow travel period due to border closures and travel restrictions due to the pandemic, a massive increase of in-person foreign delegation visits to Colorado has taken place. The loosening of travel restrictions from East Asia (Japan, South Korea, Taiwan) and Oceania (Australia, New Zealand) led 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 highlight visits from countries that OEDIT finds most strategically significant to increasing Colorado's global competitiveness:

- ▶ **Summits and Conferences:**
  - **Consulate Road Show:** GBD also regularly engages with foreign consulates and trade offices with

jurisdiction over Colorado throughout the United States to understand economic and political trends in each market and promote Colorado as a destination for high profile delegation visits. In FY 23-24, GBD met with representatives of 29 different countries based in Houston, Los Angeles, and San Francisco.

- **Colorado-Iceland Clean Energy Summit:** The Colorado Energy Office and GBD co-hosted the “Our Climate Future: Colorado-Iceland Clean Energy Summit” in Denver with Denver Economic Development & Opportunity, Green by Iceland, and the Embassy of Iceland in Washington D.C. Local attendees were accompanied by a visiting delegation of 20 Icelandic companies and officials specializing in international geothermal and CCUS projects. At the summit, government officials, energy industry leaders, businesses, and other stakeholders from both Colorado and Iceland highlighted advancements in technology and explored collaborative opportunities to accelerate the transition to clean energy. Speakers included Governor Jared Polis, Colorado Energy Office (CEO) Executive Director Will Toor, Energy and Carbon Management Commission (ECMC) Director Julie Murphy, and Iceland’s Ambassador to the U.S. Berdís Ellertsdóttir.
- **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 Spain, New Zealand, Australia, Italy, Finland, Norway, the United Kingdom, Germany, the European Union, Canada, and Japan.

► Partnership Agreements:

- Memorandums of Understanding (MOU): Our division typically does not enter MoUs with other countries unless there is a clear path of action. Currently, the State of Colorado has an active MoU with Finland and GBD is helping lead discussion of MoUs with the United Kingdom and New Zealand.
- Finland MOU: A Memorandum of Understanding (MoU) 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. Follow-up is ongoing and currently focuses on the development of industry-led working groups, policy dialogue, and bilateral delegation visits. Since the execution of this agreement, Finland has brought two business delegations to Colorado led by Ambassador Hautala. A Finnish Photonics company, Vexlum, which makes high-powered lasers used by Colorado clients such as the NIST federal lab, opened their U.S. Headquarters in Broomfield during the most recent Finnish delegation visit. In 2022, GBD brought a quantum focused delegation to Helsinki and plans to bring a green economy focused delegation again in November 2024. In addition, Governor Polis led an Investment mission to the Nordics in June 2024, where Finland was featured as a market stop.
- Appointed Official engagements with: Denmark, El Salvador, Germany, Iceland, and New Zealand
- Ambassadorial Delegations: Australia, Bahrain, and Thailand
- Consul-General Visits: Finland, France, Germany, Ireland, Israel, Korea, Luxembourg, Netherlands, Norway, Peru, South United Kingdom, Spain, and Vietnam
- Foreign Business Delegations: AmCham Australia, American Chamber of Commerce, China, German, Israel Water Delegation, and Taiwan
- Formal tech commercialization agreement with the Government of Finland, focusing on quantum, aerospace, and cleantech sectors.

## ***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 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, the programs are similar in terms of how qualified companies are screened. 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 that is commercialized and ready to export
- ▶ Have their headquarters or employ at least 50% of employees in Colorado

This year, OEDIT, in collaboration with the Colorado Department of Agriculture, received \$700,000 in funding under the State Trade Expansion Program (STEP). STEP helps small and medium-sized companies begin or expand export sales. The grant funded 54 companies in Colorado to support their international business development activities.

AI Export supports advanced industry small and early stage companies beginning or expanding their export sales. This grant funded 18 companies in Colorado to support their international business development activities.

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

- ▶ 2023 Green Expo Trade Show, Mexico
- ▶ 2024 Photonics West Trade Show, California
- ▶ 2024 Arab Health Trade Show, United Arab Emirates
- ▶ 2024 Singapore Airshow, Singapore
- ▶ 2024 JEC World Trade Show, France
- ▶ 2024 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 utilized the program.

## ***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:** a 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:** a 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:** a 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. This can include plugging into relevant ecosystems, innovation institutes, universities, science parks and other clusters.

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:

- ▶ **2024 Governor’s Mission to the Nordics (Denmark, Sweden and Finland):** In June 2024, members of GBD curated, organized and executed an investment mission led by Governor Jared Polis to Copenhagen, Denmark; Stockholm, Sweden; and Helsinki, Finland to conduct company, ecosystem and academic leadership meetings to explore investment opportunities and joint collaborations. The mission focused on strengthening existing ties with the Nordics region and understanding key industry developments in these markets specifically in the fields of quantum, renewable energy, and environmental monitoring. Weaved throughout the programming, there was a focus on supportive innovation ecosystems, the triple helix model, and support for companies at all stages of development. High level metrics of the mission included:

- Eight high-profile government engagements; three academic engagements; three investment promotion events; three company pitch events with business development leads; two investor relations meetings
- Followup discussions are ongoing with the governments and stakeholders from each market focusing on industry development, expansion into the U.S. market, and bilateral follow up delegations to/from Colorado.

- ▶ **2024 Market Discovery Mission to Barcelona, Spain:** In March, GBD’s newly developed market engagement role curated, planned and executed a “market discovery mission” to Spain in collaboration with the Trade Commission of Spain in Los Angeles. This trip focused on green energy, startups/venture capital and innovation, innovative housing, and advanced technologies. This trip was specifically designed to connect with ecosystems, university partners and their tech transfer offices, and incubators/accelerators. The goal was to elevate the profile of Colorado in Spain, but also to understand Barcelona’s startup ecosystem and study how startups and innovation are supported in Spain.



- ▶ **2024 Singapore Airshow:** In 2024, the Aerospace and Defense Industry Manager, International Export trade manager, the director of GBD, and members of the business development team attended the Singapore airshow alongside four Colorado companies. In addition, business development meetings were held with a focus on robotics, semiconductors and quantum.
- ▶ **2024 Taiwan and South Korea Market Discovery Mission:** In January 2024 GBD’s semiconductor industry manager and market engagement manager curated, planned and executed a trip to Taipei to explore the bioscience and semiconductor ecosystems. This trip also served as a soft advance for upcoming larger missions, where early and important connections were made with government, academic and business leadership.
- ▶ **2023 Fact-Finding Mission to Argentina and Chile:** In August 2023, OEDIT’s Global Business Development team led a targeted fact-finding mission to Chile and Argentina. The mission’s focus was climate smart technologies, specifically around agriculture tech and cleantech, and included a concerted effort to engage our rural economic development partners. The delegation of six comprised of senior GBD staff and executive directors of Logan, Weld, and Yuma counties. The fact-finding mission covered a lot of ground in a short period of time: reaching two country markets, 25 company introductions including four company site visits, and 10 engagements with ministry offices, research institutions, venture capital firms, and technology associations.

## 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.

New this past year, Strategy & Analytics (S&A) added a data-specific role to support improved data management, analysis, and strategic communication needs of the S&A team. Although the Data Visualization Manager (DVM) has not fundamentally changed the content of S&A’s work, he has helped to identify areas for improvement, including data acquisition, warehousing, and sharing. On the data acquisition front, the DVM has helped to streamline the procurement of international trade data by recommending the replacement of WiserTrade with free data services from USA Trade Online (U.S. Census Bureau) and UNCTAD (UN Trade and Development), for state and global trade flows, respectively. Furthermore, the DVM has initiated the process of evaluating key public data providers—USA Trade Online, U.S. Census Bureau, UNCTAD, BEA, BLS, and others—to implement API access. This improvement holds much promise to greatly facilitate the acquisition of time-sensitive socio-economic data with an essentially automated process.

In an ongoing effort to integrate multiple data management functions and build a more accessible, interactive, and adaptable presentation of data for GBD and OEDIT staff, the DVM has leveraged Tableau Server to pilot an expanded collection of Tableau Dashboards and virtual Fact Sheets. Featuring a custom user interface, GBD’s new “data intranet” aggregates strategically important data including top-line state economic indicators, trade and FDI, workforce development, and prominent third-party rankings, as well as complementary data (e.g. State Dynamism Index, state sustainability indicators, etc.) in a single place. This platform is readily expandable and includes a section that will soon showcase additional executive dashboards to track and communicate the impact of OEDIT’s many programs and incentives.

From late 2023 into early 2024, the DVM led OEDIT’s co-production of the Quantum Sizzle, a 10-minute promotional video (and nine shorter social media edits) of the full-length “Quantum State” video produced by OEDIT and Janicek Media in 2022. This project required the DVM to collaborate closely with Elevate Quantum Colorado members, multiple OEDIT departments (Marketing and Communications, Office of Film, TV, and Media), and GBD staff to deliver a series of high-quality promotional videos featuring new interview footage and updated data (from BCG and other sources) to better represent the breadth, depth, and dynamism of Colorado’s Quantum Information Systems Technology ecosystem and support Elevate Quantum Colorado in its phase II application to the EDA for federal funding as a Quantum Tech Hub.

Below are additional details of some of S&A's typical roles:

### ***Strategic***

S&A produces GBD's FDI Attraction and Export Promotion Strategies. 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.

### ***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.

## **FUTURE INITIATIVES**

Colorado has been a leading economy since the Great Recession, outperforming most other states in terms of employment, labor force, population, and GDP growth. 2023 marked a slowdown in Colorado's growth in economic measures such as employment, while also remaining strong in others such as labor force participation and unemployment rates. When looking at job growth in Colorado's key industries, the average annual job growth over the last five years outpaced U.S. average growth in eight industries including Bioscience, Aerospace, Information & Technology, and more. While job growth is one important indicator of an economy's strength it is also important to note that Colorado's diverse entrepreneurial economy continues to perform well, particularly when looking at measures such as business starts, venture capital activity per capita, and dynamism.

Based on data feedback from a business sentiment survey and externally conducted rankings, Colorado's reputation as a top business economy is strong but facing some recent decline. The GBD team will focus on promotional efforts and external engagements to extend our presence in the business community and strengthen our reputation. Specific actions to come in the next year include:

- ▶ Review and reclassification of OEDIT's 14 Key Industries.
- ▶ Increased integration into Salesforce for contact management and reporting.
- ▶ Development of dynamic databases including API connections to data sources.
- ▶ Staff capacity building in trade show execution, skills development, and language proficiency.
- ▶ Participation in two trades new to the current GBD team, including expansion into emerging markets such as the Philippines.

- ▶ Focusing on increasing in-bound foreign delegations to the state through diplomatic, ecosystem, and business development effort.

## THE GBD TEAM

The Colorado Office of Economic Development & International Trade’s Global Business Development Team has the following 15 members:

- ▶ Global Business Development Director: Michelle Hadwiger
- ▶ Project Manager: Lynne Paris Ray
- ▶ Aerospace & Defense Industry Manager: General Robert “Surf” 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: Dana Bakshani
- ▶ Global Business Development Manager: Elise Hamann
- ▶ Semiconductor Industry Manager: Dan Salvetti
- ▶ Strategy and Analytics Senior Manager: Rachel Rose
- ▶ Senior Diplomacy Manager: Christian Thomas
- ▶ Market Engagement Manager: Caitlyn Roth
- ▶ Data Visualization Manager: Bill Germain

# ADVANCED INDUSTRIES ACCELERATOR GRANT PROGRAM

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Annual Report  
Fiscal Year 2023-2024



Advanced industries (AI) are key drivers of the U.S. and Colorado economies. They are engineering and R&D-intensive companies, and deliver products and services in a wide range of markets, from aerospace to robotics to medical devices. Colorado's AIs include aerospace, advanced manufacturing, bioscience, electronics, energy and natural resources (including cleantech), infrastructure engineering, and technology and information. Together, they account for nearly 30% of the state's total wage earnings, around 30% of total sales revenue, and almost 35% of the state's total exports.

To ensure the progression of this vital aspect of Colorado's economy, the AI Accelerator Program was created in 2013. This initiative promotes growth and sustainability in these industries by driving innovation, commercialization, and public-private partnerships while also increasing access to early-stage capital and creating a strong infrastructure that enhances the state's capacity to be globally competitive.

The AI Accelerator Program offers five funding assistance opportunities to support AI companies in their various phases of growth. They include the Proof of Concept Grant, Early-Stage Capital and Retention Grant, Collaborative Infrastructure Grant, Export Accelerator Grant, and the Global Consultant Network.

## PROOF OF CONCEPT GRANTS

Proof of Concept (POC) grants fund research with a commercial application at Colorado research universities, federal labs located in Colorado, and other Colorado labs with valid technology transfer offices. Funding helps pull technologies from the research institutions where they were discovered and connect them to the private sector where they can be developed into commercialized products. This acceleration of applied research leads to the rapid commercialization of products and services and provides significant economic impact and competitive advantage for Colorado and the Advanced Industries.

Grants support the commercialization of technologies at research institutions at two distinct stages along the commercialization pathway: pre-commercial research and commercialization preparation. Pre-commercial research includes proof of principle studies and other studies on intellectual property and resulting prototypes that demonstrate the utility of a technology for a specific application. Commercialization preparation includes the process of creating a commercial opportunity assessment for a technology and the development of a commercialization plan.

In FY 23-24, 52 POC grants were awarded to researchers at Colorado research institutions, bringing cutting-edge technologies closer to market. Since the program's inception, 422 POC grants have been funded. Below are examples of two success stories.

### UNIVERSITY OF COLORADO BOULDER, FERROELECTRIC NEMATIC MATERIALS FOR ELECTRONIC ELECTRO-OPTICS APPLICATIONS

This project, led by the University of Colorado Boulder Co-Inventor Matthew Glaser, was awarded a \$93,750 POC Grant in FY 21-22. The aim of the project was to develop ferroelectric nematic liquid materials for use in photonics devices. The combination of strong nonlinear optical effects, easy macroscopic polar alignment, thermodynamic stability of the polar state, and proven compatibility with cheap and scalable manufacturing processes make these materials ideal candidates for high-speed electro-optic photonics applications.

Broomfield, Colorado company Polaris Electro-Optics, Inc. was formed by the research team at the University of Colorado Boulder to commercialize this technology, and they have obtained an exclusive license to existing and future patents on this technology. Polaris Electro-Optics was awarded a \$250,000 Early Stage Capital and Retention Grant in FY 23-24 to continue the technological development and commercialization.

## **COLORADO SCHOOL OF MINES, ADDITIVE MANUFACTURING OF HIGH-PERFORMANCE SOLID ROCKET PROPELLANT**

This project, led by Colorado School of Mines Associate Professor Veronica Eliasson, was awarded a \$150,000 POC Grant in FY 22-23. The aim of the project is to build a cost-effective, multi-material additive manufacturing process to deposit selective porosity propellants, thereby increasing the maximum possible loading density, enabling control over burn profiles, and increasing overall system efficiency.

Since receiving the grant funding, the additive manufacturing platform has been assembled and continues to be modified and tailored for manufacturing energetics. The research team has obtained \$2.1 million in federal funding to support the development of the technology, and plan to generate and deliver componentry for other energetic additive manufacturing systems.

## **EARLY STAGE CAPITAL AND RETENTION**

Early Stage Capital and Retention (ESCR) grants fund companies commercializing proven, disruptive technologies that meet a market need. Grants support technology commercialization by funding product development in preparation for a product launch or the advancement of a product or technology to achieve a commercial milestone that significantly increases the company's value and stability and better positions the company for follow-on investment, including through the federal Small Business Innovation Research program, angel funding, or venture capital. The resulting product or service must be manufactured or performed in Colorado.

Grant funding does not compete with existing marketplace funding opportunities, but rather supplements and fills an existing void for capital as the market's tendency is to under-invest in early stage technologies. ESCR grants allow early stage businesses to complete commercial activity such as production, sales and distribution, and business growth. Funds can be used to support direct project expenses.

In FY 23-24, 59 ESCR grants helped Colorado companies further advance their commercialization efforts. Since the program's inception, 474 Colorado companies have been funded. Below are examples of two success stories.

### **DRIVEN PLASTICS, PUEBLO, COLORADO**

Ecologic Materials, LLC dba Driven Plastics was awarded a \$500,000 ESCR Grant in FY 20-21 to commercialize an asphalt binding technology for high-performing, cost effective, and sustainable roadways. This proprietary process repurposes three tons of single-use plastic waste per lane mile of road, solving the toxic plastic waste problem while accelerating the ability to deal with crumbling and costly road infrastructure.

To date Drive Plastics has collected 120 tons of plastic waste in the County of Pueblo, which is equivalent to 19 million grocery bags. Of this plastic waste, 56 tons have been transformed into ten roads and three parking lots. Driven Plastics is expected to recycle 250 tons of plastic waste in 2024, and projects recycling 600 tons in 2025.

### **IONTRA INC, CENTENNIAL, COLORADO**

Iontra was awarded a \$250,000 ESCR Grant in FY 21-22 to commercialize a breakthrough charge control algorithm that significantly improves the performance, cost, and safety of all lithium and zinc battery systems. It enables the battery system to achieve up to four times faster charging and up to three times longer cycle life.

In April 2024 Iontra and Salom Europe Limited, a global leader in supply solutions and battery chargers, announced a strategic partnership to bring Iontra’s technology in Salom charger designs. This partnership will enable broader adoption of Iontra’s technology. Additionally, Iontra has raised \$80 million in private investment to date. Most recently the company raised \$67 million in Series B funding.

# COLLABORATIVE INFRASTRUCTURE GRANTS

In order to align private industry and Colorado Research Institutes, Collaborative Infrastructure Grants help fund projects that substantially build or utilize existing infrastructure to support or enhance the commercialization of AI products, assist AI start-ups with mentoring or access to outside capital, or contribute to the development of an AI workforce.

Collaborative Infrastructure grants are used to assist in the implementation and execution of action items identified in Advanced Industries Strategic Plans, as developed through the Colorado Blueprint Key Industry Network initiatives in 2013. Collaborative Infrastructure Grants may also be used to assist the implementation of newly identified action items that are needed to accelerate such advanced industries, and to leverage federal funding opportunities that address a specific need or gap in the industry.

In FY 23-24, two Collaborative Infrastructure grants were awarded. Since the program’s inception, 47 Collaborative Infrastructure grants have been funded. Below is an example of a success story.

## INNOSPHERE VENTURES, FORT COLLINS, COLORADO

Innosphere Ventures was awarded a \$500,000 Collaborative Infrastructure Grant in FY 20-21 to develop a 7,500 square foot lab space in Northern Colorado for startups in the advanced manufacturing, bioscience, and energy and natural resources industries. This specialized laboratory space filled an acute need in the region for tech-based startup companies.

With the grant funding, Innosphere Ventures completed the lab and reached 100% occupancy within three months of finalizing the construction and receiving their certificate of occupancy. The companies occupying the lab lease 420-500 square feet of private laboratory space at a subsidized rate. They also have access to a shared equipment room. In the FY 23-24 reporting period, the companies created 16 jobs, retained 50 jobs, and leveraged \$1,200,000 in private investment and federal grants.

# GRANTS AWARDED

The AI Accelerator Program’s statute requires an allocation of at least 15% of funds to POC grants, 15% of the funds to ESCR grants, and up to 15% of the funds to Collaborative Infrastructure grants. The table below summarizes all grants awarded in FY 23-24.

Grant	# of Awards	\$ Awarded	Jobs Created	Jobs Retained	New Companies Created	Follow- On Capital	IP	Projected Annual Revenue	Capital Investments
Proof of Concept	52	\$5,488,487	11	21	5	\$1,900,000	12	\$500,000	\$849,851
Early Stage Capital and Retention	59	\$14,447,568	40	98	1	\$24,359,000	8	\$7,393,677	\$1,485,010

Grant	# of Awards	\$ Awarded	Jobs Created	Jobs Retained	New Companies Created	Follow- On Capital	IP	Projected Annual Revenue	Capital Investments
Collaborative Infrastructure	2*	\$1,999,789	0	0	0	\$0	0	\$0	\$0
<b>Total</b>	<b>113</b>	<b>\$21,935,844</b>	<b>51</b>	<b>119</b>	<b>6</b>	<b>\$26,259,000</b>	<b>20</b>	<b>\$7,893,677</b>	<b>\$2,334,861</b>

\*This grant was awarded but not executed in FY 23-24, therefore there is no data for the FY 23-24 report.

Since the program’s inception in 2013, \$172,820,269 in Advanced Industries grants have been funded. To date, the program successes include the creation of 5,888 new jobs and approximately 6,011 jobs retained. Additionally, these funds have helped the technologies acquire an additional \$3,453,328,254 in grants and investments to commercialize further.

## ADVANCED INDUSTRY EXPORT ACCELERATOR

The Advanced Industry (AI) Export Grant provides financial assistance for aspiring (new to export) and current (market expansion) Colorado exporters. The grant program supports small and medium-sized AI businesses through funds to offset international business development and marketing costs. Qualified expenditures include:

- ▶ Conducting due diligence or credit reviews on potential buyers or distributors;
- ▶ Costs for exhibiting at an international trade show;
- ▶ Legal fees related to intellectual property protection abroad and compliance/regulatory issues;
- ▶ Travel-related costs for international sales trips and trade shows; and
- ▶ Translation services for contracts;

International business development grants provide expense reimbursements to businesses that are new to exporting or are expanding into new export markets, helping them to grow and accelerate their businesses. OEDIT reimburses up to \$15,000, and Colorado businesses provide a 1:1 match for specific international export development needs.

Additionally, AI Export funding is used to support the Global Consultant Network (GCN). GCN provides a network of international consultants who connect Colorado companies to global opportunities. Colorado companies have access to international consultants that provide valuable in-country market research for major strategic markets, including Australia, Brazil, Canada, France, Germany, India, Indonesia, Japan, Malaysia, Mexico, the Netherlands, Philippines, Spain, Thailand, and the United Kingdom. These consultants can assist Colorado companies to:

- ▶ Identify potential in-market partners
- ▶ Navigate the local regulatory and business environment
- ▶ Set meetings with potential partners and attend meetings upon request
- ▶ Understand the opportunity for a product or service in the international market

AI Export funding offsets the cost of the services for eligible Colorado companies.

AI Export grants and GCN services were awarded to 32 Colorado companies to advance Colorado exporting in FY 23-24. Since the program’s inception in 2013, 210 Colorado companies have been funded. The table below summarizes all grants awarded in FY 23-24.

## GRANTS AWARDED

Status	Program	# of Awards	\$ Awarded	Jobs Created	Jobs Retained	Immediate Export Sales	Projected Export Sales after 1 year
Active Grants	Export Accelerator	32	\$154,596	15	75	\$1,078,487	\$11,191,250

OEDIT tracks companies' export sales, jobs created, and the nature of the jobs created resulting from the AI Export Acceleration Program grants. Return on investment (ROI) for the state is calculated by tracking total actual export sales and dividing this by every dollar the state spends on international business development grants. As of September 2024, the program had an initial ROI of 1-7. The three stories below show successful international activity leading to job creation and business growth.

### FISCHER MEDICAL, WHEAT RIDGE, COLORADO

Fischer Medical produces Cardiac Simulators and is based in Wheat Ridge, Colorado. They used the AI Export Grant to attend the Heart Rhythm Society trade show in May of 2024.

They obtained HealthCanada regulatory clearance of their latest device and were able to make their first sales into the market. While at the show, they were able to meet with Latin American customers, one of their target markets, and furthered their partnership with a Dutch-German company, which could lead to EU market entry. Additionally, they shipped their first new system to a Canadian hospital and are pursuing additional Canadian accounts.

Fischer Medical's actual sales from this AI Export funded activity were \$198,838 with a projected figure of \$256,250 in the next year.

### RESOURCE WEST, INC, GRAND JUNCTION, COLORADO

Resource West, Inc is a wastewater evaporation equipment company that assists in the mining industry. They are based in Grand Junction, Colorado.

They used the AI Export grant to attend the EXPONOR trade show. Due to the show, they have shipped out a unit to a mine in Santiago, Chile that will be looking at purchasing 40-60 more units in the future. Resource West has strategically placed distribution centers in Chile to assist in providing high-quality evaporation equipment around the world and will be creating their own distribution center in Chile.

Resource West's actual sales from this AI Export funded activity were \$50,000 with a projected figure of \$2,000,000 in the next year.

### CLICK MEDICAL LLC, STEAMBOAT SPRINGS, COLORADO

Click Medical is based in Steamboat Springs and produces RevoFit Lamination Kits that are fabricated into prosthetics.

They utilized the Global Consultant Network for lead generation at the Arab Health trade show in 2024. As a result of these leads, they were able to introduce their products to the middle east region and secured new orders. This experience also helped them understand the process of importing medical devices in the region.

Click Medical's actual sales from this activity were \$40,000 with a projected figure of \$100,000 in the next year.

# III.

## BUSINESS SUPPORT

The Business Support Division was established in 2019 at the start of Governor Polis's first term in office. The division was created to facilitate better coordination, collaboration and to reduce duplication amongst the following offices as they serve Colorado's small business clients:

- Small Business Development Center Network;
- Minority Business Office;
- Employee Ownership Office; and
- Cannabis Business Office.

In fiscal year 2022-2023, the Business Support Division activated a shared Learning Management System to offer high quality online educational courses for use by all of the division's offices with their clients.



# BUSINESS SUPPORT SERVICES & HIGHLIGHTS

## SMALL BUSINESS DEVELOPMENT CENTER NETWORK

### *Overview*

Small businesses are fundamental to Colorado’s communities, from the Western Slope to the San Luis Valley and from the Front Range to the Eastern Plains. They are integral to job creation, economic vitality, and community well-being, offering access to essential goods and services while fostering unique community identities.

The Colorado Small Business Development Center (SBDC) Network is dedicated to nurturing these enterprises, providing resources and support to entrepreneurs as they navigate the complexities of starting, expanding, sustaining, and exiting their businesses. Through a network of regional service centers, the SBDC delivers no-cost, confidential consulting services and no- or low-cost training programs, empowering small business owners to realize their full potential. Additionally, SBDC staff facilitate connections to valuable programs and funding opportunities offered by partners such as the Colorado Office of Economic Development and International Trade (OEDIT), which also serves as the host for the network.

Each regional service center is hosted by a higher education institution, local or regional government institution, business incubator, or economic development organization. These partners offer SBDC staff physical locations to serve businesses and foster opportunities for the centers to build relationships and develop strategic partnerships within communities.

The SBDC is a network of people, organizations and institutions working to create a legacy of resilient businesses and vibrant communities. When Colorado’s small businesses thrive, so does our state.

### *SBDC Lead Center & Service Centers*

Funded through a cooperative grant agreement with the U.S. Small Business Administration (SBA), the Colorado SBDC Network is a partnership between the State of Colorado, OEDIT, the SBA, Colorado’s institutions of higher education, local governments, local economic development organizations, and local chambers of commerce. The SBDC Lead Center, hosted by OEDIT, oversees the Colorado SBDC Network, made up of 14 Service Centers and 27 satellite offices covering every county in the state.



## SBDC Network Impact

As small business owners navigate a rapidly changing landscape, the Colorado SBDC Network supports clients as they launch, grow, and exit their businesses, all while contributing to their local communities and the state's economy. The table below reflects the small business clients the Colorado SBDC Network supported from July 1, 2023 - June 30, 2024:



## SBDC Network Services

The SBDC Network offers no-cost, confidential one-to-one consulting at any of our statewide, community-based centers. SBDC consultants provide aspiring and current small business owners training in a variety of areas, including but not limited to: business plan development, manufacturing assistance, marketing and online presence, financial management, technology development, access to capital, exporting and importing support, disaster recovery assistance, and market research.

In addition to individual consulting sessions, the SBDC Network also served 22,410 clients through 1,820 events, courses, and trainings that were conducted online, in person, and in a hybrid format. Some of those fall into the specialized programs highlighted below.



## TechSource

The Colorado SBDC Technology Program (SBDC TechSource) maximizes 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 categories:

- ▶ Category one (Innovate) assists innovative and technology driven companies through expert 1:1 consulting and relevant tech programs.
- ▶ Category two (Integrate) is focused on assisting all companies in the utilization of technology to enhance business outcomes.

SBDC TechSource surpassed its annual goals of supporting entrepreneurs in applying for and obtaining Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) grants, non-dilutive funding programs that support the development of their ideas and chart a path toward commercialization.

SBDC TechSource accomplished the following from July 1, 2023 - June 30, 2024:

New Business Starts	New Jobs Created	Jobs Retained	Capital Formation	# of Contracts	Increased Sales	Contracts Total \$
3	44	78.5	\$20,104,006	17	\$8,026,800	\$19,249,000

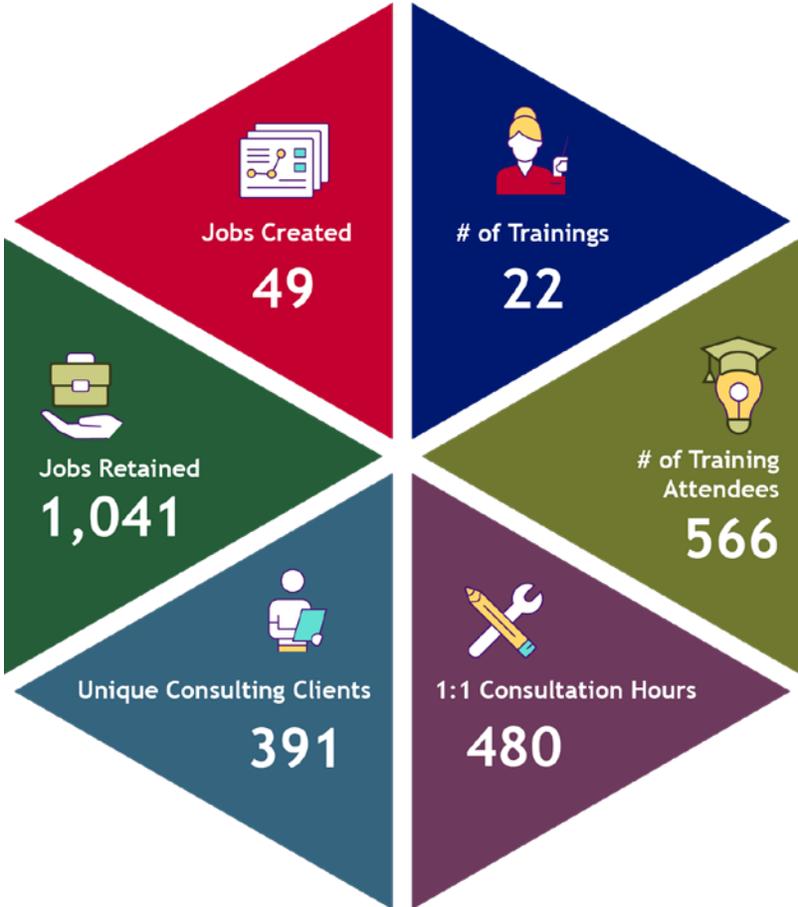
SBIR Proposals Submitted	SBIR Awarded	SBIR Awarded \$	Non-SBIR Funding Proposals Submitted	Non-SBIR Awarded	Non-SBIR Awarded \$
51	18	\$13,040,488	17	13	\$1,478,000

### Child Care Business Program

The Colorado SBDC Child Care series is a partnership between OEDIT and the Colorado Department of Early Childhood (CDEC) to provide training and consultation at no cost. The six- to 10-week program is designed to help child care providers improve business practices, with the ultimate goal of better serving customers and improving business sustainability.

Child care providers earn professional development hours through the Professional Development Information System (PDIS) and points toward their QRIS framework by attending all included training sessions.

In calendar year 2024, the Child Care Business Program achieved the following:



# MINORITY BUSINESS OFFICE

## Overview

The mission of the Minority Business Office (MBO) is to connect and support minority, women, and veteran business owners by facilitating access to important resources, technical assistance, educational programs, and access to other government agencies. The MBO is committed to promoting equity, inclusivity, and economic growth by connecting programming that provides the knowledge and tools required to succeed.

The MBO collaborates with an established network of public, private, and government resources to assist businesses of all types and sizes to establish, expand, and strengthen their business locally, nationally, or internationally. By assisting minority business enterprises in establishing information networks with both government and the private sector, we ensure a greater flow of information regarding opportunities for minority businesses. We support and facilitate economic research, information, and education with the ultimate goal of providing support to minority business enterprises in order for them to participate and thrive in Colorado's economy.

## Supporting Community Organizations Across Colorado

In FY 23-24, the MBO supported community organizations with financial contributions with the goal of expanding broad community impact or hosting focused events. Combined, the MBO provided \$232,000 in capital to 27 organizations. The supported organizations dedicate their efforts to uplifting underserved communities in the state of Colorado that fall under the statutory language guiding the actions of the MBO.

## Business Foundations Technical Assistance Program

The MBO operated the Business Foundations Technical Assistance program to provide foundational educational support to small businesses on the topics of legal, accounting, and technology. The Business Foundations program included three training pathways along with a small grant of up to \$1,200 to incentivize participation. The grant was available to those who completed the training to create and build the basic tools needed to establish their business.

The program was deployed through an on-demand learning platform at no cost to the businesses. The general goal of this program was to prepare businesses in the areas of small business management and as a starting point to connect them with the more holistic support of the Small Business Development Center (SBDC) network for further assistance and to further grow. The beneficiaries of the program complied with the qualification requirements established in the statute. Once completed, businesses were eligible to apply for grants of up to \$1,200.

The Business Foundations Technical Assistance Program learning modules were offered in English and Spanish. With an estimated 12% of the Colorado population identifying as Spanish speakers, the 31.5% rate of registrations for the Spanish course speaks to the effective marketing efforts taken by the MBO to ensure this valuable resource was utilized by communities across Colorado.

The Business Foundations Technical Assistance Program received 405 applications for grant reimbursement, of which 369 met the eligibility requirements, providing the documentation required to receive the grant. The program disbursed a total of \$305,837 to 369 businesses.

## BUSINESS FOUNDATIONS TECHNICAL ASSISTANCE PROGRAM COMPLETIONS

Educational Pathway	Business Foundations Program FY 23-24	
	English	Spanish
Accounting and Finance Pathway	132	11
Digital Marketing Pathway	154	10
Grant Applications	324	45
Legal Pathway	307	24

# COLORADO EMPLOYEE OWNERSHIP OFFICE

## Overview

The Colorado Employee Ownership Office (CEOO) establishes a network of training, support, education, and consulting for businesses considering employee ownership structures. The office brings together partners including employee-owned businesses, attorneys, financial and accounting professionals, and other employee ownership organizations.

Employee ownership models offer an alternative path to retirement that also preserves jobs, creating a win-win for business owners, employees and communities. Employee-owned businesses promote a higher quality of life for employee-owners including higher wages, less turnover, access to better benefits, and job security. The business owner benefits from a more engaged workforce, a guaranteed succession plan, and a way to attract and retain top talent. Across the United States, an estimated six in 10 business owners plan to retire or sell their businesses within the next 10 years. Yet only 15% of businesses are passed down to the next generation, and only 20% of listed businesses sell. That leaves many owners without the opportunity to benefit financially from their decades of hard work and leaves employees susceptible to job loss. Statewide, 48% of Colorado's small business owners are age 55 or older. The CEOO offers technical assistance, educational programming, funding opportunities, and consulting to support the transition, formation and success of employee-owned companies.



**Statewide, 48% of Colorado's small business owners are age 55 or older.**

## Employee Ownership Funding Pathways

The CEOO offers funding programs to offset the costs to convert a company to employee-owned or support the formation of an employee-owned company. The office also supports access to capital for Colorado employee-owned businesses.

## Employee Ownership Tax Credit

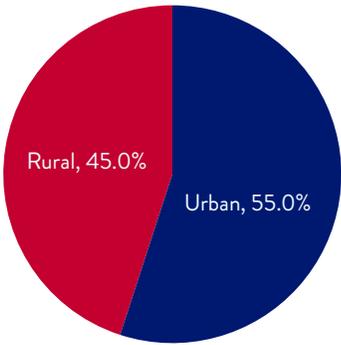
In June 2021, Governor Polis signed into law HB 21-1311. The bill provides \$10 million annually in tax credits to fund professional service costs of conversion to employee ownership. The program makes employee ownership conversions more accessible for businesses throughout Colorado. The program and funding are available for five years, closing on December 31, 2026. In May 2023, Governor Polis signed into law HB 23-1081, which expanded the program eligibility criteria and increased the dollar amounts.

The Employee Ownership Tax Credit (EOTC) is available to current Colorado-headquartered businesses and their employees to provide an incentive to the business owner to establish or expand eligible employee ownership structures. The tax credit covers up to 50% of a qualified business' conversion costs for use on their state income taxes—up to \$150,000, depending on the employee ownership structure. To participate in the program, the applying business must have existed in Colorado for at least one year prior to starting their employee ownership conversion and applying for the tax credit.

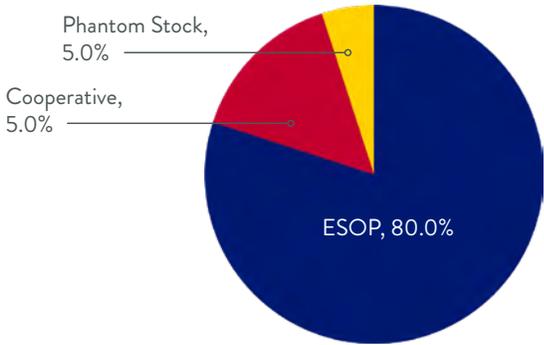
The program has a total of \$1,595,080 in reserved tax credits. Since January 1, 2022, the program has awarded \$780,777, an increase of \$525,011 in FY 23-24, with tax credit certificates issued to eight companies during that time frame. The majority of program applicants are employee stock ownership plans (ESOPs) and 45% of the companies are from rural Colorado. In FY 23-24, the first Alternative Equity Structure application was submitted and approved, a use case made eligible by the enactment of HB23-1081.

<b>EOTC Usage to Date (07/2024)</b>	
Total Amount Reserved:	\$1,595,079.91
Total Amount Issued:	\$780,777.15
Average Tax Credit Issuance:	\$86,753.02
Average Annual Revenue for Applicant Company:	\$19,833,794.23
Count of Reservation Applications:	12
Count of Companies Issued Tax Credits:	9

**EOTC Applicants Rural vs. Urban**



**EOTC Applicants by Structure Type**



**Newly-Established Employee-Owned Business Tax Credit**

In June 2024, Governor Polis signed into law HB 24-1157. The bill provides \$1.5 million annually in tax credits to offer financial support to newly-established employee-owned companies to ensure ongoing success. The program ensures the resilience and sustainability of operating a Colorado company as employee-owned. The program and funding are available for five years, beginning in tax year 2025.

The Newly-Established Employee-Owned Business Tax Credit is available to newly established, Colorado-headquartered, employee-owned businesses to offer financial support through a tax credit program to offset higher costs associated with operating a business that is employee owned. The tax credit covers up to 50% of specified costs incurred by new employee-owned businesses, not to exceed \$50,000, and is available on an annual basis. Eligible costs means costs incurred as a result of and associated with operating as a new employee-owned business. Eligible costs for the program are associated with sustaining the employee ownership structure in the accounting, legal, business advisory, and similar professional services realms.

New employee-owned businesses are defined as businesses that have been employee-owned for seven or fewer years. To participate in the program, the employee-owned business must be both operational and headquartered in Colorado for the entirety of the tax year for which they are applying to the program.

The program allows costs incurred during tax years 2025 through 2029, and can be claimed on an annual basis. Applications will be open by January 1, 2026.

**Employee Ownership Technical Assistance Scholarship Programs**

In June 2024, the Rocky Mountain Employee Ownership Center (RMEOC) and Center for Community Wealth Building (CCWB) launched a program to provide technical assistance and training services at a discounted rate through a scholarship program to benefit businesses seeking to become an employee-owned company. State and Local Fiscal Recovery Funds (SLFRF), part of the America Rescue Plan Act (ARPA), were activated and deployed by the CEOO through these two ecosystem partner organizations. The funds provide support to reduce the financial barrier many small Colorado business owners and entrepreneurs are experiencing due to the additional financial burdens resulting from COVID. This ARPA/SLFRF funding will allow Colorado businesses impacted by

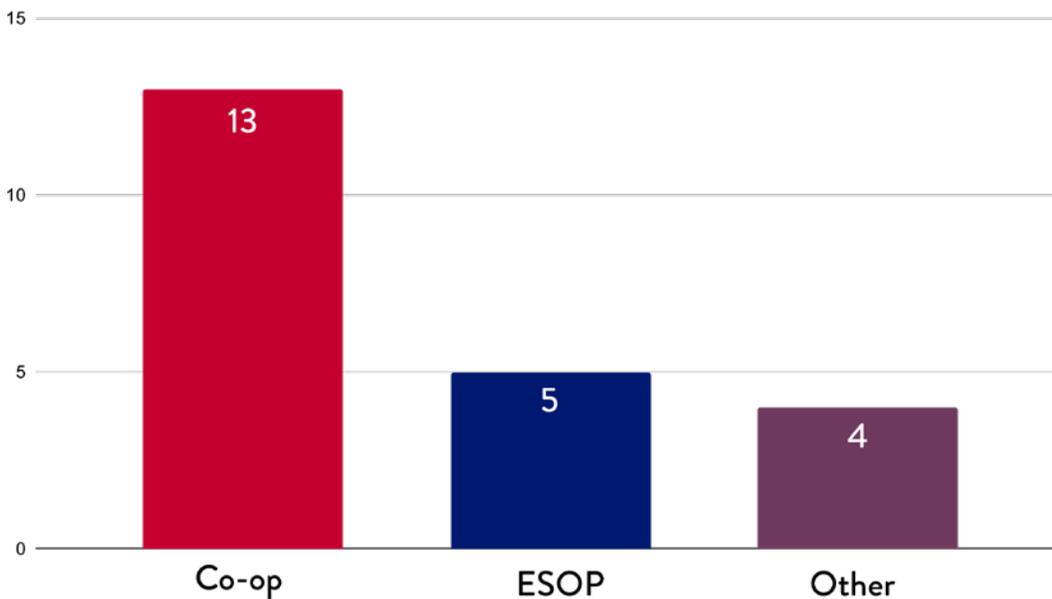
economic challenges to assess feasibility and work to implement an employee ownership conversion to retain jobs, create wealth building opportunities, and foster productivity. Any costs to the applicant businesses not covered by the program may be eligible for reimbursement by the Employee Ownership Tax Credit program.

### ***Employee Ownership Grant***

The Employee Ownership Grant (EOG) was available to Colorado-headquartered small businesses to pay for the reimbursement of professional technical services required to transition businesses to become a Colorado employee-owned company. Professional services covered by this grant include accounting, legal, business valuation, and technical services. Applicants were required to actively work with service providers to transition to an employee ownership structure. Eligible employee ownership structures included any model requiring 20% of the business to be owned by employees, excluding founders. The program, which sunset in January 2024, offered two application periods per calendar year and provided \$3,000 per awarded business. The program launched in fall 2019 as a pilot.

The program was designed to incentivize employee ownership conversions by offsetting the cost of conversions. Since its inception, it has enhanced the number of conversions happening in the state, the majority of which are worker-cooperatives. Prior to this effort, Colorado was tracking on average one or two conversions per year. The program resulted in 22 employee-ownership conversions, totaling \$66,000 in awarded funds. One business received the grant award in FY 23-24. The grant recipient formed a worker cooperative and also utilized the Employee Ownership Tax Credit program.

#### ***EOG Funded Applicants by Structure Type***



### ***Employee Ownership Collateral and Credit Enhancement***

The Cash Collateral Support (CCS) program, managed by the Colorado Housing & Finance Authority (CHFA), assists small and medium-sized businesses with accessing credit by making cash deposits with banks to use as additional collateral for loans to Colorado small businesses. In FY 21-22, the CCS program was expanded to support Colorado employee-owned businesses accessing working capital to support employee ownership conversions. In FY 22-23, the program funded working capital for one employee-owned business—a worldwide engineering consulting firm. In FY 23-24 the CCS program supported two employee-owned companies, which successfully completed the CEOO goal of supporting a minimum of two employee-owned businesses.

In FY 23-24, the program guidance was updated based on guidance from the CEOO, resulting in more flexibility for and alignment with employee ownership use cases. This funding pool was activated to address the

challenges many business owners face when trying to fund the sale of their business to their employees. With new rule changes to Small Business Administration (SBA) lending and the personal guarantee requirements most lenders require, this funding source is a national use case for employee ownership financing. An increase in employee ownership use cases of the CCS program is anticipated in FY 24-25.

### ***Employee Ownership Technical Assistance Programs***

The CEOO hosts programming to support businesses at all stages of their employee ownership journey.

### ***Colorado Employee Ownership Office Educational Programming***

In February 2023, the CEOO opened the “Introduction to Employee Ownership” online educational programming for current business owners to quickly learn about the benefits of employee ownership options. After completing the course, the user is able to connect with a consultant to learn about next steps on their conversion journey and receive a referral to an employee ownership organization. In FY 23-24, 78 business owners requested further consulting assistance.

In November 2023, the CEOO, utilizing CEOO funding, partnered with the Colorado Small Business Development Center (SBDC) to launch the “Exit Planning” online program. This educational resource is designed for small business owners interested in understanding the critical role of succession planning in their business strategy, how to assess their business’ true value, and the fundamentals of business valuation. For detailed program metrics and outcomes, please refer to the SBDC and LMS sections of this report.

In addition, the CEOO launched the “Employee Ownership Resources and Educational Programming” web page in 2023 with 28 different resources. In FY 23-24, an additional 21 resources were added to the page, bringing the total to 49. The page offers business owners further information on the intricacies of the employee ownership ecosystem. We have worked with local and national employee ownership partners to offer best-in-class resources to better support Colorado’s business owners considering adding employee ownership to their business model.

### ***Employee Ownership Peer Network Programming***

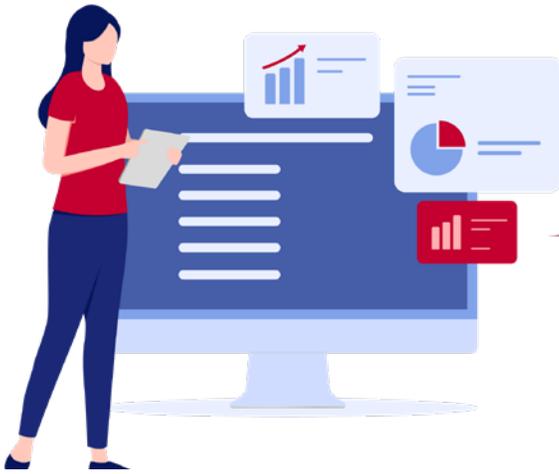
There are currently three peer networks to facilitate resource pairing, discussion, and networking opportunities for Coloradans in the employee ownership ecosystem. They are composed of new employee-owned companies, those assessing a transition to employee ownership, and seasoned employee ownership professionals. The peer networks have been extremely successful in fostering business to business relationships and encouraging resource sharing and storytelling.

The current peer networks include:

- ▶ The ESOP Executives Peer Network was the first to be developed. It is composed of 80+ C-level executives of ESOP’s across the state. The group meets quarterly and is facilitated by Employee Ownership Commission Chair, Kerry Siggins.
- ▶ The ESOP Communications Committees Peer Network was established in July 2022 as a space for individuals involved in their internal communications strategies for ESOPs. The group meets quarterly and is facilitated by Employee Ownership Commissioner Dan Luzietti. There are 40+ members of the group and attendance is trending upwards.
- ▶ The Worker-Cooperative Peer Network is maintained by Center for Community Wealth Building. The network meets three times per year, with events offered in Spanish via simultaneous interpretation.

## Service Provider Database

The CEOO maintains a vetted list of 193 local and national service providers that include accountants, attorneys, consultants, developers, capital providers, and financiers that specialize in employee ownership transitions. The list grew by more than 60% in FY 23-24. The office refers employee ownership clients to service providers in our established network to receive technical support throughout their conversion. In FY 23-24 there were 104 inquiries to our office, with 168 referrals made to service providers.



The CEOO maintains a vetted list of 193 local and national service providers. **The list grew by more than 60% in FY 23-24.**

## CANNABIS BUSINESS OFFICE

### Overview

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 access to traditional capital opportunities, 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 of the state in 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 three years, the Cannabis Business Office launched multiple technical assistance programs, completed three rounds of the Cannabis Business Grant, and a landmark Cannabis Business Loan Program, 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. The office provides these resources specifically to Marijuana Enforcement Division-licensed THC-touching social equity companies.

### ***Cannabis Business Technical Assistance (TA) Programs***

The CBO offers multiple technical assistance programs designed to help businesses at different levels of maturity. In total, the CBO has provided over 3,500 hours of technical assistance to cannabis entrepreneurs.

### ***CannaBusiness Foundations Technical Assistance (TA) Program***

The CannaBusiness Foundations TA Program launched on February 2, 2022, and is an online educational program focused on helping businesses within the cannabis industry develop foundational business practices such as business basics, marketing 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. This is offered in partnership with Make Green Go. As of August 8, 2024, over 165 participants completed all modules.

### ***CannaBusiness Growth Technical Assistance (TA) Program***

In order to meet the needs of businesses as they mature, the CBO launched an intermediate level TA program that helps businesses develop operational excellence within the vertical that they operate. This includes



**In total, the CBO has provided over 3,500 hours of technical assistance to cannabis entrepreneurs.**

modules on cultivation, retail, transportation, manufacturing, delivery, and hospitality—in addition to a variety of supplementary modules on best practices in the cannabis industry. In collaboration with a local company, Vangst, the TA program offers over 40 videos housed on a secure online platform that provide on-demand access for self-paced learning.

### ***15-week Mentorship Program***

Wraparound services are crucial to the success of new and early stage businesses. The CBO, in partnership with BIPOCANN, completed three 15-week mentorship programs open to winners of the Cannabis Business Grants. Over the three rounds of the program, 35 businesses have participated and received mentoring services. Participants receive one-on-one weekly mentorship and access to an array of subject matter experts that guide them through specific projects related to operations, marketing, accounting, and more. Additionally, BIPOCANN holds regular educational webinars and workshops focused on skills required to successfully start or grow a cannabis business. This offering is planned for the next round of grant awardees and there are preliminary plans to expand this offering as funding allows.

### ***Access to Experts Program***

Starting and operating a cannabis business is notably cost-intensive. Many CBO clients are under-capitalized and struggle to find the resources needed to execute important business related projects. Unfortunately, it is common for a startup business to forgo necessary projects due to resource constraints. As such, the CBO launched a novel program on April 4, 2024 that provides social equity licensed cannabis businesses with program management and financial support in the execution of projects that require costly subject matter experts. Social equity entrepreneurs have access to compliance, marketing, and financial consulting experts at low or no cost to the business. This way, businesses are not forced to make costly concessions that may inhibit their growth or result in operational setbacks as they navigate the difficult cannabis industry landscape. Only four months after launching the program, 20 subject matter experts have joined the Program Participant Choice Directory and 15 social equity businesses have registered to participate, nine of which have commenced their work with an expert.

### ***Social Equity Legal Clinic***

On December 10, 2023, the Cannabis Business Office, in collaboration with the Cannabis Law Section of the Colorado Bar Association and the Marijuana Enforcement Division, hosted a pro-bono Social Equity Legal Clinic. Social equity license holders and grant recipients received one-on-one legal advice regarding issues related to their business from experienced cannabis attorneys specialized in their area of concern. Four attorneys provided their time and served 16 social equity licensees. Additionally, the Marijuana Enforcement Division provided an update on licensing and regulations to all of the participants of the clinic.

### ***Access to Capital***

The Cannabis Business Office offers social equity licensees access to capital through a grant and loan program. Each funding pathway provides the next step in accessing capital as businesses mature and reach the next milestone in their development.

### ***Cannabis Business Loan Program***

The CBO is extremely proud and excited to announce that the landmark Cannabis Business Loan Program is now active and that businesses are currently being reviewed to receive loans of up to \$150,000. With a \$1 million investment, the loan program is expected to revolve over a 10-year period, lending out \$2.9 million to established cannabis businesses over that period. The lending partner, NuProject, was selected for their expertise in mission- and character-based lending practices, past experience managing similar loan programs in Oregon, and stellar executive office. Loan interest rates are capped at 6%—significantly below the current cannabis market rate of 19%. Repayment terms are flexible and customized to the needs of the borrower to mitigate chances of default and maximize the growth potential caused by the infusion of working capital. The

CBO anticipates that seven to eight loans will be executed in the first 12 months of the program, resulting in 40-45 jobs created or retained.

### ***Cannabis Business Grants***

The Cannabis Business Grant 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 three categories, tiered by business maturity, based on their annual revenue, number of employees, and years in operation. Applicants are judged on their ability to write an abridged business plan and a project proposal that rationalizes their use of requested funds—efforts that ultimately prepare the businesses for operational success and potential future fundraising endeavors.

Three rounds have been completed and a fourth round will open in the fall of 2024. In total, the CBO has allocated \$3 million for the grant rounds. Businesses receive \$20,000 - \$50,000 per grant and are able to graduate from one funding level to the next if they meet the criteria between each round. Including estimates for the fourth grant round, roughly 70 businesses will receive business grants, which accounts for over 75% of active social equity licensed cannabis businesses. Combined, these grants will result in nearly 300 jobs created or retained and 55 new businesses started.

### ***Cannabis Business Loans***

The Cannabis Business Loan Program has dispersed \$860,000 to seven businesses in the first round of loan dispersal. The CBO anticipates that this first round will create or retain 40-45 jobs. With a \$1 million investment, the loan program is expected to revolve over a 10-year period, lending out a total of \$2.9 million to established cannabis businesses over that period. The lending partner, NuProject, was selected for their expertise in mission- and character-based lending practices, experience managing similar loan programs in Oregon, and stellar executive office. Loan interest rates are capped at 6%, which is significantly below the current average cannabis market rate of 18%. Repayment terms are flexible and customized to the needs of the borrower to mitigate chances of default and maximize the growth potential caused by the infusion of working capital.

**300 jobs,  
55 new businesses**



**Roughly 70 businesses will receive business grants, which accounts for over 75% of active social equity licensed cannabis businesses. Combined, these grants will result in nearly 300 jobs created or retained and 55 new businesses started**

# LEARNING MANAGEMENT SYSTEM BUSINESS SUPPORT

## Overview

The Learning Management System (LMS) is a platform that hosts online educational programming for small businesses. The LMS's educational programming activates statewide programming to further advance OEDIT's vision to empower all to thrive in Colorado's economy.

Due to a shift in small business owners' needs, educational programming must be more readily accessible. Activation of an LMS creates an opportunity to shift to an online learning model, where the learner and business consultant all engage with the course content at different times and from different locations. Currently, all online educational content offered is free and available on demand with 24/7 access. The LMS has two separate URLs, presented in English and Spanish. The Spanish URL has been transcoded to provide culturally relevant and accessible content for native Spanish speakers. The Spanish learning platform launched in August 2023 with nine distinct Spanish courses.

## *Small Business Technical Assistance (TA) Programs*

The LMS offers technical assistance programs for small businesses in three learning tracks that align with developmental stages of their business. In order to better serve our small business owners, a new approach to online programming was activated in 2023. Our division collaborated with other state agencies to develop agency specific online educational content. The goal of this approach is to increase engagement with the small business owner through centralizing educational programs in our learning platform for various state agencies.

A pilot program was developed in January 2024 with the Colorado Department of Revenue (CDOR). The Sales Tax Fundamentals and Sales Tax Filing courses were launched on the "To Establish" learning track. These courses are available on the English and Spanish platforms.

In November 2023, the Employee Ownership Office collaborated with the Small Business Development Center (SBDC) Network to develop succession/exit planning programming for Colorado small businesses. The goal of the exit planning program is to help business owners develop and integrate an exit plan for their business. The exit planning program includes specialized SBDC network consulting and online learning content.

Each consulting session and online learning module follows the Exit Planning Institute's five stages of exit planning: identify, protect, build, manage, and harvest. This free programming includes four online learning modules on the following topics: know your business' current value, determine your business' potential value, reach that potential value, and identify your exit options. Small businesses engage with online content alongside an SBDC consultant to gain expertise in the exit planning process, to determine their business's readiness for a potential exit, and in creating an exit plan. The business owner works with an SBDC consultant to complete the exit strategy action items presented within each module and ultimately develop an exit plan for their business. As of June 30, 2024, over 14 consultants within the SBDC network have been trained on this program. Additionally, 24 small businesses completed the online learning content with over 23 small businesses are currently progressing through the program and working with a specialized consultant.

OEDIT collaborated with the Colorado Department of Early Childhood (CDEC) to create a childcare business course. The Small Business Development Center (SBDC) Network is currently building the robust childcare business course that will exist as an online program and will be utilized throughout the statewide network. The childcare business course will incorporate a minimum of three hours of one-on-one virtual SBDC consulting. The SBDC is concurrently building a network-wide train-the-trainer course to increase consultant capacity throughout the network. The childcare business course will provide unique content from the perspective of a childcare business owner. The course modules will include budget and finance, legal registration, business structures, insurance, human services licensing, human resources, and marketing. The new childcare business course will be available online, on demand 7 days a week/24 hours a day, and will be available in both English and Spanish. These courses are set to launch Fall 2024.

### ***“To Establish” Learning Track***

The “To Establish” educational track connects the participating business with an SBDC consultant to help the business get established and on a firm foundation. The courses within this learning track provide basic knowledge to start a business, sales tax fundamentals and filing, and connect small businesses to their local SBDC. As of June 30, 2024, 1,536 participants completed this learning track.

### ***“To Expand” Learning Track***

The “To Expand” educational track deploys tools to expand a business into local and international markets, assist in devising a digital marketing strategy, develop an online store to expand a business’s sales, inform business owners on regional and state government contracting processes, and access capital for their business’s funding needs. As of June 30, 2024, 1,359 participants completed this learning track.

### ***“To Strengthen” Learning Track***

The “To Strengthen” educational track demonstrates why exit planning is essential to any current small business strategy, how to think about the real value of their small business, and exit options to preserve their legacy. The Introduction to Employee Ownership course, activated through the Employee Ownership Office, is presented to small businesses as an exit option. All participants of the Introduction to Employee Ownership have the option to connect with an employee ownership service provider to further explore employee ownership for their business. As of June 30, 2024, 99 participants completed this learning track.

This chart provides a total number of participants who have completed courses from each learning track by June 30, 2024.

***Participant Course Completion per Learning Track***



## **THE BUSINESS SUPPORT TEAM**

The Colorado Office of Economic Development & International Trade’s Business Support Team has the following 13 members:

- ▶ Director, Business Support: Nikki Maloney
- ▶ Deputy Director, Business Support: Tristan Watkins
- ▶ Senior Learning and Development Manager, Business Support: Danelle Chinnock
- ▶ State Director, Colorado SBDC Network: Hannah Krieger
- ▶ Senior Grant and Fiscal Compliance Manager, Colorado SBDC Network: Eric Pynn
- ▶ Senior Program Manager, Colorado SBDC Network: Laura Bruns

- ▶ Small Business Navigator, Colorado SBDC Network: Andrea Chicizola
- ▶ Special Projects Manager, Colorado SBDC Manager: James Schishler
- ▶ Marketing and Outreach Manager, Colorado SBDC Network: Christian Jaeger
- ▶ Director, Minority Business Office: Azarel Madrigal
- ▶ Coordinator, Minority Business Office: Dalhia Garcia
- ▶ Program Manager, Employee Ownership Office: Matthew Licina
- ▶ Senior Program Manager, Cannabis Business Office: Emma Howard

# IV.

## BUSINESS FUNDING & INCENTIVES

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

# BF&I FUNDS

## STATE SMALL BUSINESS CREDIT INITIATIVE

In 2021, the federal government passed the State Small Business Credit Initiative (SSBCI) bill as part of the American Rescue Plan Act (ARPA). The award allocated approximately \$100 million to Colorado to increase access to capital for small businesses, to be disbursed over seven years in three tranches. The BF&I Division, with authorization from the Governor, applied for and was awarded the funds to expand three existing programs. These programs provide loans, collateral support for loans, and venture capital investments to Colorado businesses, particularly those owned by socially and economically disadvantaged individuals (SEDI) and very small businesses (VSB). The first tranche of the funds was received in August 2022 and contracted to the implementing entities in October 2022. As of June 30, 2024, the Cash Collateral Support Program received \$6.8 million in SSBCI funding, and \$4,616,456 was deployed to support 26 loans totaling \$18,183,796. The CLIMBER loan fund received \$4 million and supported one loan with \$24,000 of SSBCI funds. The Venture Capital Authority received \$19,477,276 and committed capital to four venture capital funds. With these commitments to Fund partnerships, 13 businesses received investments. Across all three programs a significant portion of the funds, 88%, was awarded to SEDI-owned businesses and 58% of the funds were awarded to VSBs, exceeding the program goals. Additionally, staff applied for the second tranche of funds in May 2024, receiving \$36,284,542 in August 2024 which included a \$5,000 bonus for achieving the SEDI investment target set for Colorado.

Across all three programs a significant portion of the funds,

88% was awarded to  
SEDI-owned businesses

88%

## COLORADO STARTUP LOAN FUND

HB21-1288 established  
\$40 million in funding for  
the Colorado Startup Loan

Fund (CSLF) program to make loans to small business owners to start and restructure businesses. Through partnerships with eight mission-driven lenders, micro-loans under \$150,000 and business consulting have been provided to small business owners and entrepreneurs. 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. Partner lenders have a track record of working 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. A total of 1,155 businesses applied and were vetted for technical assistance, grants, and/or loans from the program's kick-off in the summer of 2022 through June 30, 2024. A total of \$21,943,366.23 has been deployed to borrowers through loans and grants. Loan recipients reported that 1,796 jobs were supported with the loan capital, and 2,897 jobs were projected to be created within 12 months of the loan closing date, representing a 67% growth rate. See the addenda for a detailed CSLF legislative report.

58%

58% of the funds were  
awarded to VSBs,

exceeding the program goals.

## EDA STATEWIDE REVOLVING LOAN FUND

At the request of OEDIT and the Colorado Department of Local Affairs (DOLA), three nonprofit lenders—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).

As of FY 22-23, all funds had been distributed through the lenders, are now in the revolving phase, and lenders report directly to the EDA. This RLF supported post-pandemic recovery and the growth of small businesses in Colorado through access to capital. Capital is provided through direct lending, loan participation, 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. This is additional support that may be needed beyond what is currently available from the federal government, state agencies, nonprofit lenders, banks, and other sources of private capital. As of June 30, 2024, the fund has retained 617 jobs and created 425 to date.

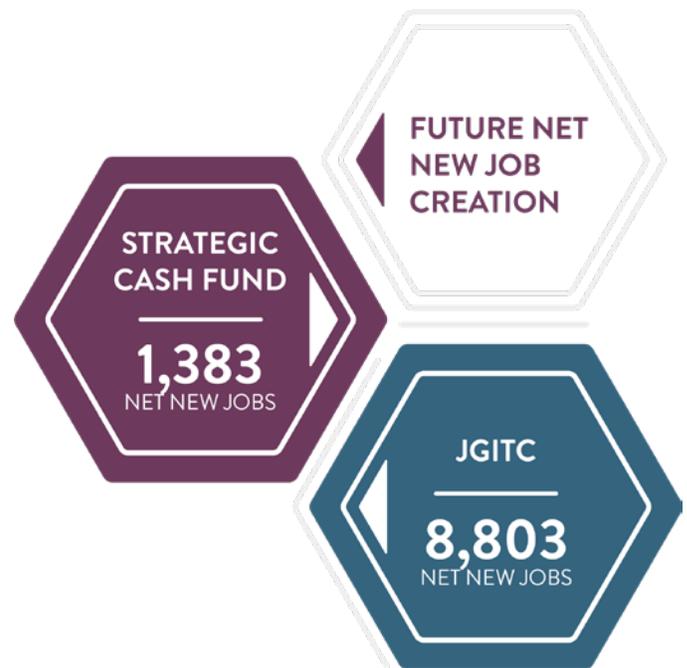


The fund has retained **617 jobs** and created **425** to date

## 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 23-24, the Economic Development Commission (EDC) approved four 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 \$6,004,000 in performance-based cash incentives associated with the future creation of up to 1,383 net new jobs in the state of Colorado. In addition, the EDC approved 21 Strategic Initiatives for up to \$18,749,980 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 23-24, the EDC approved 26 projects for up to \$87.7 million in performance-based tax credits associated with the future creation of up to 8,803 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, 2024, 29 companies are participating in the Rural Jump-Start program which are projected to create 212 new full-time jobs at or above their county's average annual wage. Thirty-two counties had also formed Rural Jump-Start Zones. This program was extended in statute during the spring 2024 legislative session and expires on December 31, 2030.

## RURAL JUMP-START GRANTS

In June 2021, SB21-229 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. These grants went into effect in FY 21-22 and will expire at the end of FY 24-25.

New businesses located in Rural Jump-Start zones are eligible for up to \$20,000 in grants; in Tier One Coal 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 One Coal Transition Community. As of June 30, 2024, \$1,257,500 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 23-24, 5,538 businesses invested and expanded in Enterprise Zones. Enterprise Zone administrators certified over \$67 million in state income tax credits for businesses that conducted eligible activities. Certifying businesses invested over \$1.5 billion in business personal property. They provided training to improve the job skills of more than 31,000 employees and created 6,659 net new jobs. Enterprise Zone businesses also increased their investments in research and experimental activities by \$117.5 million, invested \$500,000 to rehabilitate vacant commercial buildings and at least 83 employers covered employees with qualified health insurance plans.

### IN FY 23-24:



## ADVANCED INDUSTRY TAX CREDIT

The Advanced Industry Investment Tax Credit (AITC) aims to increase access to capital for Colorado's early-stage advanced industry businesses by reducing investor risk. Through a Colorado state income tax credit, the AITC reduces tax liability for investors that make qualified investments in Colorado advanced industry small businesses.

AITC is a calendar year program, running from January to December each year. In calendar year 2023, the program had 60 qualified businesses eligible for investment. Of these, 28 businesses received investments. The program awarded tax credits based on 76 investments that totaled \$1,774,431 in tax credits.

The program was renewed and expanded in the Spring 2022 legislative session. Starting in January 2023, the annual allocation of tax credits increased to \$4,000,000, the maximum tax credit increased to \$100,000, and the rate for businesses located in an Enterprise Zone or rural county increased to 35%. January through June 2024, the program had 66 qualified businesses eligible for investment. Of these, 14 businesses received investments totaling \$636,463 in tax credits from 32 investments.

## APEX ACCELERATOR

The Colorado Procurement Technical Assistance Center (CO-PTAC), this Department of Defense program was rebranded as APEX Accelerator, is a Colorado-based nonprofit organization that receives primary funding from the Department of Defense with matching funds from the State of Colorado and private donations. The APEX Accelerator 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 and local governments, and major prime contractors. For the program's fiscal year from April 1, 2023, through March 31, 2024, CO-PTAC had served 877 active clients, of which 569 were new clients. APEX conducted 177 outreach or training events across the state and provided 3,028 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 approved a multi-year state stimulus supplemental allotment from the Strategic Fund of \$60,000 a year for five years totaling \$300,000, to expand services and offices throughout rural Colorado.

Please note, that with the rebranding from PTAC to APEX, the reporting period and fiscal year has been changed to coincide with the adjusted Department of Defense Office of Small Business reporting timelines. Some figures reported herein may overlap or be duplicated from previous reporting due to the adjusted fiscal year.

## 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 23-24, the Colorado First program made two grants for the training of 250 people.
- ▶ **Existing Industry Customized Job Training:** Provides grants to companies to support the training of existing employees. Based on self-reported information by grant recipients and compiled by the Colorado Community College System administration, in FY 23-24, the Existing Industry program made 36 grants for the training of 1,757 people.
- ▶ **Registered Apprenticeship Support Program:** Provides funding for customized apprenticeship program development and implementation and related technical instruction. In FY 23-24, no new grants were awarded but one award for an arborist program was continued from FY 22-23.
- ▶ **Workforce Training Innovation Program:** Provides grants for innovative program development and training strategies. In FY 23-24, the Workforce Training Innovation program made three grants.
- ▶ **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. In FY 23-24, two grants were awarded for mobile learning labs.

## COMMERCIAL 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 are made available each calendar year and are 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 23-24, 47 projects representing more than \$49.5 million in estimated qualified rehabilitation expenses were approved for \$12,450,281 in state income tax credits. The tax credits are waitlisted and 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.

Coming in early 2025, the legislature passed a modification to the HPTC bill that will provide an additional \$5 million pool of transferable tax credits specifically for projects utilizing at least 50% of the building square footage for new housing units. There is a per project annual cap of \$1.5 million; a 50% increase from the \$1 million cap for the other tax credit pools. Projects in the new program will earn between 25-35% of their qualified expenses in tax credits. Additionally, projects that include local affordable housing requirements will receive an additional 5% providing urban areas with a 30% tax credit rate and rural areas 40%, making this new tax credit a powerful housing tool. Historically preserved buildings provide the unique ability to place new housing in downtown centers promoting density by activating historically dilapidated and vacant upper floors, helping to reduce and prevent sprawl. The new program will begin accepting applications in early 2025.

## OPPORTUNITY ZONES (OZ)

Colorado has 126 Opportunity Zones in which investors receive an incentive for investing in a business or real estate property located within the zone. OEDIT no longer has active programming to support this federal incentive, but does have one staff member who continues to dedicate a small portion of time to helping investors, project sponsors, and community leaders to utilize the incentive.

## REGIONAL TOURISM ACT

The Regional Tourism Act program allowed local governments 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:

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

These projects are in various stages of completion.

**The Aurora Hotel & Conference Center (Gaylord Rockies)** opened in December 2018. The hotel has 1,501 rooms, eight restaurants and bars, an indoor pool, spa, and 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 includes Weidner Field which opened in the spring of 2021 and the Robson Arena which opened in the fall of 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 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 opened in early 2023.

The Go NoCO RTA award has 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 begun 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 deadlines and were also revoked by the EDC.

The Pueblo Heritage of Heroes / Professional Bull Riders University was opened as the PBR Sports Performance Center. This center features state-of-the-art facilities for athlete training and recovery.

## COLORADO CREDIT RESERVE (CCR)

The Colorado Credit Reserve (CCR) program is a pooled guarantee program originally established and administered by the Colorado Housing and Finance Authority (CHFA). The CCR program was recapitalized in 2016 and receives \$400,000 annually from the General Fund under contract with OEDIT. The program encourages lenders to extend credit in amounts up to \$500,000 to Colorado businesses by establishing a reserve account with each participating lender to cover losses on loans it registers under the program. Seventeen participating lenders enrolled a total of 591 new loans in the program in FY 23-24.

## CASH COLLATERAL SUPPORT (CCS)

The Cash Collateral Support (CCS) program, originally funded by the State Small Business Credit Initiative (SSBCI) 1.0, is administered by 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. These funds leverage private loan capital from banks and other financial institutions. The CCS program fund balance was \$16,062,555 as of June 30, 2024, with \$9,652,342 held in bank deposits to back loans to small businesses. These funds have lost their federal identity and may be guided by the EDC for other economic development initiatives. The EDC has approved transfers from the CCS to the CCR program. In FY 23-24, SSBCI 2.0 funds were deployed to CHFA for an additional CCS program that operates under current U.S. Treasury requirements. Both the federal and state-funded CCS programs will operate concurrently for the foreseeable future.

## VENTURE CAPITAL AUTHORITY

BF&I supports and staffs the Colorado Venture Capital Authority (VCA), which was originally funded in 2005 with around \$45 million in cash proceeds from the sale of Colorado insurance premium tax credits. In October 2022, the VCA received over \$19 million from Colorado's initial allocation of federal funds through the SSBCI program, making commitments to invest in Very Small Businesses and SEDI-owned businesses through four Fund partnerships. As of June 30, 2024, the VCA deployed \$4,014,507 of SSBCI funds, with 100% to SEDI-owned businesses and 91% to Very Small Businesses.

## TRANSFERABLE TAX CREDITS

The Transferable Tax Credit program was authorized to pre-certify \$30 million in tax credit transferability through FY 17-18, FY 18-19, and FY 19-20. As of June 30, 2023, \$30 million worth of tax credits were pre-certified 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. As of June 30, 2024, the EDC authorized VF Corporation to transfer \$12,379,463 of issued and unused Job Growth Incentive Tax Credit Certificates, out of their \$13 million precertification allocation.

## CERTIFIED CAPITAL COMPANIES (CAPCO)

The CAPCO program, originally established in 2001, has expired and OEDIT has processed the de-certification of the six CAPCOs. Murphree Colorado CAPCO was decertified in 2011 resulting in the assignment of investments in three companies to the State of Colorado. The State still holds investment and escrow balance in one company. Between FY 21-24, the State received distributions from one company totaling \$11,093.62 with all escrow balances now released. The other company continues to be monitored.

## COLORADO LOANS TO IMPROVE MAINSTREET BUSINESS RESILIENCY (CLIMBER)

Colorado Loans to Improve Main Street Business Economic Resiliency, or CLIMBER, is a small business loan program created by the legislature in 2020 to support Colorado companies struggling with adverse economic conditions. With an ability to generate up to \$250 million in loans to businesses with fewer than 100 employees, this public/private partnership has filled a need for low-cost capital to support small business operations and growth. The CLIMBER program continues to grow and evolve to support small businesses in Colorado. Since CLIMBER was launched in 2021, the program has been improved to lower the size of the companies that can be supported, allow smaller loans, and allow it to use the money already appropriated for a longer term. This has made a dramatic difference in the number of Colorado businesses that have been able to access capital. In FY 21-22, the program closed on 14 loans for a total of \$3,112,481, an impressive feat for a new program that was born in the middle of the pandemic. Because of the improvements to the program listed, as well as adding one staff member, the program in FY 22-23 accelerated to 35 loans closed with a total value of \$6,738,700 in the hands of Colorado businesses with less than 100 employees. In FY 23-24, the CLIMBER program closed a record 176 loans for a total value of \$17,127,510, helping to create or support at least 1,895 jobs. As of September 2024, the CLIMBER program moved from the Treasury to OEDIT, where the program will be able to work in conjunction with other capital access programs.



**CLIMBER** has helped create or support **1,895 jobs**

## INNOVATIVE HOUSING INCENTIVE PROGRAM (IHIP)

The Innovative Housing Incentive Program (IHIP) took effect in July 2022. It has two components: a grant program for innovative housing manufacturing businesses in Colorado, and a loan program to establish new factories across the state.

The grant program opened for applications in December 2022 and three grant applications were approved in early 2023. These grant contracts were executed in July 2023, at the start of FY 23-24. Another six grant applications were approved during the fiscal year, and their contracts were executed throughout the year. Together, these businesses produced 339 housing units that were directly incentivized by the IHIP grant program, and received \$1,872,464 in performance-based grant funding.

The factory loan program opened for applications in fall 2023. Using \$20 million in IHIP funds, combined with \$18 million from Proposition 123, OEDIT and CHFA announced \$38 million in factory loan funding for eight manufacturing businesses across the state. Two of these businesses received only IHIP funding, two received a combination of IHIP and Proposition 123 funding, and four received only Proposition 123 funding. The IHIP loans ranged from \$2.5 million to \$8.5 million. OEDIT expects all of these loans to close in FY 24-25.



**IHIP** incentivized businesses which in turn produced **339 housing units**

## PROPOSITION 123 - AFFORDABLE HOUSING FINANCING FUND

Colorado voters passed Proposition 123 (Prop 123) in November 2022. Prop 123 directs existing state tax revenue into the State Affordable Housing Fund to support affordable housing. Sixty percent of the funds are then allocated to the Affordable Housing Financing Fund (AHFF), managed by OEDIT. OEDIT selected the Colorado Housing Finance Authority (CHFA) as program administrator. Per statute, the AHFF supports the following new affordable housing programs: Land Banking, Equity, and Concessionary Debt.

Community engagement and program development for AHFF Programs began as soon as the Administrative Contract with CHFA was signed in July 2023 and included more than 30 events across Colorado, including a series of webinars and virtual meetings designed to solicit and catalog feedback. The response to the rollout of AHFF programs has been robust, and the dedicated AHFF website has received more than 60,000 visits from more than 24,000 unique visitors as of June 30, 2024. As the community engagement and public rollout occurred, OEDIT and CHFA developed program guidelines that incorporated community feedback and policy direction from the Governor.

Throughout FY 23-24, 113 letters of intent and 109 applications were received, representing a total of \$735 million in funding requests. Due to the timing of the measure's passage, a half year's tax revenue was available during the first year. Over \$97 million was awarded to 35 project sponsors to support the development of approximately 2,730 units of affordable housing funded by the Land Banking, Concessionary Debt and Equity Programs plus 3,610 modular/offsite construction units annually over the next three years funded by the Factory Built Concessionary Debt sub program, based on estimates from modular manufacturers. Sixty percent of awards were made to applicants in urban counties, 20% to rural counties, and 20% to rural resort counties, based on county designations established by the Department of Local Affairs. Applications were carefully evaluated against the statutory and policy priorities, including High Density, Mixed Income, Environmental Sustainability (including preference for all electric and Transit Oriented Development projects) and geographic diversity. Approximately \$196 million was recently deposited into the AHFF for Fiscal Year 24-25.

Over \$97 million was awarded to 35 project sponsors to support the development of approximately **2,730 units of affordable housing** funded by the Land Banking, Concessionary Debt and Equity Programs plus **3,610 modular/offsite construction units** annually over the next three years funded by the Factory Built Concessionary Debt sub program, based on estimates from modular manufacturers.



## MIDDLE INCOME HOUSING AUTHORITY (MIHA)

[The Middle Income Housing Authority \(MIHA\)](#) was signed into law in June 2022 through SB22-232 and was later amended with SB23-035. The purpose of the legislation was to promote affordable rental housing projects for the middle-income workforce throughout Colorado. MIHA is a special purpose authority independent from the state that will support middle-income housing by providing financing opportunities for rental units between 80% and 120% area median income (AMI), or 140% AMI for [rural resort areas](#). The primary tools offered by MIHA include tax exempt bonds, entering into public-private partnerships to allow for flexible financing options and long term ownership with tax exemption for the projects. The MIHA Board of Directors, appointed by the Governor, makes all decisions for the Authority.

OEDIT has a five year administrative contract with MIHA which expires with an option to be renewed in 2029. MIHA initially received \$1 million in administrative funding and has requested more funding from the legislature to support organizational expenses until project revenues are sufficient. The Authority's source of revenue will be application and project fees and project revenues. Current market conditions, including high interest rates and building costs, are challenging the supply of housing. Specifically, housing developments intended for middle income ranges are facing large gaps between the amounts of financing available and development costs. All proposed affordable housing projects are seeing larger funding gaps in the current market conditions, and without any level of subsidy (state grants, federal and state tax credits) available for middle income projects, they are facing the largest gaps. To date, the Board has conditionally selected six projects for financing across Colorado and is proactively working with developers and financial consultants to generate viable MIHA projects. MIHA is well-positioned to capitalize on anticipated market improvements and leverage new subsidy sources to deliver a robust new supply of publicly owned and affordable middle-income rental housing. However, flexibility and innovation remain necessary in this market to pull deals together.

The 2024 Annual Report will be submitted by OEDIT on behalf of MIHA by Dec. 31, 2024, as required by Statute.

## THE BF&I TEAM

The Colorado Office of Economic Development & International Trade's BF&I Division has the following 14 members:

- ▶ Director, Business Funding & Incentives and Deputy Director of OEDIT: Jeff Kraft
- ▶ Contracts Manager and Coordinator: Virginia Davis
- ▶ Deputy Director: Sonya Guram
- ▶ Deputy Director: Sean Gould
- ▶ Director, Innovative Funding for Housing Programs: Hilary Cooper
- ▶ Special Projects & Rural Funding Director: Leslie Hylton-Hinga
- ▶ Senior Program Manager: Jack Tiebout
- ▶ Senior Program Manager: Ali Karp
- ▶ Senior Program Manager: Christopher Fortney
- ▶ Rural Funding Senior Program Manager: Quina Weber-Shirk
- ▶ Program Manager: Che Sheenan
- ▶ Program Manager: Ashley Mount
- ▶ Project Manager for Housing Programs: Olivia Cook

- ▶ Accounting and Operations Manager: Crystal Walsh
- ▶ Small Business Lending Program Administrator: Katherine Cantillo
- ▶ Program Analyst: Cody Pearson

## INDIVIDUAL REPORTS

- ▶ Enterprise Zone Program
- ▶ Colorado Startup Loan Fund
- ▶ Rural Jump-Start Program
- ▶ Innovative Housing Initiative Program
- ▶ Chips Zone
- ▶ Chips Strategic Fund Programmatic Spending
- ▶ Colorado Regional Tourism Act
- ▶ Colorado APEX Accelerator
- ▶ Disproportionately Impacted Business
- ▶ Proposition 123 - Affordable Housing Financing Fund
- ▶ Economic Development Commission

# ENTERPRISE ZONE

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Annual Report  
Fiscal Year 2023-2024



# 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 FY 23-24, 5,538 businesses certified for EZ tax credits. There were 5,538 businesses reporting \$1.81 billion invested in qualified business personal property, making them eligible for \$45.8 million in EZ investment tax credits. Businesses invested \$54.55 million to train 31,055 employees that work in the Enterprise Zones, earning them \$6.54 million in EZ job training tax credits.

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 23-24, certifying businesses reported 6,659 net new jobs incentivized by \$8.22 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 23-24, businesses reported that they covered 3,329 net new employees with a qualified health plan, entitling them to \$3.33 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 23-24, 332 projects received \$71.4 million in private contributions. In FY 23-24, 10,629 donations were recorded, earning contributors credits worth approximately \$8.9 million. There were 319 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.

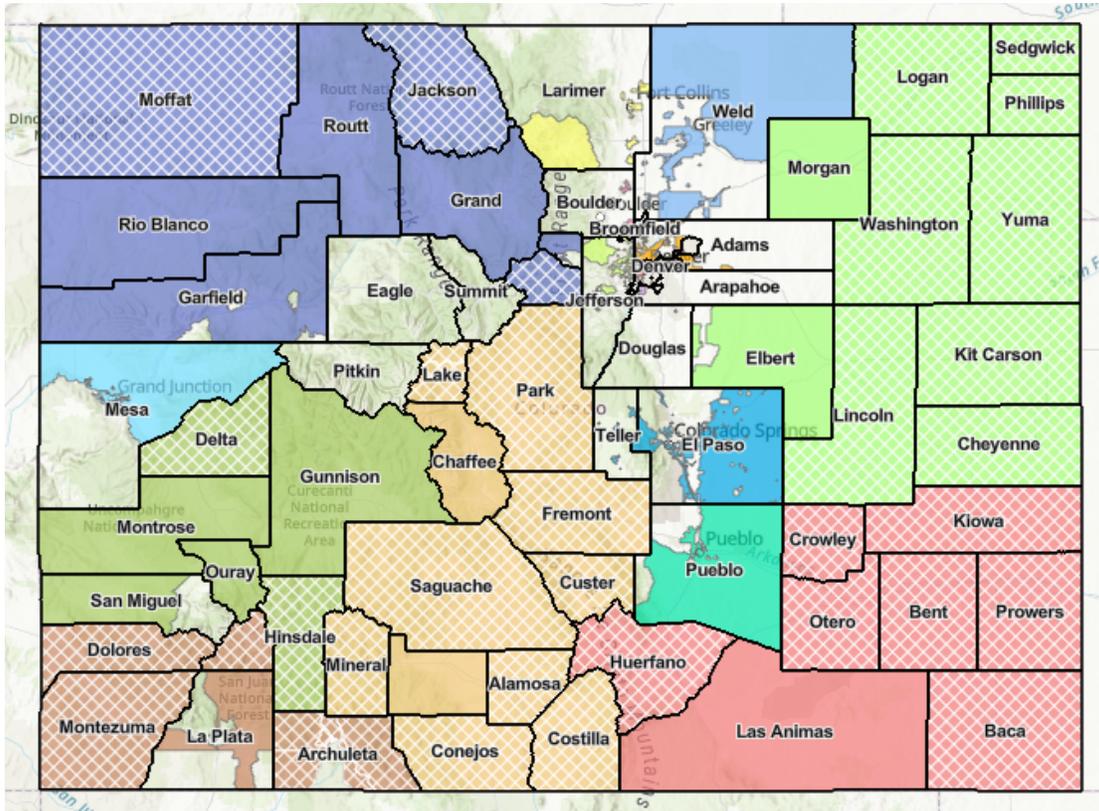
The Colorado Urban and Rural Enterprise Zone statutes, C.R.S 39-30-101 to 112, provide that local governments may propose areas for designation as Enterprise Zones. The statutes set forth three criteria to define economic distress, an area meeting at least one of these may qualify for Enterprise Zone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

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

Zones were redesignated in January 2016. The EZs align with the U.S. Census defined areas including census blocks, block groups, tracts, places, county subdivisions, and counties.



**Legend**

- Enhanced Zones
- County Boundaries
- Adams County
- Jefferson County
- North-East-Central
- Region 10
- Central & Southern
- Larimer County
- Northwest
- South Metro
- Denver County
- Mesa County
- Pikes Peak
- Southeast Central
- Weld County
- North Metro
- Pueblo County
- Southwest

0 25 50 100 Miles

**COLORADO**  
GIS Coordination & Development Program  
Governor's Office of Information Technology

# FISCAL YEAR CREDITS CERTIFIED

This fiscal year report includes certifications approved by local Zone administrators from July 1, 2023 through June 30, 2024. 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 2022 claimed on 2023 tax returns that are filed in 2024 and impact state revenue collected in the state's FY 23-24. Applications approved in FY 23-24 may also cover business activity prior to 2023 for late or amended applications.

This table identifies tax credits certified by Enterprise Zone.

FY 23-24 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	610	\$3,638,542	\$56,444	\$18,020	\$416,063	\$54,357	\$3,290	\$0	\$4,186,716	978	\$331,638
Rural	North-East-Central EZ	1563	\$8,689,692	\$111,035	\$2,967	\$312,830	\$14,375	\$107,152	\$0	\$9,238,051	131	\$59,793
Rural	Northwest EZ	280	\$1,165,060	\$1,929	\$24,000	\$79,568	\$0	\$1,454	\$4,527	\$1,276,538	856	\$1,172,920
Rural	Region 10 EZ	382	\$1,158,311	\$39,738	\$25,330	\$271,436	\$0	\$0	\$7,033	\$1,501,848	1069	\$600,718
Rural	South-East-Central EZ	483	\$2,471,248	\$32,568	\$0	\$204,275	\$0	\$0	\$0	\$2,708,091	97	\$33,081
Rural	Southwest EZ	226	\$560,960	\$23,892	\$0	\$350,594	\$0	\$10	\$0	\$935,456	368	\$284,175
	<b>Sub-Total Rural</b>	<b>3544</b>	<b>\$17,683,813</b>	<b>\$265,606</b>	<b>\$70,317</b>	<b>\$1,634,766</b>	<b>\$68,732</b>	<b>\$111,906</b>	<b>\$11,560</b>	<b>\$19,846,699</b>	<b>3499</b>	<b>\$2,482,326</b>
Urban	Adams County EZ	319	\$6,105,301	\$599,656	\$1,151,703	\$1,502,113	\$150,000	\$64,737	\$2,218	\$9,575,728	308	\$602,863
Urban	Denver EZ	243	\$2,871,278	\$4,467,934	\$358,000	\$463,455	\$95,316	\$1,910,785	\$0	\$10,166,768	1923	\$1,812,386
Urban	Jefferson County EZ	250	\$3,295,246	\$156,505	\$83,000	\$684,867	\$85,808	\$192,060	\$0	\$4,497,486	243	\$393,831
Urban	Larimer County EZ	138	\$495,888	\$75,880	\$11,300	\$436,831	\$34,281	\$91,911	\$0	\$1,146,091	394	\$181,087
Urban	Mesa County EZ	238	\$1,005,848	\$29,745	\$51,000	\$482,305	\$0	\$154,489	\$920	\$1,724,307	1666	\$1,141,018
Urban	North Metro EZ	74	\$706,821	\$9,866	\$100,000	\$197,023	\$28,236	\$492,767	\$0	\$1,534,713	224	\$70,616
Urban	Pikes Peak EZ	373	\$2,162,238	\$178,951	\$1,380,000	\$1,911,431	\$55,561	\$305,502	\$21,088	\$6,014,771	1218	\$1,462,605
Urban	Pueblo EZ	103	\$953,336	\$40,600	\$10,000	\$270,453	\$0	\$80,894	\$0	\$1,355,283	502	\$136,907
Urban	South Metro EZ	116	\$927,615	\$346,183	\$3,000	\$105,713	\$50,000	\$758	\$0	\$1,433,269	312	\$455,984
Urban	Weld County EZ	140	\$9,593,883	\$374,610	\$111,000	\$533,392	\$0	\$18,757	\$0	\$10,631,642	340	\$172,389
	<b>Sub-Total Urban</b>	<b>1994</b>	<b>\$28,117,454</b>	<b>\$6,279,930</b>	<b>\$3,259,003</b>	<b>\$6,587,583</b>	<b>\$499,201</b>	<b>\$3,312,660</b>	<b>\$24,226</b>	<b>\$48,080,057</b>	<b>7130</b>	<b>\$58,061,149</b>
	<b>Grand Total</b>	<b>5538</b>	<b>\$45,801,267</b>	<b>\$6,545,536</b>	<b>\$3,329,320</b>	<b>\$8,222,349</b>	<b>\$567,933</b>	<b>\$3,424,566</b>	<b>\$35,786</b>	<b>\$67,926,757</b>	<b>10629</b>	<b>\$60,543,474</b>

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.

FY 23-24 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)	2009	\$11,020,508	\$9,902	\$109,414	\$0	\$0	\$31,536
Mining, Quarrying, and Oil and Gas Extraction	90	\$1,017,088	\$0	\$100,910	\$0	\$0	\$0
Utilities	34	\$7,146,109	\$120,776	\$42,900	\$0	\$0	\$0
Construction	314	\$1,367,309	\$119,004	\$587,746	\$160,000	\$85,808	\$3,988
Manufacturing	321	\$10,746,225	\$701,440	\$1,963,332	\$389,160	\$96,175	\$2,480,087
Wholesale Trade	134	\$1,805,198	\$117,440	\$611,905	\$164,500	\$0	\$14,614
Retail Trade	818	\$3,334,531	\$181,281	\$2,808,428	\$2,098,920	\$50,000	\$4,692
Transportation and Warehousing	129	\$3,992,357	\$4,303,629	\$389,353	\$166,413	\$4,357	\$24,875
Information	445	\$1,361,361	\$33,193	\$26,550	\$0	\$0	\$75,616
Finance and Insurance	115	\$226,636	\$45,224	\$62,213	\$1,000	\$0	\$0
Real Estate and Rental and Leasing	212	\$861,008	\$4,464	\$59,455	\$24,000	\$300,846	\$0
Professional, Scientific, and Technical Services	184	\$217,762	\$98,871	\$218,387	\$35,330	\$5,561	\$789,148
Management of Companies and Enterprises	445	\$1,361,361	\$33,193	\$26,550	\$0	\$0	\$75,616
Administrative and Support and Waste Management and Remediation Services	73	\$459,660	\$119,682	\$114,478	\$8,000	\$0	\$0
Educational Services	6	\$2,402	\$0	\$44,500	\$5,000	\$0	\$0
Health Care and Social Assistance	120	\$1,164,358	\$589,179	\$313,711	\$22,000	\$25,187	\$10
Arts, Entertainment, and Recreation	40	\$158,577	\$8,991	\$77,385	\$202,000	\$0	\$0
Accommodation and Food Services	326	\$501,370	\$38,158	\$609,290	\$36,167	\$0	\$0
Other Services (except Public Administration)	136	\$283,162	\$22,888	\$76,529	\$16,830	\$0	\$0
<b>TOTAL</b>	<b>5951</b>	<b>\$47,026,982</b>	<b>\$6,547,315</b>	<b>\$8,243,036</b>	<b>\$3,329,320</b>	<b>\$567,933</b>	<b>\$3,500,182</b>

# 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.

FY 23-24					
Industry	Beginning Employment	Ending Employment	Jobs Created	Jobs Retained	Jobs Transferred
Agriculture, Forestry, Fishing and Hunting (not covered in economic census)	12,139	12,394	352	12,042	14
Mining, Quarrying, and Oil and Gas Extraction	841	891	68	823	11
Utilities	1,831	1,879	48	1,831	-
Construction	6,230	6,622	695	5,927	456
Manufacturing	27,312	29,437	2,794	26,643	1,107
Wholesale Trade	8,903	10,334	1,651	8,683	338
Retail Trade	47,690	45,083	2,181	42,902	3,496
Transportation and Warehousing	12,418	14,408	2,802	11,606	169
Information	1,391	1,050	34	1,016	6
Finance and Insurance	1,826	1,809	119	1,690	116
Real Estate and Rental and Leasing	750	725	76	649	21
Professional, Scientific, and Technical Services	3,858	3,885	294	3,591	110
Management of Companies and Enterprises	1,391	1,050	34	1,016	6
Administrative and Support and Waste Management and Remediation Services	8,356	9,518	1,293	8,225	30
Educational Services	574	609	35	574	-
Health Care and Social Assistance	6,121	6,649	582	6,067	16
Arts, Entertainment, and Recreation	1,913	2,154	322	1,832	2
Accommodation and Food Services	9,381	9,502	677	8,825	14
Other Services (except Public Administration)	1,835	1,889	85	1,804	26
<b>TOTAL</b>	<b>154,760</b>	<b>159,889</b>	<b>14,141</b>	<b>145,747</b>	<b>5,938</b>

# 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.

FY 23-24				
Employee Type	Full-Time	Part-Time	Temporary	Contract
Average Annual Compensation	\$39,984.96	\$8,074.85	\$871.40	\$7,475.51
# of Employees for whom comp. Reported	159515	51863	4900	2429

# PROGRAM TRENDS

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

Historical 2011 – 2024		
FY	Businesses Certified	Total Credits Certified
2011	4659	\$ 91,613,844
2012	6389	\$ 116,160,138
2013	4660	\$ 112,314,458
2014	3907	\$ 43,061,497
2015	4071	\$ 77,443,624
2016	4306	\$ 70,344,648
2017	4419	\$ 67,292,273
2018	4735	\$ 54,309,435
2019	5776	\$ 55,251,948
2020	5408	\$ 92,250,303
2021	5976	\$ 75,689,003
2022	6073	\$ 103,890,326
2023	6265	\$ 77,655,772
2024	5538	\$ 67,926,757

The Investment Tax Credit encourages investment in business personal property in the EZs; 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 2011 – 2024			
Businesses Certified	# Certifications for Investment Tax Credit	\$ Invested in Eligible Business Personal Property	\$ Investment Tax Credit
2011	4304	\$ 2,532,665,102	\$ 76,193,506
2012	6213	\$ 3,333,228,954	\$ 100,831,813
2013	4606	\$ 3,198,458,969	\$ 97,261,301
2014	3875	\$ 1,107,573,379	\$ 33,227,202
2015	3813	\$ 2,042,076,832	\$ 62,261,139
2016	3900	\$ 1,874,830,485	\$ 56,244,947
2017	3976	\$ 1,416,348,065	\$ 42,490,497
2018	4262	\$ 1,423,999,438	\$ 42,720,034
2019	5260	\$ 1,364,110,733	\$ 40,923,386
2020	4932	\$ 2,465,706,786	\$ 73,971,303
2021	5578	\$ 3,036,374,203	\$ 91,091,226
2022	5690	\$ 2,839,439,322	\$ 85,183,256
2023	6265	\$ 1,811,008,388	\$ 54,330,321
2024	5538	\$ 1,526,704,843	\$ 45,801,267

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 of 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 Tax 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 is located in an EREZ an additional \$500 is added to the credit value per net new employee.

Historical 2011 - 2024									
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
2023	366	\$70,573,452	31,160	\$8,468,823	92	\$3,073,924	3,038	7,607	\$9,318,953
2024	353	\$54,546,143	31,055	\$6,545,536	79	\$3,329,320	2,672	6,659	\$8,222,349

EZ 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 FY 12-13.

Historical 2011 - 2024									
FY	# Certifications for Vacant Building Rehab Credit	\$ Invested in Building Rehabilitation	\$ Vacant Building Rehabilitation Credit	# Certifications for Research & Development Credit	\$ Spend on Research & Development	\$ R&D Tax Credit	# Certifications CVITC	\$ Invested in Commercial Vehicles	\$ Commercial Vehical Investment Tax Credit
2011	4608	\$9,953,388	\$11,025,571	4610	\$142,427,047	\$3,534,673			
2012	2671	\$8,134,362	\$923,457	2681	\$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
2023	24	\$5,221,594	\$582,585	109	\$213,006,324	\$1,881,935	12	\$2,150,233	\$64,507
2024	17	\$3,679,193	\$567,933	87	\$271,498,051	\$3,424,566	10	\$1,192,866	\$35,786

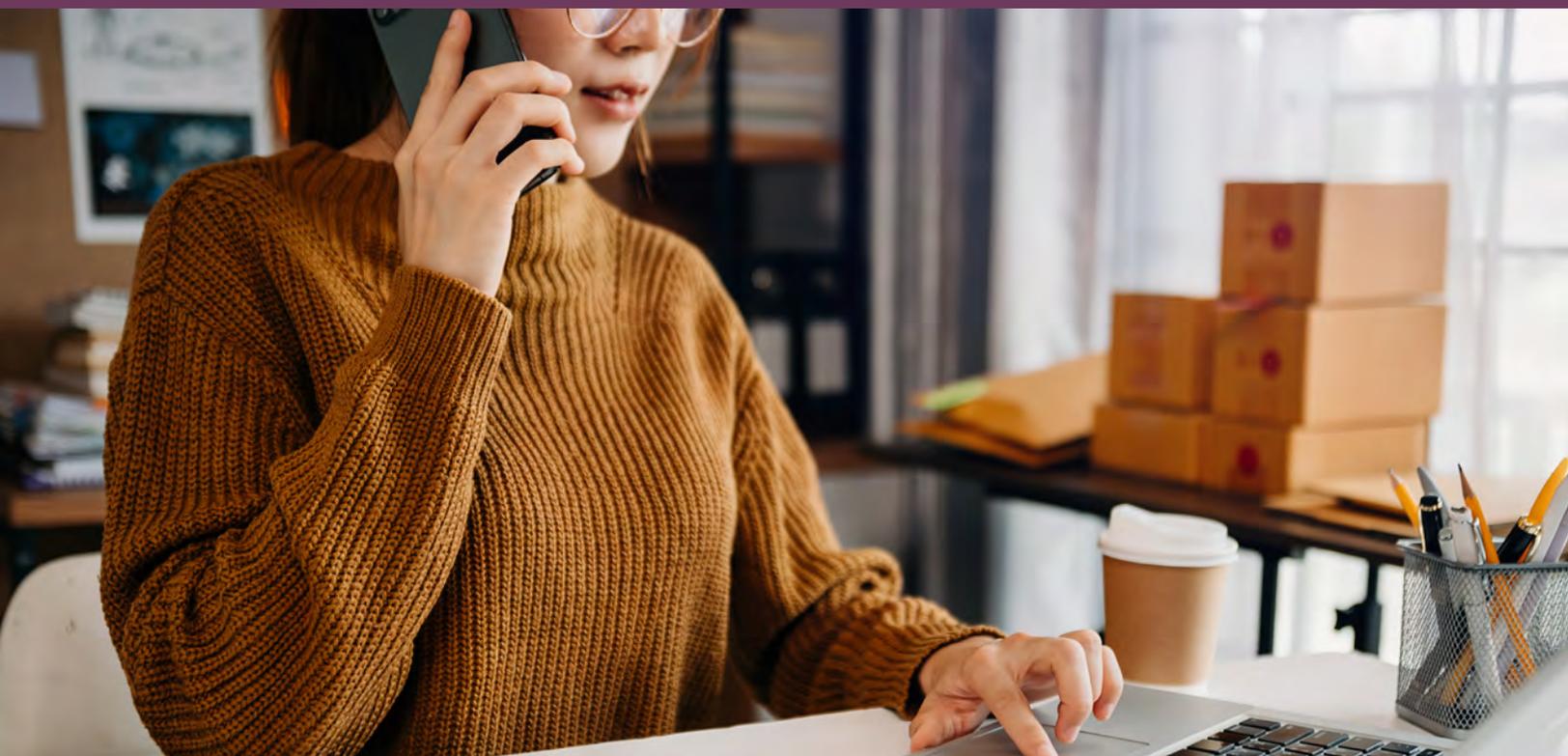
Historical 2011 - 2024									
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2024	353	\$54,546,143	31,055	\$6,545,536	79	\$3,329,320	2,672	6,659	\$8,222,349

Note: EZ Certification data is self-reported by a business representative; OEDIT does not verify investments, payroll counts, and similar information. 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.

# COLORADO STARTUP LOAN FUND

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Annual Report  
Fiscal Year 2023-2024



# COLORADO STARTUP LOAN FUND HIGHLIGHTS

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

- ▶ \$40 million from the General Fund for the CSLF program
- ▶ \$1.35 million from the General Fund to issue grants through the Small Business Development Center (SBDC) Accelerated Growth Program established by SB 21-241
- ▶ \$1 million to fund loans for borrowers who meet the statutory requirements of Disproportionately Impacted Businesses defined in SB21-001

In late 2021, OEDIT completed a market survey consisting of interviews with community groups, business leaders, and small business lenders throughout the state. The survey determined that to achieve the desired results of the CSLF program, the most effective approach would be to partner with organizations with a demonstrated history of serving underserved borrowers. In early 2022, after a competitive and equitable solicitation process with selection input from community leaders, eight mission-based lenders were selected and awarded just over \$30 million to operate loan funds under the guidelines of the CSLF. The selected lenders were allowed to integrate the Colorado Startup Loan capital into their existing programs aligned with the program objectives. The nonprofit lenders are focused on reaching new startups and underrepresented business owners with loan capital, education and assistance, and small grants that align with loans—grants typically help make loans more affordable. Ultimately, the capital will revolve around the lenders and continue to meet the program objectives well into the future. The Accelerated Growth Program and the Disproportionately Impacted Business programs were executed and have concluded in December 2023.

## PROGRAM STATISTICS

Approximately 9% of the funds awarded were made available for technical assistance to support small businesses in preparing their loan application or becoming loan-ready. Over 10% of the awarded funds were designated for small grants and over 76% for loan capital.

Based on the amounts requested in the applications and the capacity demonstrated by the organizations, a total of \$30,276,786 was granted to the selected lender partners. Funds awarded and deployed through June 30, 2024 are shown in the table below. CEF was awarded \$980,570 for loans to Disproportionately Impacted Businesses per SB 21-001 guidance and fully deployed those funds in FY 23-24. Region 9 and the Rural Lender Consortium received \$300,000 to loan to businesses in Just Transition communities as defined in HB 19-1314. As of FY 22-23, \$535,250 had been lent to 159 businesses.

Lender	Program Funds Awarded*	Program Funds Deployed	Technical Assistance Hours Provided**
B:Side	1,595,000	\$1,300,262	-
CEDS Finance	\$583,334	\$1,061,209	119
CEF	\$10,356,220	\$7,483,868	305
FSWCF	\$2,680,000	\$2,257,700	120
Lendistry	\$5,275,000	\$5,382,485***	-

Lender	Program Funds Awarded*	Program Funds Deployed	Technical Assistance Hours Provided**
Region 9/Rural Consortium	\$5,000,000	\$3,094,092	92
RMMFI	\$3,801,100	\$560,2455	12,550
XI	\$840,5000	\$840,000	570
<b>TOTAL</b>	<b>\$30,178,804</b>	<b>\$22,008,881</b>	<b>13,756</b>

\* Program Funds Awarded include administration, program marketing, technical assistance, grants, and loan capital

\*\* B:Side, Lendistry, Exponential Impact were not awarded funds for technical assistance and, therefore, may not report TA hours

\*\*\* Lendistry has successfully deployed the funds awarded and has begun recycling the capital from repayments.

Based on data reported by program lender partners, 1,155 businesses applied and were vetted for technical assistance, grants, and or loans from program kick-off in summer 2022 through June 30, 2024.

- ▶ 831 businesses were awarded loans or grants
- ▶ 1,083 were provided technical assistance
- ▶ 262 received neither technical assistance or financing

The percentage of applicants receiving a grant or loan as of the June 30 report date was 72%; applicants accepted into programs but that have not yet received grant or loan dollars are considered non-funded.

Program applicants identified as follows:



**54% women, 38% male, 8% chose not to identify**



**54% identified as a racial minority**

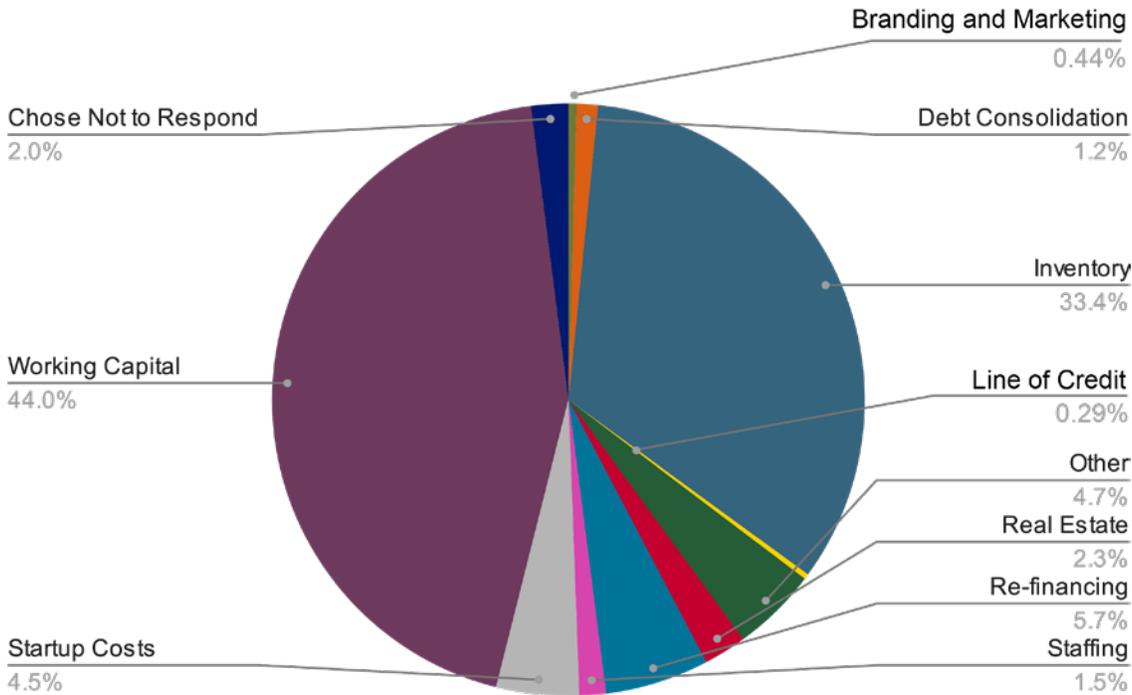


**7% of applicants identifying as veteran-owned**

## LOANS

Over the life of the program, 560 businesses have received a small business loan. The maximum loan size was \$1,228,165, the average was \$50,932, and the minimum was \$513. Lenders often stack funding sources together to make a loan to a particular business. The maximum amount of CSLF funds used for any one loan is \$150,000. Businesses primarily used the loan dollars to increase working capital, purchase equipment, refinance higher-cost debt, and purchase inventory for their businesses.

**Primary Need for Loan Capital**



Loan recipients reported that 1,796 jobs were supported with the loan capital and 2,897 were projected to be created within 12 months of the loan closing date, a 67% growth rate.

Lending partners take the time to understand the business owners needs and to connect them to resources, and may choose not to lend or provide grant funds as appropriate. In all cases, they make referrals for business support services. Lenders declined 262 of the 1,155 business inquiries that were logged. Based on information provided by lenders, about 45% of those were due to the applicant’s lack of responsiveness/inactivity, while another 30% were due to the borrower’s credit score being below lender standards.

*Loan recipients reported:*  
**1,796 jobs** were supported with the loan capital and **2,897 were projected** to be created within 12 months of the loan closing date, a **67% growth rate**

## GRANTS

Grants were provided as working capital and often supported startup costs. They helped businesses increase inventory, pay accounting, legal, and consulting fees, and prepare for loans. The funds were also used to pay franchise fees and insurance costs. In total, 467 businesses received grant awards. The maximum grant award was \$15,000, the average award was \$5,000, and the minimum was \$50.

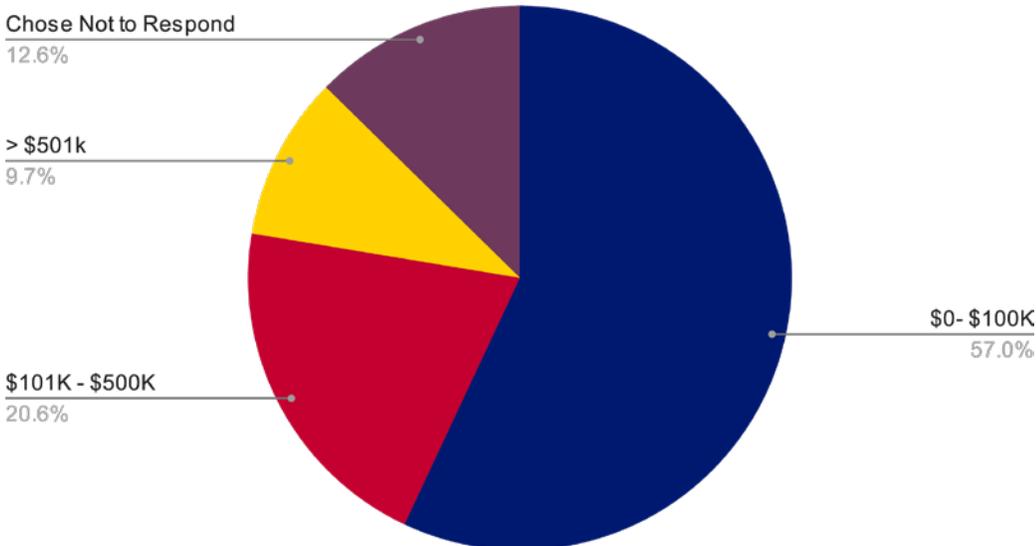
## FUNDS AWARDED

The Colorado Startup Loan Fund aimed to assist underserved borrowers. Loan and grant recipients are identified as follows:

- ▶ 54% of loan and grant recipients identify as woman-owned
- ▶ 31% of loan and grant recipients identify as a racial minority
- ▶ 22% of loan and grant recipients identify as Hispanic or Latino
- ▶ 7% of loan and grant recipients identify as veteran-owned
- ▶ 47% of loan and grant recipients were first-time business owners
- ▶ 62% of loan and grant recipients identified as low-income (less than 80% of Area Median Income (AMI))
- ▶ 78% of loan and grant awards were made to startups (operating for less than 25 months)
- ▶ 54% of loan and grant awards supported businesses in economically disadvantaged areas (Enterprise zones, Historically Underutilized Business Zone (HUB) zones, Opportunity zones, and rural counties)
- ▶ 8% of loan and grant recipients identified as immigrants
- ▶ 4% of loan and grant recipients identified as refugees
- ▶ 2% of loan and grant recipients identified as LGBTQ+
- ▶ 5% of loan and grant recipients identified as having a disability
- ▶ 2% of loan and grant recipients did not identify with any of the underserved characteristics listed above.

## TECHNICAL ASSISTANCE

### **Business Size by Annual Revenue**



Technical assistance included classes, business planning, budgeting and finance, loan write-ups, and other support tailored to the business' needs. CSLF partners provided 13,756 hours of technical assistance to 1,083 businesses.

The CSLF program was focused on small businesses needing relatively small amounts of capital to start or shift their business operations. More than 78% of program awardees had less than \$100,000 annual revenues.

Lender partners were selected with statewide reach in mind. Program funds supported businesses in 41 out of 64 counties. Lenders supported applicants in a number of languages including Arabic, Burmese, French, Japanese, Oromo, Rohingya, Somali, Spanish, and Twi. Businesses spanned all industry sectors.

## **COLORADO STARTUP LOAN FUND PROGRAM LENDERS**

### **B:SIDE FUND**

B:Side Fund is a mission-based nonprofit lender dedicated to helping small business owners succeed through support, funding, and resources. They work with businesses throughout the state. With funding from the Colorado Startup Loan Fund, B:Side offers loans ranging from \$20,000 to \$150,000. These loans can finance various business expenses, including working capital, debt refinancing, business acquisitions, inventory, equipment, furniture, and fixtures (excluding vehicles or trailers). B:Side has established a Spanish-language application process, complete with FAQs and videos, and has partnered with several business chambers and organizations to enhance their reach into underserved communities.

To date, B:Side Fund has funded 15 loans, of which 78% are considered early-stage or startups. Additionally, 68% of the subsidized loans have gone to low-income entrepreneurs, and over 50% of the borrowers are located in underserved areas.

One notable business B:Side funded is HSH Investigations, located in Denver. This 100% woman-owned and low-income-owned business operates within an Enterprise Zone and a New Markets Tax Credit Area. Over the past three years, HSH Investigations has provided services to diverse communities and developed valuable relationships within the criminal justice sector. They have secured contracts with The Office of Alternative Defense and the Office of Respondent Parent Counsel, state-run entities that provide services to those who cannot afford an attorney in criminal defense and family law matters. The CSLF loan helped HSH Investigations finance working capital to hire contract attorneys for consultation and advice on paralegal services, upgrade equipment, and cover operating expenses. The loan will also support the creation of one new job within the first year.

### **CEDS FINANCE**

CEDS Finance is a mission-driven, non-profit Community Development Financial Institution (CDFI) providing business financing to immigrants, refugees, and other underserved communities. They aim to help these individuals start, grow, or strengthen their businesses. CEDS Finance offers up to \$100,000 microloans to startup and existing businesses throughout the seven-county Denver metropolitan area: Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, and Jefferson counties. CEDS Finance is unique in Colorado as the only organization offering statewide Islamic-compliant business financing (murabahas).

CEDS Finance has funded 43 loans, 80% of which went to early-stage or true startups. Furthermore, 60% of the funded loans support low-income entrepreneurs, and over 50% of the borrowers are in underserved areas.

CEDS funding has empowered Sabrina Harris to realize her lifelong dream of opening Walking by Faith Learning Center, a much-needed daycare facility in Denver. Inspired by her grandmother's legacy in childcare and driven by her passion, Sabrina obtained her Director's License from the Colorado Department of Early Childhood. She secured a loan to transform a former school building into a nurturing space for young learners. Her center aims

to fill the critical gap in childcare services, particularly in underserved areas, showcasing the transformative impact of community-focused entrepreneurship. Sabrina’s story is a testament to resilience, passion, and the transformative power of community-focused entrepreneurship.

## **COLORADO ENTERPRISE FUND (CEF)**

Colorado Enterprise Fund (CEF) is a mission-driven, non-profit Community Development Financial Institution (CDFI) and small business lender dedicated to helping entrepreneurs launch and grow their ventures. For over 45 years, CEF has been committed to building businesses, driving community development, and creating jobs.

CEF provides crucial access to capital for entrepreneurs in low-income, minority, low-wealth, or underserved areas across Colorado. They support small businesses that may need to meet traditional financing guidelines because they are startups, have limited collateral, or have lower credit scores. CEF offers flexible, low-barrier loans, including working capital, equipment, inventory, business acquisition, property improvements, and more. Loans funded through the Colorado Startup Loan Fund range from \$1,000 to \$150,000.

In addition to financing, CEF offers free business coaching to small business borrowers through their Business Navigation Services. CEF Navigators provide guidance on business planning, marketing, sales, and accounting.

As of the fiscal year 2023-2024, CEF has funded 239 businesses. Seventy percent of these are considered early-stage and are classified as small businesses with annual revenue under \$2 million. Over 50% of funded loans support low-income entrepreneurs, and more than 40% of borrowers are in underserved areas such as Enterprise or HUB Zones.

CEF provided a working capital loan to Rachel Langley, owner of Homestand Direct Primary Care in Gleneagle, CO. The clinic focuses on building strong patient relationships to offer personalized care tailored to individual needs. After serving in the Air Force, Rachel was drawn back to the traditional healthcare system for its financial stability. However, her passion led her to secure funding and successfully open her own clinic. Homestand is a 100% women- and veteran-owned business dedicated to providing essential care to the community.

## **EXPONENTIAL IMPACT (XI)**

Exponential Impact (XI) is a nonprofit organization that boosts Southern Colorado’s entrepreneurial ecosystem. It fosters economic development by providing entrepreneurs access to capital, mentorship, educational resources, and comprehensive training, empowering them to establish sustainable and resilient businesses. The Colorado Startup Loan Fund, a key component of XI’s Survive and Thrive program, offers small companies funding and capacity-building support. This program features low-barrier, low-interest loans ranging from \$2,500 to \$100,000, a capacity-building curriculum, and community mentorship. To be eligible for a small business loan, businesses must complete one of XI’s cohort-based educational programs. XI extends these loans to businesses located in El Paso, Park, and Teller counties.

Fiscal Year 2023-2024, XI successfully deployed all funds awarded to them in 2022 to downstream borrowers through their Thrive and Accelerator programs. Through these initiatives, Xponential Impact provided crucial support to 37 businesses with an average loan size of \$22,972. Notably, 73% of these businesses were women-owned, 49% were startups, and over 48% were in an Enterprise Zone, underscoring XI’s commitment to diversity and economic development.

## **FIRST SOUTHWEST COMMUNITY FUND (FSWCF)**

First Southwest Community Fund (FSWCF) is the nonprofit partner of First Southwest Bank (FSWB), one of only two Community Development Financial Institution (CDFI) banks in Colorado. FSWCF programs provide low-interest, inclusive, and accessible loans, grants, and technical assistance to rural entrepreneurs and small businesses unable to access traditional financing. With funding from the Colorado Startup Loan Fund Program, FSWCF operates The Innovate Onwards Fund. This fund provides small grants and flexible working capital loans, ranging from \$10,000 to \$150,000, to existing and new businesses across rural Colorado to revitalize rural economies throughout the state.

In the 2023-2024 fiscal year, First Southwest Community Fund successfully deployed all funds awarded in 2022 and is now in the revolving phase. They supported 23 businesses through loans with an average loan size of \$25,000, and 78 businesses received grants ranging from \$1,000 to \$5,000. Over 90% of recipient businesses are rural, 70% are startups, and over 67% are women-owned.

FSWCF used CSLF funds to finance 4:13 Trucking LLC. Joel Gonzalez, a native of Center, CO, faced early hardships and had to leave high school in 2020 due to the pandemic to help support his family. Unfortunately, he never had the opportunity to return and graduate with his class of 2023. Joel has spent his entire career working in the farm industry, starting in agriculture and gaining experience driving trucks and large equipment. He developed a passion for driving and obtained his CDL permit. Joel, a second-generation truck driver, grew up around trucking; his parents have over 25 years of experience in the industry.

With the launch of his new trucking company, he hired his father as the driver to handle his regular route from the San Luis Valley to Houston, Texas. The income from the business will enable him to purchase another truck and trailer by the end of 2024 or early 2025, allowing him to operate two trucks alongside his father. With the help of FSWCF, he has achieved his dream and inspired others to do the same.

## **LENDISTRY**

Lendistry is a minority-led Community Development Financial Institution (CDFI) and innovative small business lender that provides growing businesses with affordable capital. By combining the speed and convenience of technology with responsible lending practices and investment capital from social impactors and national banks, Lendistry empowers business owners to achieve their goals through flexible financing options.

Through the Colorado Startup Loan Fund Program, Lendistry offers loans ranging from \$50,000 to \$150,000 to Colorado startups and small businesses nationwide, helping them move forward and grow. Eligible for-profit entities can apply for this working capital financing with terms of up to five years.

During the current fiscal year, Lendistry efficiently deployed all its allocated funds to borrowers and is now in the revolving phase. They supported 56 businesses with an average loan size of \$96,115. 57% of these loans went to startups or small businesses with annual revenue under \$2 million, 26% to low-income entrepreneurs, and 41% to minority-owned businesses.

Lendistry provided a loan to Coco's Café, a woman-owned business in Greeley, CO. The cafe opened after the pandemic's peak, filling a much-needed community gap. In the aftermath of COVID-19 isolation, Esmeralda Rodriguez-Betancourt has created a locally renowned business that is a safe space for the community to gather. It has a particular reputation for being LGBTQIA-friendly. Funding from the Colorado Startup Loan Program helped Esmeralda launch the business, which started with two full-time employees and has since doubled its staff.

## **REGION 9 ECONOMIC DEVELOPMENT DISTRICT OF SOUTHWEST COLORADO, INC. (REGION 9)**

Region 9 is a nonprofit, public private partnership that promotes and coordinates economic development efforts throughout southwest Colorado. Region 9 serves communities and businesses in Archuleta, Dolores, La Plata, Montezuma, and San Juan County through the management of a Business Loan Fund that promotes access to capital to rural underserved business owners. Region 9 has partnered with 11 other Rural Business Loan Funds in the state to provide loans between \$5,000 up to \$150,000 for working capital, equipment, or real estate purchase down payment assistance with funds from the Colorado Startup Loan Fund. Borrowers are encouraged to work with the Rural Business Loan Fund that serves their county to apply for a loan funded by the Colorado Startup Loan Fund from Region 9 Economic Development Group.

In the current fiscal year, Region 9 has funded 90 businesses with an average loan of \$54,895 and granted 18 businesses grants ranging from \$1,000 to \$5,000. All the supported enterprises are 100% rural, with over 41% considered low-income. Furthermore, 93% of these businesses are startups or small businesses that would have needed to obtain financing.

Region 9 has funded JP Designs, a startup that manufactures custom Indian Motorcycle parts. The owner, Jamus Perry is a Navajo Nation member and artist. He created an artistic bonnet alternative to the standard Indian Motorcycle bonnet and trademarked the product and design. He uses a 3D printer to make custom hood ornaments made of tempered glass and faces including Geronimo, Sitting Bull, Crazy Horse (an Apache female warrior), and can cater to other nationalities, including Nordic. This loan is funding attendance at the Indian Rider Fest in the Czech Republic in June of this year where Perry will market to Indian Riders and interact with affiliated manufacturers and businesses. Perry has an appointment with the Head Designer for Indian (currently owned by Polaris) to pitch his product, and also has an appointment with Brian Clock who is famous in South Dakota for the Jack Daniels line of Indian motorcycles. Perry is hoping to hire other Native Americans to expand his sales base through motorcycle accessory retailers across the US.

## **ROCKY MOUNTAIN MICROFINANCE INSTITUTE (RMMFI)**

Rocky Mountain MicroFinance Institute (RMMFI) is a nonprofit Community Development Financial Institution (CDFI) with a holistic model that combines capital access with education, mentorship, and community support. This approach helps aspiring and experienced entrepreneurs build strong personal and business foundations. RMMFI serves entrepreneurs from low-income backgrounds across Colorado, with a focus on the Denver metro area and Northeast and Southeast Colorado.

RMMFI offers four types of loans funded by the Colorado Startup Loan Fund, ranging from \$200 to \$75,000. These loans are character-based, meaning they look beyond financial information and do not consider citizenship status or criminal background when making lending decisions. Completion of one of RMMFI's cohort-based educational programs is required before accessing a small business loan. With their efforts, RMMFI has funded 80 businesses through loans and has awarded 161 small business owners who have gone through their various programs. One-hundred percent of their funding went to low-income borrowers and startups; over 74% are minority-owned and women-owned businesses.

For the 2023-2024 fiscal year, RMMFI aims to showcase the success of its Spanish-speaking program, which exemplifies the power of word-of-mouth marketing within communities often overlooked by traditional financial and business development services. Since receiving support from the Colorado Startup Loan Fund, RMMFI has expanded its Spanish-language programming. By offering personalized, relationship-focused support coupled with risk-free small grants and low-barrier loans, RMMFI has fostered strong trust within Spanish-speaking and immigrant entrepreneur communities.

This trust has led to organic growth through referrals. One inspiring example is an entrepreneur with a thriving baking business who graduated from RMMFI's Business Launch Boot Camp and received a grant and loan in October 2023. Their success prompted them to refer a family member who runs a catering company specializing in paella and other Spanish cuisine. This entrepreneur recently participated in the Sabor event at the Denver Botanic Gardens and is set to graduate from Boot Camp and receive their first funding from RMMFI through the CSLF.

Approximately \$1,991,000 awarded to these lending partners remains to be deployed. The lenders will revolve income from the CSLF which includes fees, interest, and loan repayments to continue providing loans under the CSLF guidelines. OEDIT is assessing the program outcomes and current market needs and will design a new program to deploy the remaining funds appropriated to the CSLF program in 2022. To conclude, the Colorado Startup Loan Fund through its partnership with mission-based lenders has successfully served small, underserved, businesses across the state.

# RURAL JUMP-START ZONE PROGRAM

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Annual Report  
Fiscal Year 2023-2024



# EXECUTIVE SUMMARY

The Colorado Rural Jump-Start Zone program provides tax relief to businesses and employees of businesses that locate in designated economically distressed areas of rural Colorado. The Colorado Economic Development Commission (EDC) 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-nine companies are participating in the Rural Jump-Start Zone program as of June 30, 2024. These companies are based in Alamosa, Delta, Huerfano, Kit Carson, Las Animas, Logan, Mesa, Montezuma, Morgan, Pueblo, Routt, San Juan, and Sedgwick counties and include companies engaged in businesses such as milling organic flour, manufacturing ultra-efficient energy homes, food manufacturing of granola bars and soy-based products, data and IT services and products, truck upfitting, renewable energy parts distribution and manufacturing, and more.

As of June 30, 2024, 32 counties have formed Rural Jump-Start zones and 10 counties were eligible to form zones but have not done so.



## 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 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 24-25.

HB24-1001 amended the program to decrease the number of qualified employees a Rural Jump-Start business must hire from five to three for counties with less than 100,000 people.

By statute, the program may not approve any new zones or new businesses after December 31, 2030.

# 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 TAX 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, 2025. 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, 2024:***

Alamosa, Archuleta, Clear Creek, Conejos, Costilla, Delta, Dolores, Fremont, Garfield (excluding Carbondale), Huerfano, Kiowa, Kit Carzon, La Plata, Lake, Las Animas, Lincoln, Logan, Mesa, Moffat, Montezuma, Montrose, Morgan, Otero, Phillips, Prowers, Pueblo, Rio Blanco, Rio Grande, Routt, San Juan, Sedgwick, and Yuma.

### ***Counties Designated by the EDC as Economically Distressed and therefore Eligible to Apply for the Rural Jump-Start Program as of June 30, 2024:***

Baca, Bent, Cheyenne, Crowley, Custer, Hinsdale, Jackson, Mineral, Saguache, and Washington.

## 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 New Hires except that in a county with a population of less than one hundred thousand (100,000), hires at least three new hires
- ▶ 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, 2024*

Zone Name	Date Approved by EDC	Sponsoring Entity	Municipalities Included
Alamosa	Oct 20, 2022	San Luis Valley Development Resources Group	Alamosa
Archuleta	Sep 21, 2017	Pueblo Community College	Pagosa Springs
Clear Creek	Aug 15, 2019	Red Rocks Community College	None
Conejos	Mar 16, 2023	San Luis Valley Development Resources Group	None
Costilla	Jan 19, 2023	San Luis Valley Development Resources Group	San Luis
Delta	Sep 21, 2017	Colorado Mesa University/Western Colorado Community College	Cedaredge, Delta, Hotchkiss, Orchard City, Paonia
Dolores	Sep 21, 2017	Pueblo Community College	None
Fremont	Jan 16, 2020	Pueblo Community College	None
Garfield *excluding Carbondale	Mar 18, 2021	Colorado Mountain College	Glenwood Springs, New Castle, Parachute, Rifle, and Silt
Huerfano	Sep 16, 2021	Trinidad State Junior College	La Veta, Walsenburg
Kiowa	Dec 15, 2022	Kiowa County Economic Development Foundation	None
Kit Carson	Mar 16, 2023	Morgan Community College	Burlington, Vona

Zone Name	Date Approved by EDC	Sponsoring Entity	Municipalities Included
La Plata	Apr 18, 2024	Region 9 Economic Development District of SW Colorado	Durango, Ignacio
Lake	Jun 15, 2023	Southern Colorado Economic Development District	None
Las Animas	Mar 17, 2016	Trinidad State Junior College	Trinidad
Lincoln		Lincoln County Economic Development Corporation	Hugo, Limon
Logan	May 19, 2016	Northeastern Junior College	Sterling
Mesa	Jan 14, 2016	Colorado Mesa University/Western Colorado Community College	De Beque, Fruita, Grand Junction, Palisade
Moffat	Mar 16, 2017	Colorado Northwestern Community College	Craig
Montezuma	Sep 21, 2017	Pueblo Community College	Cortez, Dolores, Mancos
Montrose	May 19, 2016	Colorado Mesa University/Western Colorado Community College	Montrose, Naturita, Nucla, Olathe
Morgan	Feb 16, 2023	Morgan County Economic Development	Brush, Ft Morgan, Wiggins
Otero	Apr 18, 2019	Otero County Economic Development	La Junta
Phillips	Nov 17, 2022	Phillips County Economic Development Corporation	Haxtun, Holyoke
Prowers	Jul 19, 2018	Prowers Economic Prosperity; Lamar Community College	Granada, Lamar
Pueblo	Feb 18, 2021	Pueblo Community College	Pueblo
Rio Blanco	Sep 21, 2017	Colorado Northwestern Community College	Meeker, Rangely
Rio Grande	Nov 17, 2022	San Luis Valley Development Resources Group	Monte Vista
Routt	Aug 17, 2017	Colorado Northwestern Community College	Hayden, Oak Creek, Steamboat Springs, Yampa
San Juan	Sep 21, 2017	Pueblo Community College	Silverton
Sedgwick	Jul 27, 2022	Community Economic Development of Sedgwick County	Julesburg
Yuma	Mar 16, 2023	Yuma County Economic Development Corporation	None

## Active New Businesses as of June 30, 2024

New Business Name	Sponsoring Entity	RJS Zone	Date Approved/ Extended by EDC	Tax Year of First Tax Exemption Certificate
Alpenglow Beverage , LLC	Routt County Economic Development Partnership	Routt	Jun 16, 2022	2022
AMCON Distributing Company	Pueblo Community College	Pueblo	Mar 21, 2024	2024
Anywhere Cam, LLC	Morgan County Economic Development Corporation	Morgan	May 18, 2023	2023
Ask Oracle, LLC	Pueblo Community College	Pueblo	Mar 21, 2024	Contracting in process
CEAD Farms & Grain	Morgan Community College	Kit Carson	Jul 20, 2023	2023
Colorado Herbs, LLC	Technical College of the Rockies	Delta	Apr 15, 2021	2021
Colorado Stone Quarries, Inc.	Colorado Mesa University/Western Colorado Community College & Technical College of the Rockies	Delta	Dec 17, 2020	2021
CSC Supply LLC, dba Spartan Drill Tools	Colorado Mesa University/Western Colorado Community College	Mesa	Jun 15, 2023	2023
Eight Yellow Daffodils, LLC dba Colorado Sun Tofu	Trinidad State College	Las Animas	Jun 15, 2023	2023
Epiveris, LLC	Steamboat Springs Chamber Resort Association	Routt	Mar 17, 2022	2022
FHE	Colorado Mesa University/Western Colorado Community College	Mesa	Sep 19, 2023	2019
Fomcore, LLC		Pueblo	Mar 21, 2024	2024
Gate 6 Enterprise dba Bar-U-Eat	Steamboat Springs Chamber Resort Association	Routt	Jan 20, 2022	2022
Great Western Tire, Inc.	Logan County Economic Development	Logan	Apr 18, 2024	2024
Higher Purpose Homes, Ltd.	Region 9 Economic Development District	Montezuma	Nov 16, 2023	Contracting in process
Jabil, Inc	Colorado Mesa University/Western Colorado Community College	Mesa	Mar 21, 2024	2020
Kaart Group	Colorado Mesa University/Western Colorado Community College	Mesa	Jun 16, 2020	2016
Lasagna, LLC dba Magic Chonk	Routt County Economic Development Partnership	Routt	Aug 17, 2023	2023
Lyttle's Fleet Maintenance, Inc	Colorado Mesa University/Western Colorado Community College	Mesa	Nov 18, 2021	2021
Panadero Ski Corporation	Trinidad State College	Huerfano	Nov 17, 2022	2022
Phoenix Haus	Colorado Mesa University/Western Colorado Community College	Mesa	Aug 25, 2022	2018

New Business Name	Sponsoring Entity	RJS Zone	Date Approved/ Extended by EDC	Tax Year of First Tax Exemption Certificate
ProStar GeoCorp	Colorado Mesa University/Western Colorado Community College	Mesa	Feb 11, 2020	2016
Revolutionary Media Group, LLC dba Eastern Liquidations	Logan County Economic Development	Logan	Jun 15, 2023	2023
Road Warrior Driver Training, LLC	Community Economic Development of Sedgwick County	Sedgwick	Aug 25, 2022	2022
San Luis Valley outdoor Hospitality (SLVOH)	San Luis Valley Development Resources Group	Alamosa	May 18, 2023	Contracting in process
Sasquatch Campers, LLC	Fort Lewis College	San Juan	Dec 16, 2021	2021
Sky Hook Solar Corporation	Colorado Mesa University/Western Colorado Community College	Mesa	Oct 19, 2023	2023
Sky Peak Technologies	Colorado Mesa University/Western Colorado Community College	Mesa	Dec 16, 2021	2021
Spares in Motion, Inc.	Colorado Mesa University/Western Colorado Community College	Mesa	Dec 15, 2022	2022

### ***Estimates of Value of Benefits issued in Calendar Year 2023***

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 Income Tax	State Sales & Use Tax	Local Sales & Use Tax	Municipal Business Personal Property Tax	County Business Personal Property Tax	Other Tax Relief from Local Governments	Employee Exemption to State Income Tax	TOTAL TAX BENEFITS PER COMPANY
Alpenglow Beverage, LLC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Anywhere Cam, LLC	\$0.00	\$237.99	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$237.99
CEAD Farms & Grain	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Colorado Herbs, LLC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$55,000.00	\$55,000.00
Colorado Stone Quarries, Inc.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,488,715.00	\$1,488,715.00
CSC Supply dba Spartan Drill Tool	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Company Name	Business/ Owner Income Tax	State Sales & Use Tax	Local Sales & Use Tax	Municipal Business Personal Property Tax	County Business Personal Property Tax	Other Tax Relief from Local Governments	Employee Exemption to State Income Tax	TOTAL TAX BENEFITS PER COMPANY
Eight Yellow Daffodils, Inc. dba Colorado Sun Tofu	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Epiveris, LLC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FHE USA, LLC	\$0.00	\$0.00	\$0.00	\$0.00	\$40,000.00	\$0.00	\$1,043,243.00	\$1,083,243.00
Gate 6 Enterprises, LLC dba Bar-U-Eat	\$15,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$15,711.00	\$30,711.00
Higher Purpose Homes, Ltd.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Jabil, Inc.	\$0.00	\$0.00	\$0.00	\$0.00	\$680.00	\$0.00	\$3,579,506.00	\$3,580,186.00
Kaart Group, LLC	\$5,000.00	\$1,500.00	\$500.00	\$500.00	\$500.00	\$1,000.00	\$586,763.00	\$595,763.00
Lasagna LLC, dba Magic Chonk	\$0.00	\$247.10	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$247.10
Lyttle's Fleet Maintenance, Inc.	\$2,000.00	\$4,500.00	\$10,000.00	\$0.00	\$0.00	\$0.00	\$86,086.00	\$102,586.00
Panadero Ski Corporation	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Phoenix Haus	\$0.00	\$25,000.00	\$20,000.00	\$0.00	\$3,794.86	\$0.00	\$280,999.00	\$329,793.86
ProStar Geocorp, Inc.	\$0.00	\$0.00	\$4,500.00	\$3,500.00	\$1,000.00	\$0.00	\$805,084.00	\$814,084.00
Revolutionary Media Group, LLC dba Eastern Liquidations	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Road Warrior Driver Training, LLC	\$1,604.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,604.00
San Luis Valley Outdoor Hospitality	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Sasquatch Campers, LLC	\$500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$37,668.00	\$38,168.00
SkyHook Solar	\$0.00	\$81.00	\$178.93	\$0.00	\$0.00	\$0.00	\$0.00	\$259.93

Company Name	Business/ Owner Income Tax	State Sales & Use Tax	Local Sales & Use Tax	Municipal Business Personal Property Tax	County Business Personal Property Tax	Other Tax Relief from Local Governments	Employee Exemption to State Income Tax	TOTAL TAX BENEFITS PER COMPANY
Sky Peak Technologies	\$1,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$64,615.00	\$66,115.00
Spares in Motion	\$0.00	\$10,000.00	\$2,000.00	\$0.00	\$0.00	\$0.00	\$149,524.00	\$161,524.00
<b>TOTAL:</b>	<b>\$25,604.00</b>	<b>\$42,894.09</b>	<b>\$37,178.93</b>	<b>\$4,000.00</b>	<b>\$45,974.86</b>	<b>\$1,000.00</b>	<b>\$8,192,914.00</b>	<b>\$8,349,565.88</b>

\* This column represents the amount of salaries from New Hires that are exempt from Personal State Income Tax (4.4%). The estimated impact on state personal income tax revenue is \$8,192,914.00 x 4.4% = \$360,488.22.

### Rural Jump-Start Grant Amounts

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

Company Name	Committed New Hires	New Hire Grant	Operating Grant	Total Grant
Alpenglow Beverage, LLC	3	\$15,000	\$40,000	\$55,000
AMCON Distributing Company	20	\$100,000	\$40,000	\$140,000
Anywhere Cam, LLC	4	\$20,000	\$40,000	\$60,000
Ask Oracle, LLC	10	\$50,000	\$40,000	\$90,000
CEAD Farms & Grain	1	\$2,500	\$20,000	\$22,500
Colorado Herbs, LLC	8	\$0	\$0	\$0
Colorado Stone Quarries*	28	\$70,000	\$0	\$70,000
CSC Supply dba Spartan Drill Tool	6	\$15,000	\$20,000	\$35,000
Eight Yellow Daffodils, Inc. dba Colorado Sun Tofu	6	\$15,000	\$20,000	\$35,000
Epiveris, LLC	8	\$40,000	\$40,000	\$80,000
FHE	4	\$10,000	\$0	\$10,000
Fomcore, LLC	4	\$20,000	\$40,000	\$60,000
Gate 6 Enterprises, LLC dba Bar-U-Eat	13	\$65,000	\$40,000	\$105,000
Great Western Tire, Inc.	9	\$12,500	\$20,000	\$32,500
Higher Purpose Homes, Ltd.	13	\$32,500	\$20,000	\$52,500
Jabil, Inc.	17	\$42,500	\$0	\$42,500
Kaart Group	5	\$12,500	\$0	\$12,500
Lasagna LLC, dba Magic Chonk	1	\$5,000	\$40,000	\$45,000

Company Name	Committed New Hires	New Hire Grant	Operating Grant	Total Grant
Lyttle's Fleet	7	\$17,500	\$20,000	\$37,500
Panadero Ski Corporation	2	\$5,000	\$20,000	\$25,000
Phoenix Haus	10	\$25,000	\$0	\$25,000
ProStar GeoCorp	5	\$12,500	\$0	\$12,500
Revolutionary Media Group, LLC dba Eastern Liquidations	1	\$2,500	\$20,000	\$22,500
Road Warrior Driver Training, LLC	2	\$5,000	\$20,000	\$25,000
San Luis Valley Outdoor Hospitality	4	\$10,000	\$20,000	\$30,000
Sasquatch Campers	4	\$10,000	\$20,000	\$30,000
Sky Hook Solar	5	\$12,500	\$20,000	\$32,500
Sky Peak Technologies	10	\$25,000	\$20,000	\$45,000
Spares in Motion, Inc.	2	\$5,000	\$20,000	\$25,000
<b>TOTAL:</b>	<b>212</b>	<b>\$657,500</b>	<b>\$600,000</b>	<b>\$1,257,500</b>

### *Wages of New Hires in Calendar Year 2023*

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	Count New Hires	Income Exempted	Count Total Employees
Alpenglow Beverage, LLC	0	\$0	2
Anywhere Cam, LLC	0	\$0	0
CEAD Farms & Grain	0	\$0	1
Colorado Herbs, LLC	1	\$55,000	1
Colorado Stone Quarries, Inc.	27	\$1,488,715	53
CSC Supply dba Spartan Drill Tool	0	\$0	0
Eight Yellow Daffodils, Inc. dba Colorado Sun Tofu	0	\$0	4
Epiveris, LLC	0	\$0	1
FHE USA, LLC	9	\$1,043,243	9
Gate 6 Enterprises, LLC dba Bar-U-Eat	1	\$15,711	11
Higher Purpose Homes, Ltd.	0	\$0	0
Jabil, Inc.	57	\$3,579,506	112
Kaart Group, LLC	7	\$586,763	71
Lasagna LLC, dba Magic Chonk	0	\$0	0
Lyttle's Fleet Maintenance, Inc.	2	\$86,086	36
Panadero Ski Corporation	0	\$0	0
Phoenix Haus	7	\$280,999	16
ProStar Geocorp, Inc.	10	\$805,084	26
Revolutionary Media Group, LLC dba Eastern Liquidations	0	\$0	0
Road Warrior Driver Training, LLC	0	\$0	3
San Luis Valley Outdoor Hospitality	0	\$0	0

Company Name	Count New Hires	Income Exempted	Count Total Employees
Sasquatch Campers, LLC	3	\$37,668	6
SkyHook Solar Corporation	0	\$0	7
Sky Peak Technologies	1	\$64,615	6
Spares In Motion, Inc.	2	\$149,524	4
<b>TOTAL:</b>	<b>127</b>	<b>\$8,192,914</b>	<b>369</b>

## COMPANY DESCRIPTIONS

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

**AMCON Distributing Company (AMCON)** is a wholesale distributor of convenience store products such as tobacco products, candy, and some health and beauty care products.

**AnywhereCam, LLC** provides surveillance camera service, storage, and footage via cellular service.

**Ask Oracle, LLC** is a data and information technology company that created Home nDex, a property maintenance application that helps build property maintenance plans according to the homeowner's needs.

**Cead Farms & Grain, LLC** is an organic flour mill.

**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.

**CSC Supply, LLC dba Spartan Drill Tools** manufactures small-diameter drill pipe and consumables.

**Eight Yellow Daffodils, LLC dba Colorado Sun Tofu** is a soy manufacturing company that produces tofu and soy milk.

**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 FraLock, which is a remote quick connect system to control pressure in the fracking of oil and gas wells.

**Fomcore, LLC** is a soft-seating furniture manufacturer.

**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.

**Great Western Tire, Inc.** is a commercial tire retreading company serving truck drivers, farmers, tire dealers, and other companies depending on commercial tires for machinery.

**Higher Purpose Homes, Ltd.** is a manufacturer of modular housing and panelized frames.

**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.

**Lasagna, LLC dba Magic Chonk** is a vegan and allergen free ice cream manufacturer.

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

**Panadero Ski Corporation** is a nonprofit organization managing the Parker-Fitzgerald Cuchara Mountain Park, including access to skiing and snowboarding.

**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.

**Revolutionary Media Group, LLC dba Eastern Liquidations** is a wholesale product management and e-commerce company that purchases products from department stores, then manages auction and distribution processes.

**Road Warrior Driver Training, LLC** is a commercial drivers license (CDL) training business.

**San Luis Valley Outdoor Hospitality (SLVOH)** provides grounds maintenance and onsite operational support to campgrounds, RV parks, and other outdoor hospitality venues.

**Sasquatch Campers, LLC** is an expedition camp trailer company.

**SkyHook Solar, Corp.** is a manufacturer of mobile, industrial-grade, and solar powered generators.

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

**Spares in Motion, Inc.** is a global parts distributor for the wind turbine and renewable energy sector.

# INNOVATIVE HOUSING INCENTIVE PROGRAM

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Annual Report  
Fiscal Year 2023-2024



# SUMMARY

The Innovative Housing Incentive Program (IHIP) took effect in July 2022. It has two components: a grant program for innovative housing manufacturing businesses in Colorado, and a loan program to establish new factories across the state.

The grant program opened for applications in December 2022 and three grant applications were approved in early 2023. These grant contracts were executed in July 2023, at the start of fiscal year 2023-2024. Another six businesses' grant applications were approved during the fiscal year, and their contracts were executed throughout the year. Together, these businesses produced 339 housing units that were directly incentivized by the IHIP grant program, and received \$1,824,635 in performance-based grant funding.

The factory loan program opened for applications in Fall 2023. Using \$20 million in IHIP funds, combined with \$18 million from Proposition 123, OEDIT and Colorado Housing and Finance Authority (CHFA) announced \$38 million in factory loan funding for eight manufacturing businesses across the state.

- ▶ Two of these businesses received only IHIP funding.
- ▶ Two received a combination of IHIP and Proposition 123 funding.
- ▶ Four received only Proposition 123 funding.

The IHIP loans ranged from \$2.5 million to \$8.5 million. OEDIT expects all of these loans to close in FY 24-25.

## **THE NUMBER OF INNOVATIVE HOUSING BUSINESSES APPLYING TO THE PROGRAM:**

### ***Grant Program***

OEDIT received eight full grant applications in FY 23-24. Six of these applications were approved, and two were not approved. OEDIT also approved three grant applications in July 2023 that were submitted in FY 22-23. A total of nine applications were approved and funded in FY 23-24.

### ***Factory Loan Program***

OEDIT and CHFA received 15 full loan applications for the factory loan program, which included \$20 million from the Innovative Housing Incentive Program (IHIP) and \$18 million in funding from Proposition 123.

- ▶ Eight of these applications were approved.
- ▶ Two received funding exclusively from IHIP.
- ▶ Two received funding from both IHIP and Proposition 123.
- ▶ Four received funding exclusively from Proposition 123.

The percentage of applicants funded and average rate of funding through the program, including detail on the type of housing incentivized is outlined below:

### **Grant Program**

One-hundred percent of applications that were submitted and fully reviewed in FY 23-24 were approved. Including the two applications that remained under review at the end of FY 23-24, 75% of all applications were funded.

The average rate of funding for the nine applications approved in FY 23-24 was \$639,500. These are performance-based grants that are spread over multiple contract years, so this number does not reflect the

amount of funding disbursed to each of the nine businesses.

- ▶ Two of the businesses approved use modular manufacturing methods.
- ▶ Two of the businesses approved use 3D-printing manufacturing methods.
- ▶ Four of the businesses approved use panelized manufacturing methods.
- ▶ One of the businesses uses prefabricated steel framing manufacturing methods.

### **Factory Loan Program**

For the Factory Loan Program, eight of 15 applicants (53%) received funding from IHIP, Proposition 123, or a combination of the two programs. Four of the 15 applicants (27%) received some funding from IHIP.

The average amount of funding for the factory loan program, including both IHIP and Proposition 123, was \$4,750,000.

- ▶ Five of the businesses that received factory loan funding use modular manufacturing methods.
- ▶ Two of the businesses that received factory loan funding use panelized manufacturing methods.
- ▶ One of the businesses that received factory loan funding uses 3D-printing manufacturing methods.

Out of the businesses that received IHIP funding from the factory loan program, three businesses use modular manufacturing methods and one uses panelized manufacturing methods.

## **THE GEOGRAPHIC DISTRIBUTION OF THE APPLICANTS FOR AND RECIPIENTS OF GRANTS AND LOANS:**

### ***Grant Program***

The nine businesses that were approved for IHIP grants in FY 23-24 were located in eight cities and eight counties (in parentheses): Denver (Adams), Colorado Springs (El Paso), Pueblo (Pueblo), Grand Junction (Mesa), Littleton (Arapahoe), Durango (La Plata), Commerce City (Denver), Louisville (Boulder). Two approved businesses were based in Colorado Springs.

### ***Factory Loan Program***

Not all of the factories approved for loans have finalized their locations as of September 2024. The likely or confirmed locations of factories approved for loan funding are Aurora, Buena Vista, Fremont County, Pueblo, Bennet, Durango/Cortez area, and Denver metropolitan area. One business that was approved for a factory is still considering locations in multiple regions of the state.

# CHIPS ZONE

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# SUMMARY

The CHIPS Zone Program was created through HB23-1260 to maximize incentives available to eligible semiconductor companies in Colorado and encourage the sector’s local expansion. Municipalities, counties, and groups of the two may apply through OEDIT to the Economic Development Commission (EDC) to designate a geographical area within its governance as a CHIPS Zone. Applying entities must provide the boundaries of the area to be designated, along with estimated benefits and an economic justification of the zone. Once approved, taxpayers engaged in semiconductor manufacturing in the CHIPS Zone can access the following state income tax credits from the Enterprise Zone program: Qualified Investment tax credit, Job training tax credit, Commercial Vehicle Investment tax credit, Business Facility New Employee tax credit, and the Research and development tax credit. All such credits may be used to offset a taxpayer’s income tax liability or carried forward for a period not to exceed 12 years. Or, if the credits are included in a refund certificate approved by the Commission pursuant to the refund mechanism, they may be used to claim a refund of 80% of the total amount of the credits.

The statistics in the table below are required by statute annually. However, there is lead time between establishing a CHIPS Zone, companies establishing operations within that zone, and certifying to claim the earned credits. For more information on the development and timelines of the program, see the “Program Update” section below the table.

Most recent statistics available for taxpayers claiming CHIPS Zone credits:

Description	Value
The number of semiconductor manufacturing jobs created in the zone	0
The number of such jobs retained in the zone	0
The average annual compensation level, including benefits, of the semiconductor manufacturing jobs created or retained in the zone	0
An analysis of capital investment in the zone, including the amount of investment in qualifying property for which tax credits are claimed pursuant to section 39-30-104	0
The number of business facility employees for which tax credits are claimed pursuant to section 39-30-105.1	0
The amount of investment tax credits claimed pursuant to section 39-30-104 and the amount of credits for employees claimed pursuant to section 39-30-105.1	0
The number and amount of tax credits based on expenditures for research and experimental activities claimed pursuant to section 39-30-105.5	0
Any other information reasonably required by the commission to evaluate the effectiveness of each zone in accomplishing the economic objectives of the Zone.	N/A

# PROGRAM UPDATE

OEDIT staff have developed program policies and guidelines, which were approved by the EDC on July 20, 2023.

Approved CHIPS Zones:

- ▶ Fort Collins applied and was approved for the first CHIPS Zone on July 20, 2023.
- ▶ Longmont was approved for the second CHIPS Zone on February 15, 2024.

There were no other CHIPS Zone applicants during FY 23-24, but several communities are in conversations with OEDIT to develop additional CHIPS zones.

There are three companies currently planning projects in the established CHIPS Zones. The projects are anticipated to develop semiconductor infrastructure with capital investment exceeding \$250 million and create, at minimum, dozens of high-paying, technical jobs over the next several years. One of these three companies pre-certified during FY 23-24 and the other two are planning to pre-certify after seeking approval for the Colorado CHIPS Refundable Tax Credit program. OEDIT will not have reportable metrics displayed in the table above until FY 24-25 when the companies with approved pre-certifications claim credits through the program.

# CHIPS ACT STRATEGIC FUND PROGRAMMATIC SPENDING

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EDC Strategic Fund Supplemental  
Fiscal Year 2023-2024



# PLANNED SPENDING AND PROGRAM DEVELOPMENT

SB23-137 mandated the transfer of \$5 million from Colorado’s General Fund to the Colorado Economic Development Fund, known as the Strategic Fund, on April 1, 2023, to use in connection with the federal Creating Helpful Incentives to Produce Semiconductors (CHIPS) and Science Act of 2022. This was one of three legislative actions that provided the Office of Economic Development & International Trade with additional resources to use in the pursuit of this once-in-a-generation opportunity, along with HB 23-1260—which created the Colorado CHIPS Refundable Tax Credit and CHIPS Zone programs—and a \$1.5 million strategic fund supplemental that was transferred in October 2020.

Of these funds, \$832,000 were earmarked for program administration costs, including salary and benefits, travel, and other related expenses for a Semiconductor Industry Manager. This position was filled in May 2023.

The Semiconductor Industry Manager was responsible for identifying opportunities to spend and create programs to distribute this funding. A prime focus for this funding—which is aligned with priorities of the programs in the CHIPS Act—is to foster inclusion of traditionally underserved communities. To that effect, the Semiconductor Industry Manager determined that the majority of the funding should be used to support local communities outside of the state’s traditional hubs for semiconductor activities in identifying, bolstering, and marketing assets relevant to recruitment of companies in the semiconductor or advanced industries sectors.

From May through August, these opportunities and programs were envisioned, socialized, and revised internally at OEDIT. The planned programmatic spending for this fund was then approved by the Economic Development Commission (EDC) on Aug. 17, 2023, with the following categories:

- ▶ \$50,000 - study of Colorado’s semiconductor ecosystem as it relates to the national and global market, with particular emphasis on our value proposition, appropriate segments to target, regional differences within the state, and opportunities to catalyze growth, among other findings.
- ▶ \$3,750,000 - community support programs including local market studies, implementation grants, and marketing grants.
- ▶ \$368,000 - marketing activities and global community engagement - trade show and conference participation, ad placement, sponsorships, etc.
- ▶ \$832,000 - program administration per Long Bill footnote for Semiconductor Industry Manager salary and benefits, travel, and related expenses; remaining funds may be re-allocated to programmatic support.

The Semiconductor Industry Manager also developed and distributed a survey to local communities across the state to ensure community buy-in for the programs. Of the 174 contacts that received the survey, 44 responded, a response rate of 25%. This survey closed in late September.

For each program, a description was provided and respondents were asked to rate from one to five how effective it would be and if the respondent would be interested in pursuing the program, with one being the poorest outcome (not effective and not interesting) and five being the best outcome (very effective and very interesting). Additional space was provided for unstructured feedback for each program, and then on the programs as a whole. In general, the responses were overwhelmingly positive: the least popular program was rated a four or five by 72% of the respondents.

With feedback from the survey, the Semiconductor Industry Manager launched the Colorado CHIPS Community Support Program (CCCSP), a suite of three grants:

1. Market Study Grants - OEDIT provided grant funding for localities through a competitive application process to contract with a consultant to provide a market study. These studies will include a detailed analysis of the existing local industry, assets, and gaps relevant to the semiconductor and advanced industries sectors. They will help define the area’s competitive positioning, value proposition, and salient

opportunities for development, attraction, and retention. Awards range from \$25,000 to \$50,000.

2. Implementation Grants - OEDIT will provide grant funding for localities through a competitive application process to develop an asset or fill a gap relevant to the semiconductor and advanced industries ecosystem. Priority will be given for those seeking to implement plans identified through Program 1 or another similar strategic initiative like CEDS. Awards range from \$100,000 to \$500,000.
3. Marketing Grants - Grant funding for localities through a competitive application process to support marketing and promotional activities targeted to semiconductors and advanced industries. Priority will be given for those seeking to market an asset developed through Program 2. Awards range from \$10,000 to \$25,000.

Applications closed for CCCSP Cycle 1 on May 31, 2024 and awardees were notified by June 30, 2024. Cycle 1 only included the market study and marketing grants (the implementation grants started in Cycle 2 - July 2024).

## PERFORMANCE METRICS

Per SB 23-137, the following are required metrics of reporting for this funding:

1. A detailed list of the projects funded;
2. The identity of all entities receiving funding and the geographic location of the entities receiving funding;
3. The type of funding provided;
4. Any anticipated economic benefits that the funding is expected to produce;
5. Project timelines and anticipated completion dates;
6. Any efforts to provide funding to rural or underserved areas; and
7. The amount of any administrative costs related to administering the money transferred pursuant to subsection.

The sections that follow present these items one-by-one.

CCCSP Grant Type	Awardee	Amount	Geographic Areas Covered
Market Study	Grand Junction Economic Partnership	\$50,000	City of Grand Junction and Mesa County
Market Study	Southern Colorado Economic Development District	\$50,000	Baca, Bent, Chaffee, Crowley, Custer, Huerfano, Kiowa, Otero, and Prowers Counties
Market Study	Upstate Colorado Economic Development	\$41,415	Larimer and Weld Counties
Marketing	Longmont Economic Development Partnership	\$25,000	City of Longmont
Marketing	City of Fort Collins	\$25,000	City of Fort Collins

Total awards in Cycle 1 sum to \$191,415, leaving an additional \$3,558,585 for distribution in subsequent cycles. The Semiconductor Industry Manager expects to distribute the remaining funds in three additional cycles.

The anticipated economic benefit (metric four) of the market study grant is an actionable strategy that defines the area’s competitive positioning, value proposition, and salient opportunities for development, attraction,

and retention of semiconductor and advanced industry operations. The anticipated economic benefit of the marketing grant is increased national and global awareness of the area’s value proposition in semiconductors and advanced industries, which can lead to an expanded pipeline of interested companies.

Timelines and anticipated completion dates (metric five) are in development and will be part of the awardees’ grant agreements.

## OTHER EXPENDITURES AND ADMINISTRATIVE COSTS

In FY 23-24, an additional \$305,245 was expended from the fund in the following amounts and categories:

1. \$170,587 - Salary, travel, and related expenses for the Semiconductor Industry Manager
2. \$85,159 - Marketing activities and global community engagement
3. \$49,500 - Colorado Semiconductor Industry Ecosystem Study

These expenses funded the following activities, which together deepened the State’s knowledge of the local, national, and global semiconductor industry; increased awareness of Colorado among national and international investors; and provided opportunities for local Colorado companies to connect and expand:

1. National ad placements in Forbes, Trade and Industry Development, and Business Facilities publications
2. Conference participation and networking at SEMICON Europa
3. Colorado Semiconductor Workforce and Innovation Forum in partnership with CU Boulder
4. Ecosystem engagement mission in Taipei and Hsinchu
5. Featured presentation, conference participation, and networking at SEMICON Korea
6. Inbound delegation of 27 Taiwanese businesses and organizations in semiconductors/quantum/photonics

## SUMMARY

Expenditure Category	Awardee	FY 22-23 Spent	FY 23-24 Spent	Total Spent	Total Remaining
Colorado Semiconductor Ecosystem Report	\$50,000	\$0	\$49,500	\$49,500	\$500
Colorado CHIPS Community Support Program	\$3,750,000	\$0	\$191,415	\$191,415	\$3,558,585
Marketing Activities and Global Community Engagement	\$368,000	\$0	\$85,159	\$85,159	\$282,841
Semiconductor Industry Manager and Related Admin Expenses	\$832,000	\$24,862	\$170,587	\$195,449	\$636,551
Total	\$5,000,000	\$24,862	\$496,661	\$521,523	\$4,478,477

# COLORADO REGIONAL TOURISM ACT

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Annual Report  
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# REGIONAL TOURISM ACT (RTA)

The Regional Tourism Act program allowed local governments 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:

1. Aurora Hotel & Conference Center (Gaylord Rockies)
2. Colorado Springs City for Champions (C4C)
3. Denver National Western Center
4. Go NoCO Projects
5. Pueblo Heritage of Heroes / Professional Bull Riders University

These projects are in various stages of completion.

## AURORA

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

Amount of Sales Tax Diverted	
05/01/12 - 04/30/13	\$-
05/01/13 - 04/30/14	\$-
05/01/14 - 04/30/15	\$-
05/01/15 - 04/30/16	\$-
05/01/16 - 04/30/17	\$-
05/01/17 - 04/30/18	\$-
05/01/18-04/30/19	\$830,873.32
05/01/19-04/30/20	\$4,092,986.93
05/01/20 - 04/30/21	\$680,935.73
05/01/21 - 04/30/22	\$2,622,190.10
<b>TOTAL</b>	<b>\$8,226,986.08</b>

Actual Sales Tax Collected	
DOR Baseline	Zero since no sales tax collected in zone
05/01/12 - 04/30/13	\$-
05/01/13 - 04/30/14	\$-
05/01/14 - 04/30/15	\$-
05/01/15 - 04/30/16	\$-
05/01/16 - 04/30/17	\$-
05/01/17 - 04/30/18	\$-

Actual Sales Tax Collected	
05/01/18 - 04/30/19	\$1,262,725.42
05/01/19 - 04/30/20	\$6,220,344.87
05/01/20 - 04/30/21	\$1,034,856.76
05/01/21 - 04/30/22	\$3,985,091.36

Project Expenditures* (*May include expenditures funding by Dedicated Revenue and other sources)	
2012-2013	\$-
2013-2014	\$-
2014-2015	\$-
2015-2016	\$-
2016-2017	\$-
2017-2018	\$-
2018-2019	\$-
2019-2020*	\$539,490,833.40
2020-2021	
2021-2022	
<b>TOTAL</b>	<b>\$539,490,833.40</b>

\*data from Aurora Annual Report. Amount reported includes certified Eligible Costs of which the majority were funded from sources other than RTA Funds

### Comparison: Actual vs. Projected Sales Tax

RTA TIF Year 2022 (Actual / Proj.)
\$5.9 million / \$5.9 million*

\*projected value multiplied by 3% inflation over 7 years.

### Assessment of Overall Effectiveness

The return on investment (ROI) to the State, measured through actual sales tax receipts and estimated payroll tax, is described below. The 1,557 jobs in 2021 have a total annual payroll of \$63.1 million. The effective tax rate from the State’s model is 2.52%, which equates to \$1.6 million in annual payroll tax.

The return on investment is calculated as:

- ▶ Sales tax generated by the facility, excluding the State RTA contribution,
- ▶ Plus personal income tax,
- ▶ Total divided by the State’s investment, which is the sales tax distribution to the project in 2021.

The total sales and payroll taxes received by the state in 2021 is estimated at \$2.53 million. Compared to the 2021 investment of \$1.8 million, this is a return on investment of 40%. The ROI increased substantially compared to 2020. This was primarily driven by the increase in income taxes resulting from higher average wages paid in 2021 compared to 2020.

## COLORADO SPRINGS

The Colorado Springs City for Champions RTA award is for four project elements: The U.S. Olympic Museum, the Colorado Sports & Event Center, the University of Colorado Colorado Springs (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 includes Weidner Field which opened in the spring of 2021 and the Robson Arena which opened in the fall of 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.

Amount of Sales Tax Diverted	
12/1/13 - 11/30/14	\$760,632.07
12/1/14 - 11/30/15	\$2,167,943.91
12/1/15 - 11/30/16	\$2,726,155.93
12/1/16 - 11/30/17	\$3,634,358.76
12/1/17-11/30/18	\$5,036,333.02
12/1/18-11/30/19	\$5,012,987.58
12/1/19-11/30/20	\$4,265,650.64
12/20/1-11/30/21	\$7,818,571.32
<b>TOTAL</b>	<b>\$31,422,633.23</b>

Actual Sales Tax Collected	
DOR Baseline	\$169,503,177.64
12/01/13 - 11/30/14	\$175,318,407.57
12/01/14 - 11/30/15	\$186,077,672.33
12/01/15 - 11/30/16	\$190,345,348.33
12/01/16 - 11/30/17	\$197,288,795.06
12/01/17 - 11/30/18	\$208,007,252.78
12/01/18 - 11/30/19	\$207,828,770.86
12/1/19-11/30/20	\$202,115,185.59
12/20/1-11/30/21	\$229,278,187.78
05/01/21 - 04/30/22	\$3,985,091.36

Project Expenditures* (*May include expenditures funding by Dedicated Revenue and other sources)	
CY 2014	\$6,180.13
CY 2015	\$19,564.00
CY 2016	\$43,494.44
CY 2017	\$13,807,676.00
CY 2018	\$28,273,266.00
CY 2019	\$40,671,992.00
CY 2020	

<b>Project Expenditures*</b> (*May include expenditures funding by Dedicated Revenue and other sources)	
CY 2021	
CY 2022	Data not yet available
<b>TOTAL</b>	<b>\$82,822,172.57</b>

\*data from CSURA Audited financials. Includes expenditure from sources other than RTA Funds

### **Comparison: Actual vs. Projected Sales Tax**

<b>RTA TIF Year 2022 (Actual / Proj.)</b>
\$207.8 million / \$111 million

### **Assessment of Overall Effectiveness**

Since the start of construction, the State has collected about \$1 million from the construction and operations of the Hybl Facility and the Olympic Museum. Local governments (the City of Colorado Springs and El Paso County) have collected \$2.3 million. Less obvious, yet still real, the C4C program has been credited with influencing significant private sector and non-profit sector building construction in Colorado Springs. Discussed more fully later in this report, this associated downtown development has generated anywhere from \$1.5 million to \$2.4 million in State sales tax revenue from both employees' wage expenditures and Sales and Use tax on construction materials for private sector buildings. The downtown development has also led to between \$2.8 million and \$4.4 million in local sales tax revenues. Sales and Use taxes on construction materials for the private sector portions of the downtown development were included but were not for the public and non-profit construction both downtown and at the Hybl Center and the Olympic Museum as they are tax exempt.

## **DENVER**

The Denver National Western Center has constructed multiple contributing structures to the campus that were required by the RTA award. The last Colorado State University (CSU) Spur building on the campus opened in early 2023.

<b>Amount of Sales Tax Diverted</b>	
12/1/15 - 11/30/16	\$17,052.02
12/1/16 - 11/30/17	\$133,161.63
12/1/17-11/30/18	\$-
12/1/18-11/30/19	133,156.13
12/1/19-11/30/20	0.00
12/1/20-11/30/21	0.00
<b>TOTAL</b>	<b>\$283,369.78</b>

<b>Actual Sales Tax Collected</b>	
DOR Baseline	\$214,866,527.20
12/01/15 - 11/30/16	\$215,798,331.44
12/01/16 - 11/30/17	\$222,143,119.13
12/01/17 - 11/30/18	\$214,610,022.15

Actual Sales Tax Collected	
12/01/18 - 11/30/19	\$222,142,818.40
12/1/19-11/30/20	\$146,334,515.94
12/1/20-11/30/21	\$168,185,636.78
05/01/21 - 04/30/22	\$3,985,091.36

Project Expenditures* (*May include expenditures funding by Dedicated Revenue and other sources)	
2016-2017	\$-
2017-2018	\$28,061.72
2018-2019	Zero dollars expended from RTA funds
2019-2020	\$4,850.56
2020 - 2021	\$27,550.60
2021-2022	Data not yet available
<b>TOTAL</b>	<b>\$32,912.28</b>

\*data from Denver Annual Report only includes expenditures reimbursed from RTA funds

### Comparison: Actual vs. Projected Sales Tax

RTA TIF Year 2022 (Actual / Proj.)
\$222.1 million / \$213.5 million

### Assessment of Overall Effectiveness

The new 20-acre Stockyards and Stockyards Event Center are open and hosting a variety of public events such as Universal Studios and Amblin Entertainment’s Jurassic World exhibit, which has been a significant success and revenue generator. The next building under construction will be the Livestock Center, a flexible multifunctional space that will support the annual Stock Show and year-round events like livestock sales and shows, indoor festivals, sporting events, conventions, trade, and equipment shows. CSU Spur has officially opened all of its contemplated buildings, Vida (health), Terra (food), and Hydro (water). CSU Spur is a free educational destination in Denver, open year-round to the public for visitors, field trips, and the community to get a glimpse inside research, science, and careers. The District Energy System is also complete and connected to the CSU Spur buildings and the Stockyards Event Center. As the largest sewer-heat recovery system in North America, the campus is sourcing nearly 90% of its heating and cooling from the underground sewer pipeline known as the Delgany. Using this local source of recycled energy instead of emitting CO2 by burning fossil fuels is the emissions equivalent of eliminating 6.6 million passenger vehicle passenger miles every year.

### GO NOCO

The Go NoCO RTA award has originally included 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 begun 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 deadlines and were also revoked by the EDC.

Amount of Sales Tax Diverted	
11/1/15 -10/1/16	\$141,540.24
11/1/16 -10/1/17	\$162,828.45
11/1/17-10/1/18	\$214,043.83
11/1/18-10/1/19	\$224,899.33
11/1/19-10/1/20	\$-
11/1/20-10/1/21	\$10,827.11
<b>TOTAL</b>	<b>\$754,138.96</b>

Actual Sales Tax Collected	
DOR Baseline	\$7,420,660.63
12/01/15 - 11/30/16	\$8,111,775.10
12/01/16 - 11/30/17	\$8,215,832.48
12/01/17 - 11/30/18	\$8,465,793.47
12/01/18 - 11/30/19	\$8,518,801.90
11/1/19-10/1/20	\$6,976,367.53
11/1/20-10/1/21	\$7,473,527.40

Project Expenditures* (*May include expenditures funding by Dedicated Revenue and other sources)	
CY 2017	\$36,252.00
CY 2018	\$13,207.00
CY 2019	\$57,346.00
CY 2020	
CY 2021	
CY 2022	Data not yet available
<b>TOTAL</b>	<b>\$106,805.00</b>

\*data from NCRTA Audited Financials only includes expenditures reimbursed from RTA funds

### Comparison: Actual vs. Projected Sales Tax

RTA TIF Year 2022 (Actual / Proj.)
\$8.5 million /\$ 11.1 million

### Assessment of Overall Effectiveness

Due to the preliminary phase of the project, the Northern Colorado Regional Tourism Authority and Aurora Urban Renewal Authority (AURA) has not undertaken the statutory economic analysis assessing the overall effectiveness of the RTA award.

## PUEBLO

The Pueblo Heritage of Heroes / Professional Bull Riders University was opened as the PBR Sports Performance Center. This center features state-of-the-art facilities for athlete training and recovery.

Amount of Sales Tax Diverted	
05/01/12 - 04/30/13	\$323,355.06
05/01/13 - 04/30/14	\$554,298.57
05/01/14 - 04/30/15	\$1,107,545.86
05/01/15 - 04/30/16	\$1,772,803.78
05/01/16 - 04/30/17	\$1,881,266.83
05/01/17 - 04/30/18	\$2,467,358.37
05/01/18-04/30/19	\$2,122,931.85
05/01/19-04/30/20	\$2,797,297.95
05/01/20 - 04/30/21	\$4,123,063.38
05/01/21 - 04/30/22	\$4,773,946.60
<b>TOTAL</b>	<b>\$21,923,868.25</b>

Actual Sales Tax Collected	
DOR Baseline	\$38,823,332.20
05/01/12 - 04/30/13	\$40,131,399.85
05/01/13 - 04/30/14	\$41,068,518.12
05/01/14 - 04/30/15	\$43,307,323.55
05/01/15 - 04/30/16	\$46,000,675.45
05/01/16 - 04/30/17	\$46,439,797.09
05/01/17 - 04/30/18	\$48,812,637.38
05/01/18 - 04/30/19	\$47,418,198.02
05/01/19 - 04/30/20	\$50,148,404.89
05/01/20 - 04/30/21	\$55,515,896.50
05/01/21 - 04/30/22	\$62,844,531.33

Project Expenditures* (*May include expenditures funding by Dedicated Revenue and other sources)	
2012-2013	\$-
2013-2014	\$554,298.57
2014-2015	\$302,677.99
2015-2016	\$506,720.34
2016-2017	\$258,346.09
2017-2018	\$4,796,348.89
2018-2019	\$2,675,078.37
2019-2020	\$3,480,765.74

Project Expenditures* (*May include expenditures funding by Dedicated Revenue and other sources)	
2020-2021	\$2,995,893.88
2021-2022	\$2,884,387.15
TOTAL	\$18,454,517.02

\*data from Pueblo Annual Reports. Only includes expenditures reimbursed from RTA funds

**Comparison: Actual vs. Projected Sales Tax**

RTA TIF Year 2022 (Actual / Proj.)
\$2,426,390 / \$5,933,236

**Assessment of Overall Effectiveness**

Forty-seven jobs have been created. Return on investment to the State began in the second quarter of 2019. Further evaluation will be required because of the anomalies associated with the COVID-19 pandemic. The total amount of contracts let for this project is \$32.5 million. Injection into the local and state economy as of the end date of this report has been the full \$32.5 million. Engineers, architects, surveyors, material suppliers, material testing agencies, and subcontractors have been contracted by H.W. Houston Construction and Pueblo Urban Renewal Authority (PURA) for implementation of the project program. PURA has purchased \$1.3 million in equipment from local, state, and national vendors to support PBR Sport Performance Center operations.

# COLORADO APEX ACCELERATOR

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Annual Report  
Fiscal Year 2023-2024



# COLORADO APEX ACCELERATOR FINAL REPORT

Below, please find the data requested relative to Colorado APEX Accelerator performance for the fiscal year from April 1, 2023 through March 31, 2024. Reported figures are rounded to the nearest dollar.

Please note that the reporting period has been changed to coincide with the adjusted Department of Defense Office of Small Business reporting timelines. Some figures reported herein may overlap or be duplicated from previous reporting due to the adjusted fiscal year.

Reported figures are actuals:

- ▶ Number of Active Businesses served by APEX: 877
- ▶ Number of Counseling hours provided by APEX: 2,773
- ▶ Number of Events sponsored/participated: 177
- ▶ Number of New Businesses served by APEX: 569
- ▶ Did APEX obtain at least \$200,000 in gifts/grants/donations? \$1,096,846
- ▶ Did APEX obtain the required minimum of gifts/grants/cash? \$1,000,831

Based upon submitted information reported by APEX, all required metrics of the statute have been met. \$1,000,831 will be applied to next year's requirement.

# DISPROPORTIONATELY IMPACTED BUSINESS

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Annual Report  
Fiscal Year 2023-2024



# EXECUTIVE SUMMARY

The Disproportionately Impacted Business (DIB) Relief Fund provided grants, loans, and technical assistance to businesses in Colorado disproportionately impacted by COVID-19. The program was managed by the Colorado Economic Development Commission (EDC) and administered by the Colorado Office of Economic Development and International Trade (OEDIT).

The program launched in 2021 by developing the emergency grant program to support businesses that were affected by closures due to the pandemic. This grant program supported the operation of small businesses in the areas of legal establishment, basic accounting, and digital and online operations. Many businesses that were not legally established or did not have clear accounting or tax payment processes were disqualified from applying for aid programs such as the Paycheck Protection Program (PPP) or grants created by state and local governments. For this reason, the DIB technical assistance program was designed to develop these basic skills in an online format to ensure the program was accessible around the entire state. The loan program started in the second quarter of 2022.

At the end of the program in December 2023, 311 businesses received grant awards from the DIB Relief Fund Grant Program, totaling \$1,793,002.39 in relief funding. OEDIT opened the technical assistance portion of the DIB Relief Fund on Oct. 18, 2021 and the program directly benefited 369 DIB businesses awarded with small grants totaling \$305,837. The program also reached more than 9,000 individual course registrations. The loan portion of the DIB fund was completed the first semester of 2023. It has benefited 24 businesses totaling \$989,860 disbursed.

By statute, the DIB program ended in December 2023 having delivered more than \$3 million in aid to small businesses. Additionally, this program helped state officials identify support and technical assistance that would help businesses continue operating after the pandemic. After two years running the program, it was necessary to incorporate new measures that promote the medium-term sustainability of small businesses, which represent close to 95% of the total number of businesses in the state.

## PROGRAM HISTORY

As in many states across the country, Colorado's economy and small businesses were profoundly impacted by the COVID-19 pandemic. Colorado saw a 22% decline in the number of small businesses operating from February to April 2020. Small businesses suffered enormous economic loss due to the stay-at-home orders that required bars, restaurants, and other large gathering places and businesses across Colorado to close.

Legislators in the General Assembly allocated an additional \$4 million in critical relief payments, loans, and other technical support to Colorado's small businesses suffering disproportionate impact from the pandemic. The DIB Program was established by HB 21-001 and signed into law by Governor Jared Polis on Jan. 21, 2021.

## SUMMARY OF THE PARTICIPANTS

- ▶ **The EDC:** The EDC was charged with allocating \$4 million in appropriated funds to the DIB Relief Fund. OEDIT was required to provide updates to the EDC on the program's progress and results.
- ▶ **OEDIT:** OEDIT was responsible for the day-to-day administration of the program through its Business Funding and Incentives (BF&I) division for the grant and loan distribution and the Minority Business Office (MBO) was responsible for the operation of the technical assistance program.

- ▶ **Colorado Enterprise Fund (CEF):** CEF was responsible for reviewing and processing applications to the DIB Relief Fund Grant Program and the DIB loan program through the operation of the Colorado Startup Loan Fund program.

In accordance with HB 21-001 Statute, DIB program funding was used to provide relief payments, grants, loans and technical assistance to businesses that have been disproportionately impacted by COVID-19 and have lacked meaningful access to federal loans and grants under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Businesses disproportionately impacted by COVID-19 were defined in this bill as meeting at least one of the following criteria:

1. The business has five or fewer employees, including the business owner;
2. The business is a minority-owned business;
3. The business is located in an economically distressed area, defined as a state opportunity zone, an enterprise zone or a historically underutilized business zone;
4. The business owner lives in an economically distressed area;
5. The business owner has low or moderate income, according to the United States Department of Housing and Urban Development low and moderate-income data used in the community development block grant program;
6. The business owner has low or moderate personal wealth based on household net worth (applying relevant federal or state data); and
7. The business owner has had diminished opportunities to access capital or credit.

Per the instructions within the statute, OEDIT divided the \$4 million in funding into three separate tranches allocated to grants (\$1.81 million), loans (\$1 million), and technical assistance programs (\$900,000), and a small allocation for administrative funding. This allocation was defined by the BF&I Division of OEDIT and approved by the EDC on May 20, 2021.

# DIB RELIEF FUND GRANT PROGRAM

## OPERATION OF THE GRANT PROGRAM

The DIB Relief Fund Grant Program provided grant awards determined by an applicant's verified amount of unmet need over the course of the pandemic, which was required to be between \$1,500 and \$10,000. In determining the verified amount of unmet need, the following factors were assessed, compared, and analyzed during the application review:

- ▶ Estimated total losses between January 1, 2020, to the day of the application:
  - Revenue
  - Income
  - Inventory
  - Furniture and fixtures
  - Equipment
  - Physical damage to property
- ▶ Assistance received since March 1, 2020, including but not limited to any of the following:
  - Paycheck Protection Program (PPP)

- Small Business Administration (SBA)
- Private insurance
- Local government
- Other local assistance
- Gross sales data
- Expense narrative

## APPLICANT PRIORITY

After reviewing the eligibility criteria of each applicant, if the total amount of money requested by participants exceeded the resources available in the grant program, priority was given to applicants based upon how many of the program criteria they met. Priority was further given by assessing applicants' relative business income (criterion five within the statute) and their relative personal wealth (criterion six within the statute). In the event of multiple applications appearing equal in the assessment of these criteria, preference was given, per the statute, to disproportionately impacted businesses that were both minority-owned and met additional statutory criteria. Due to the limited number of qualified applications by the end of that program, no preference was applied to the application pool. All eligible applicants in the first and second round of the program's application period received awards.

## GRANT PROGRAM PERFORMANCE

Applications for grant funding from the DIB Relief Fund Grant Program were accepted between Sept. 17, 2021 and Oct. 3, 2021. At the close of the application window, CEF had received 187 applications for funding. After reviewing the applications based upon the criteria listed above, CEF identified 11 qualified applicants for the maximum award of \$10,000, totaling \$110,000 in funding. CEF notified the 11 applicants of their status as awardees on Oct. 19, 2021. Funds were disbursed to the awardees on Oct. 26, 2021.

Given the relatively low percentage of successful applicants, OEDIT adjusted the non-statutory financial boundaries around the program:

- ▶ Reducing qualification from 20% revenue loss over the course of the pandemic to 10% revenue loss;
- ▶ Reducing qualification from receipt of less than \$20,000 in federal, state, and local funding to receipt of less than \$20,000 exclusively from federal funding sources.

Applying increased the total number of awardees 52 businesses for the first round with a total of \$479,990 disbursed.

## SECOND ROUND OF GRANT APPLICATIONS

OEDIT opened applications for the second round of DIB on Nov. 5, 2021 for three weeks. A new multi-phased marketing outreach plan was implemented:

- ▶ First Phase: Distributed grant information through OEDIT and MBO communication channels including newsletters and social media.
- ▶ Second Phase: Promoted grants and offered application assistance in seven languages through business support organizations located in target communities.
- ▶ The Small Business Development Center (SBDC) network provided additional promotion through more than 300 consultants, 14 center locations across the state and direct emails to their clients.
- ▶ Final Stage: Marketed the program to clients of other business support programs developed by OEDIT and MBO.

This new process resulted in 770 applications with 254 total eligible applicants. To provide grant funding to all eligible participants in this second round, OEDIT prorated available funds to 57.74% of the eligible funds per applicant and updated 12 participants to \$1,500, which is the minimum amount awarded.

Between the first and second rounds, the DIB grant program awarded 311 qualified applicants from a pool of 957 applications, representing 32.5% of the total applications. The average award amount for the program was \$7,887 and the total amount disbursed in December 2021 reached \$1,793,002.

## SUMMARY OF AWARDEES

The DIB grant program ended in December of 2021, below is a summary of the results:



## SUMMARY OF AWARDEES

	1st Round of Applications	2nd Round of Applications	Total
Total Applicants	187	770	957
Total Eligible	52	259 (**)	311
Total Awardees	52 (27.81%)	259(33.63%)	311 (32.49%)
Average award	\$ 9,512.07	\$5,157.52	\$7,334.80
Maximum	\$10,000.00	\$5,774.21	\$7,887.10
Minimum	\$1,570	\$1,500.00	
<b>Total</b>	<b>\$479,990.00</b>	<b>\$1,313,012.39</b>	<b>\$1,793,002.39</b>

(\*\*) To award all eligible participants in this round, we prorated available funds to 57.74% of the eligible funds per applicant. We also updated 12 participants to \$1,500, which is the minimum amount awarded.

## DEMOGRAPHIC INFORMATION OF AWARDEES

	First Round	Second Round	Total
American Indian	1 (1.92%)	0	1 (0.33%)
Black/ African American	26 (50%)	175 (68.90%)	206 (66.23%)
East or Southeast Asian	2 (3.84%)	3 (1.18%)	5 (1.63%)
Hispanic/ Latinx	6 (11.55%)	24 (9.45%)	30 (9.64%)
Middle Eastern or North African	2 (3.84%)	9 (3.54%)	11 (3.60%)
South Asian	1 (1.92%)	1 (0.39%)	2 (0.65%)
White	11 (21.17%)	2 (0.79%)	13 (4.25%)
No answer	2 (3.84%)	39 (15.35%)	41 (13.40%)
Other	1 (1.92%)	1 (0.39%)	2 (0.65%)
<b>Total</b>	<b>52</b>	<b>254</b>	<b>311</b>

The DIB grant program highlighted the need for a technical assistance program to support the basic knowledge on the establishment and management of small businesses. Many of the applicants that did not qualify for DIB

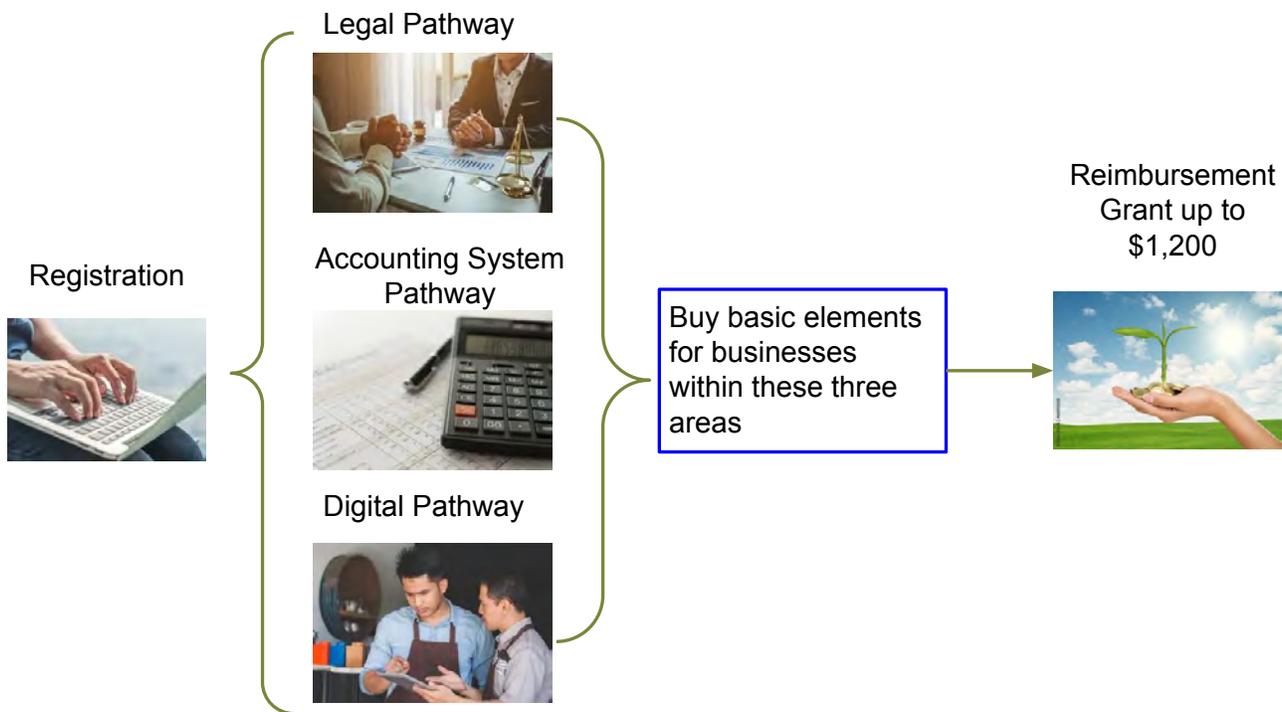
funding (67.5%) did not provide IRS transcription (90%+) and/or lacked sufficient accounting systems, provided financial information that did not match IRS records, or were not in good standing with the Secretary of State (15%). For this reason, the DIB technical assistance support program was created to offer training on the legal and accounting pathways that any business in Colorado needs to follow to be legally established in the state. This program was free and on-demand in the OEDIT learning management system (LMS) to give broader access to all businesses so they can be ready to access future assistance programs at the local, state, or federal level.

# THE DIB TECHNICAL ASSISTANCE PROGRAM

OEDIT, through the MBO, designed and created the Business Foundations Technical Assistance program which was designed to help small businesses comply with basic legal, accounting, and technology into their businesses so they can operate efficiently, effectively and under Colorado business registration requirements. The Business Foundations program includes training pathways in these areas along with a small grant (up to \$1,200) to incentivize participation. The grant was available to those who complete the training to create and build the basic tools needed to establish their business.

The program was developed through an on-demand learning platform and was offered at no cost to the businesses. Participants who completed the three pathways of the training program were eligible to apply for reimbursement via a small program grant. The general goal of this program was to prepare businesses in the basic areas of small business management and as a starting point to connect them with the more broadened support of the Small Business Development Center (SBDC) network for further assistance and to further grow. The beneficiaries of the program complied with the qualification requirements established in the statute.

## General Structure of the Program



The benefits envisioned for businesses participating in each of the three training pathways included:

- ▶ The legal formation path enabled businesses to have a legally incorporated company to facilitate their ability to access all the benefits of the training programs and grants at the local and federal government level.

- ▶ The accounting system path enabled businesses to create and learn to manage an accounting system and clearly report their company's financial information to facilitate access to capital necessary to grow their business.
- ▶ The digital path allows business owners to digitize their business in order to improve their client relationships, improve the presence of their brand in the market and create new opportunities to deliver their product when it cannot be done through traditional means.

The program launched on Oct. 18, 2021 as a pilot program that ran until April 2022. This early stage of grant distribution allowed OEDIT to make necessary adjustments to the program and on April 18, 2022 the program reopened for applications and operated until Nov. 2023.

## **TECHNICAL ASSISTANCE GRANT APPLICATION**

The technical assistance grant was incorporated into the program via a refund of payments made throughout the modules in each training pathway in the Business Foundations Program taken by the business owner. The business owner may also apply for reimbursement of costs for incorporating a new accounting system and digital tools into their business.

## **GRANT PROGRAM**

Each business applied only once during the existence of the program.

The maximum amount of this grant was \$1,200 per business including training expenses for the business owner in the Business Foundation Program, accounting system and all digital tools for their business.

All expenses to be reimbursed needed to be incurred by the business owner.

- ▶ **Training expenses:** These were any fees paid for any of the training included in the Business Foundation program and training developed by the business owner (one training per topic).
- ▶ **Accounting System Implementation:** Business owners applied the monthly cost of the system, necessary training, installation cost, and the cost of any device related to the accounting system. Additionally, accounting and bookkeeping services could be applied to the reimbursement. The business owner had to prove that the accounting system was purchased at a later date than its registration in the Business Foundation Program.
- ▶ **Digital Tools for the business:** Applicable costs were automatic payment system (credit card) device costs, installation, the monthly cost of online sales (up to six months), branding development, and website development cost. The business owner had to prove that all new digital tools applied for this grant were acquired at a later date than its registration in the Business Foundation Program.

The approval process for the grant included the submission of specific documents that proved the business owner learned the basics in these three areas of technical assistance. Starting in July 2023, the approved expenses changed only to accounting system subscription expenses and website improvement for ease of review and processing.

At the end of the program in November 2023, we received 405 applications for grant reimbursement, of which 369 provided the documentation required to receive the grant disbursing \$305,837.

## **TECHNICAL ASSISTANCE PROGRAM PERFORMANCE**

The training platform opened on Oct. 18, 2021, and grant applications opened on Nov. 1, 2021. As of November 30, 2023, 9,273 participants were registered across all three pathways, 6,343 in English and 2,930 in Spanish. The program received 406 applications for grant reimbursement, of which 369 provided the documentation required to receive the grant.

To facilitate the access to the LMS system, the MBO implemented new resources for participants as follows:

1. In September 2022, the MBO incorporated a consultant to help clients finish the program. This included one hour of virtual office hours weekly plus additional hours for one-on-one support including the application process for grants.
2. A community support feature within the learning system for peer-to-peer support.
3. Group training organized by MBO partner organizations and with the assistance of MBO consultants to navigate the content and to access the grant funding.
4. The program was launched quickly in a new online system. We have continually developed and improved methods to serve clients based on their feedback, partner feedback and through the hiring of trained staff and contractors versed in instructional development and design. In the fall 2023, we activated a transcreation specialist to assist with a complete rebuild of a 100% Spanish URL. An updated version of the content was activated via an English URL and a Spanish URL to allow for navigation of the site to be in each distinct language. We will continue to refine the process to serve customers based on customer and partner feedback.

The Small Business Development Center Network is currently building upon the business foundation's online courses to create a robust child care business course. The child care business course will include the business foundation's modules on accounting and finance, legal registration, business structures, and digital marketing from the unique perspective of a child care business owner.

## LOAN PROGRAM

In January 2022, OEDIT's BF&I division started a Request for Proposal (RFP) process to allocate approximately \$30 million to the Colorado Startup Loan Fund (CSLF) to mission-based nonprofit lenders that are experienced in small business lending. The pool of DIB loan capital was awarded through the same solicitation. OEDIT partnered with eight mission-driven lenders to provide micro loans under \$150,000 to small business owners and entrepreneurs.

Businesses eligible for CSLF funds related to the DIB program were:

- ▶ for-profit entities with primary business activity and a majority of employees in Colorado;
- ▶ 25 or fewer full-time equivalent (FTE) employees at the time the loan was made;
- ▶ no more than \$2 million in gross annual revenues in the preceding fiscal year, and projected gross annual revenues of no more than \$2 million for the upcoming fiscal year;
- ▶ unable to obtain traditional financing.

Businesses eligible for DIB funds must meet also meet one of the following requirements:

- ▶ The business had five or fewer employees, including the business owner;
- ▶ The business was a minority-owned business;
- ▶ The business was located in an economically distressed area, defined as a state opportunity zone, an enterprise zone or a historically underutilized business zone;
- ▶ The business owner lived in an economically distressed area;
- ▶ The business owner had low or moderate income, according to the U.S. Department of Housing and Urban Development (HUD) low and moderate-income data used in the community development block grant program;
- ▶ The business owner had low or moderate personal wealth based on household net worth (applying relevant federal or state data); and
- ▶ The business owner had diminished opportunities to access capital or credit.

Colorado Enterprise Fund (CEF) was allocated \$980,570 of DIB funds for loans to qualified businesses. The contract agreement for this DIB/CSLF program was signed in September 2022 and CEF began making loans in October 2022. A total of 24 loans were disbursed under the DIB/CSLF program with an average loan size of \$41,244 and 33% of loans benefited minority business owners.

### ***Distribution of DIB/CSLF Loan Program***

<b>Closing Date</b>	<b>Amount</b>	<b>Enterprise Zone</b>
Jun 8, 2023	\$ 50,140	No
Jan 6, 2023	\$ 25,080	No
Dec 9, 2022	\$ 50,105	No
Nov 30, 2022	\$ 50,120	No
Jan 24, 2023	\$ 35,075	No
Jul 14, 2023	\$ 77,355	Yes
Feb 21, 2023	\$ 40,800	Yes
Jan 24, 2023	\$ 31,015	No
Feb 2, 2023	\$ 41,345	Yes
Jan 19, 2023	\$ 18,660	No
Jan 25, 2023	\$ 25,900	No
Mar 2, 2023	\$ 25,885	No
Feb 15, 2023	\$ 30,950	Yes
Mar 3, 2023	\$ 81,715	No
Jan 10, 2023	\$ 77,370	Yes
Jan 5, 2023	\$ 51,550	Yes
Nov 15, 2022	\$ 12,410	No
Feb 1, 2023	\$ 61,375	No
Dec 21, 2022	\$ 20,650	No
Nov 15, 2022	\$ 50,800	No
Nov 1, 2022	\$ 20,680	No
Nov 22, 2022	\$ 40,860	No
Nov 11, 2022	\$ 13,175	Yes
Oct 7, 2022	\$ 56,845	Yes
<b>Total (24 loans)</b>	<b>\$ 989,860</b>	
<b>Average</b>	<b>\$41,244.17</b>	

Below is the distribution of the 24 loans awarded according to the demographic data collected in the process. Additionally, many of these loans were accompanied by grants and technical assistance made available to the borrowers by CEF and financed through the Colorado Startup Loan Fund.

<b>Demographics</b>	<b>#</b>	<b>%</b>
Black/African American	5	20.83%
Hispanic or Latino or Spanish Origin	3	12.50%
White	14	58.33%
Other	2	8.33%
Total	24	1

Finally, for the criteria “please indicate the number of existing jobs retained and estimated jobs to be created because of receiving this financing” borrowers estimated 99 jobs for this program.

## CONCLUSION

After two and a half years of operation, overall results show that DIB program resources were allocated to those communities that were most affected by the pandemic. Relief grants awarded during the pandemic, business loans made following the pandemic period, and technical assistance provided throughout helped business owners better manage, maintain, and/or grow their businesses.

### *DIB Budget Expenses Distribution*

Program	Disbursement	%
DIB Relief Fund Grant Program	\$1,793,002	44.83%
DIB Technical Assistance Program (small grant)	\$305,837	7.65%
DIB Technical Assistance Development	\$156,952	3.92%
DIB Loan Program	\$989,860	24.75%
DIB Whole Program Administrative Expenses	\$474,892	11.87%
Resources Returned to EDC	\$279,457	6.98%
Total	\$4,000,000	100%

The DIB program concluded in December 2023. The program connected OEDIT to a large number of Technical Assistance (TA) partners and small businesses, helping further identify the needs of small businesses. This will continue to support the development of future programs that help small businesses thrive.

# PROPOSITION 123 - CREDIT PROGRAMS

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Annual Report  
Fiscal Year 2023-2024



# EXECUTIVE SUMMARY

In November 2022, Colorado voters passed Proposition 123 (Prop 123), a ballot measure authorizing the state to retain money from existing state tax revenue to support affordable housing investment. The measure directs 60% of these funds to the Affordable Housing Financing Fund (AHFF), which funds the Land Banking, Equity, and Concessionary Debt programs. The Office of Economic Development and International Trade (OEDIT) manages the AHFF in partnership with Colorado Housing and Finance Authority (CHFA), which serves as Contract Administrator.

Community engagement and program development for AHFF Programs began as soon as the Administrative Contract with CHFA was signed in July 2023 and included more than 30 events across Colorado, including a series of webinars and virtual meetings designed to solicit and catalog feedback. The response to the rollout of AHFF programs has been robust, and the dedicated AHFF website has received more than 60,000 visits from more than 24,000 unique visitors as of June 30, 2024. As the community engagement and public rollout occurred, OEDIT and CHFA developed program guidelines that incorporated community feedback and policy direction from the Governor.

Throughout FY 23-24, 113 Letters of Intent (LOIs) and 109 applications were received for all of the programs, representing a total of \$735 million in funding requests. Due to the timing of the measure's passage, a half year's tax revenue was available during the first year. Over \$97 million was awarded to 35 project sponsors to support the development of approximately 2,730 units of affordable housing funded by the Land Banking, Concessionary Debt and Equity Programs plus 3,610 modular/offsite construction units annually over the next three years funded by the Factory Built Concessionary Debt subprogram, based on estimates from modular manufacturers. Sixty percent of awards were made to projects in urban counties, 20% to rural counties, and 20% to rural resort counties, based on county designations established by the Department of Local Affairs. OEDIT includes Mesa and Pueblo counties as rural. Using OEDIT's classification 46% are rural and 54% urban. Applications were carefully evaluated against statutory and policy priorities, including high density, mixed income, environmental sustainability, readiness to proceed, geographic diversity and the relevant goals in Governor Polis' Strategic Growth Executive Order D 2023 014.

Looking ahead, approximately \$196 million is available to support AHFF programming for Fiscal Year 24-25.



- + **\$97 million was awarded to 35 project sponsors** to support the development of
- + **2,730 units of affordable housing** funded by the Land Banking, Concessionary Debt and Equity Programs
- + **3,610 modular/offsite construction units** annually over the next three years funded by the Factory Built Concessionary Debt subprogram

## SPECIFIC PROGRAM SUMMARIES

### LAND BANKING PROGRAM

The Land Banking program provides grants to eligible local or tribal governments and forgivable loans to eligible nonprofits with a demonstrated history of providing affordable housing and is the only AHFF Program available for both rental and homeownership. Between July and August 2023, 113 Letters of Intent (LOIs) were received totaling more than \$255.8 million in requests. After reviewing the LOIs for statutory and policy compliance, 26 applicants were invited to apply, representing \$46.9 million in requests. Twenty-one applications seeking a total of \$38.8 million were received. After careful review, 16 applicants were awarded \$25 million in January 2024.

## LAND BANKING PROGRAM APPLICANTS NOT SELECTED

The Land Banking program generated strong interest in its first year, leading to a competitive application round. Land Banking applicants were carefully evaluated against statutory priorities and program guidelines. The most common reasons for applicants not being selected included limited availability of program funds and the need to achieve geographic diversity. Other factors contributing to applicants not being selected included misalignment with eligible proposed uses of program funds, lack of additional funding sources, and noncompliance with environmental sustainability guidelines, including a preference for transit oriented development projects in Urban jurisdictions.

## CONCESSIONARY DEBT PROGRAM

The Concessionary Debt program includes four subprograms and is available to for-profit, nonprofit, local governments and tribal governments to support affordable rental housing, including:

1. **Multifamily Finance:** Debt financing for the development and preservation of low- and middle-income multifamily rental developments
2. **Low Income Housing Tax Credit (LIHTC) Gap Finance:** Gap financing in the form of subordinate debt for LIHTC projects
3. **LIHTC Pre Development Finance:** Gap financing in the form of predevelopment loans for LIHTC projects
4. **Modular Finance:** Debt financing for modular and factory-built housing manufacturers

Between September and October 2023, 38 applications requested \$14.5 million for the Multifamily Finance, LIHTC Gap Finance, and LIHTC Predevelopment Finance subprograms. Seven projects were selected to move forward to full underwriting in December 2023.

OEDIT paired \$20 million of the Innovative Housing Incentive Program (IHIP) Factory Loan program funding with \$18 million of the AHFF Modular Finance subprogram in order to make a large one-time investment to stimulate the offsite construction industry in Colorado, targeting those manufacturers who were committed to (but not exclusively) producing affordable housing. By the end of November 2023, 14 applications were received for both programs requesting more than \$52 million. After the initial review, 10 applicants were advanced to a final selection process, which included three independent industry experts and DOLA staff in addition to OEDIT and CHFA. Six applicants were awarded \$18 million in AHFF Concessionary Debt finance and four were awarded \$20 million in IHIP factory finance (two businesses received loans from each program).

## CONCESSIONARY DEBT APPLICANTS NOT SELECTED

All applications were carefully evaluated against statutory and policy priorities. The most common reasons for applicants not being selected included limited availability of program funds and the need to achieve geographic diversity. Additional factors leading to applicants not being selected included noncompliance with environmental sustainability guidelines and failing to demonstrate readiness to proceed.

The most common reasons for applicants not being selected for the Modular Finance subprogram included limited availability of program funds, lack of certainty related to other funding, overall time to produce and bring modular units to market, and small annual production numbers.

## EQUITY PROGRAM

The Equity program provides below-market-rate equity investments to eligible for-profit and nonprofit entities for the construction or preservation of low- and middle-income multifamily rental developments. A Tenant Equity Vehicle (TEV) will be established to benefit the residents of developments that receive Equity investments. After conducting multiple community outreach events, including outreach to U.S. organizations that successfully implemented tenant equity programs, CHFA and OEDIT initiated a request for proposals (RFP) for an implementation consultant to help coordinate the administration of the TEV.

Between March and April 2024, 36 applications were received requesting more than \$313 million in funding requests. In July 2024, six applicants were conditionally awarded \$39.3 million contingent on successful underwriting.

### **EQUITY PROGRAM APPLICANTS NOT SELECTED**

All applications were carefully evaluated against statutory and policy priorities. The most common reasons for applicants not being selected included limited availability of program funds and the need to achieve geographic diversity. Additional factors included limited noncompliance with environmental sustainability guidelines and lack of financial viability.

OEDIT submitted the FY 23-24 Proposition 123 Annual Report as required by statute to the legislature on October 1, 2024.

# V. 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 fifth in the nation for the number of people performing and creating art, and is the leading state for the number of people attending performing arts events. According to 2020 data, 35.8% of adults attended a visual art exhibit—this is 15 points greater than the national average. Considering literary reading, Colorado has the highest rate of readers in the U.S. at 54.3% of all residents, according to a National Endowment of the Arts report. In 2022, the U.S. Bureau of Economic Analysis (BEA) reported that arts and cultural production accounted for \$18 billion and 3.7% of the Colorado economy, contributing 104,163 jobs and \$10.1 billion in compensation.

Economic growth in the creative industries continues to outpace the economy as a whole in the United States. The Arts and Cultural Production Satellite Account released by the BEA shows that arts and cultural economic activity, adjusted for inflation, increased 4.8% in 2022. By comparison, the broader economy, as measured by real gross domestic product (GDP), increased 1.9% in 2022 after increasing 5.8% in 2021. Also noteworthy is that arts and cultural employment increased 3.7%. Colorado ranks among the top ten states for percentage of arts and cultural share of GDP.

Creative industries are an agile industry cluster that are a proven asset for rural as well as urban economic development. According to Americans for the Arts research, 4.4% of the U.S. GDP is generated by arts and culture. And 68% of long-distance (more than 50 miles) tourism is cultural. In addition to the proven economic benefits, arts and culture are essential to public welfare and social wellness. Arts increase neighborhood safety and contribute 76% more growth in jobs and businesses when higher education institutions invest in arts infrastructure.

Throughout the year, CCI 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

## COMMUNITY REVITALIZATION

- ▶ Established the Community Revitalization Grant Program (CRG) 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.

- ▶ In May 2022, HB22-1409 appropriated an additional \$19.5 million to the CRG program, bringing the total number of awarded projects to 55.
- ▶ Beginning in February 2022, the Economic Development Commission (EDC) of Colorado awarded an additional \$16.2 million to the CRG program, bringing the total number of awarded projects to 59.
- ▶ [The Community Revitalization Tax Credit \(CRTC\)](#) program was established with HB24-1295, Creative Industry Community Revitalization Incentives. Building on the success of the previous [Community Revitalization Grant](#) program, the CRTC program concerns community revitalization incentives for the support of creative industries and creates an income tax credit for expenses incurred in completing infrastructure that supports creative industries and creative industry workers. CRTC will provide up to \$50 million in available tax credits (up to \$10 million a year for tax years 2025-2029) for eligible Colorado tax payers. Eligible projects can apply for tax credits up to \$3 million and up to 25% of the total eligible expenses of a project. The application and guidelines are anticipated to be released in early 2025.

## ARTS EDUCATION AND POETRY

- ▶ In partnership with Think 360 Arts for Learning, CCI served 1,780 youth in rural areas. 116 adults were impacted by Creative Aging programs in rural areas, with 550 adults served in urban areas. Think 360 provided over 2,000 hours of professional development programming to 491 artists and educators.
- ▶ CCI managed the 19th annual Poetry Out Loud program in partnership with Empowered. The program engaged 11 Colorado high schools, 50 teachers or lead organizers and approximately 2,200 Colorado high school students. Empowered hosted a two-day state finals competition by hosting the competition at the Denver Center for Performing Arts—Randy Weeks Conservatory Theatre and provided opportunities for 11 state finalists to participate in fun activities prior to the competition. Student finalists and their chaperones were treated to a welcome dinner, during which they met fellow competitors, conducted interviews, and participated in activities like the Colorado Symphony and Hairspray Broadway show. This year’s event was attended by Governor Polis, emceed by award-winning poet and author Dominique Christina, and judged by some of Colorado’s finest poets: Kerrie Joy, Ashley Cornelius, Joe Hutchison, and Meca’Ayo. Rize Simmons of Windsor High School won state finals and advanced to the national competition. Additionally, Empowered launched Poetry Ourselves to provide classroom teachers with an opportunity to engage students in poetry writing as they competed in the Poetry Out Loud program. For its first year, Empowered received 100 original poetry works.
- ▶ On Sept. 6, 2023, Andrea Gibson, an activist and author, was announced as Colorado’s 10th Poet Laureate; they will be serving a two year term. In 2024, Gibson received a Poet Laureate fellowship from the Academy of American Poets in collaboration with [Poets.org](#). They will collaborate with all five living Colorado poets laureates to create *How Far Have We Come? The Colorado Poets Laureate Anthology*. Proceeds from sales will help increase the scope and ensure the future of the Colorado Poet Laureate position. Gibson will host poetry readings and workshops for rural schools and libraries that often lack access to poetry programming, through which they will reach thousands of Colorado youth.

## ART IN PUBLIC PLACES

- ▶ In FY 23-24, three new projects were funded by the Capital Development Committee for approximately \$300,000.
- ▶ Five artworks were installed in locations around the state for ongoing projects and four artists were selected by committee process for existing projects.
- ▶ Installed four Creative Capitol exhibits at the Colorado State capitol.
  - *Photographs from Colorado Photographic Arts Center’s Permanent Collection*, December 2023 - March 2024. This exhibition featured specially curated works from the Colorado Photographic Arts Center (CPAC) permanent collection. CPAC is the only nonprofit organization in Denver dedicated exclusively to the art of photography. A cultural treasure, the collection houses more than 800

prints collected over six decades, donated by regional and national artists working from the mid-1800s to today.

- *Creating Community In Confinement*, March 2024 - June 2024, featured work by artists that are currently or were formerly incarcerated in the state of Colorado, all reflecting on their experience of community while serving time and the important ways that art-making and creativity can foster a sense of connection.
- *We Are All Artists: Creations by Healthcare Workers*, June 2024 - October 2024. This exhibition features artworks created by healthcare workers who are participants of the Colorado Resiliency Arts Lab (CORAL). This program studies how creative art therapy groups mitigate burnout in healthcare workers by creatively processing trauma, cultivating positive coping skills, and reconnecting to purpose. The CORAL program uses visual, musical, writing, and physical expression therapies and techniques to help providers identify, explore, and transform psychological difficulties. By creating a more engaged workforce, the goal is to support healthcare professionals in their efforts to prioritize mental health, improve patient outcomes, enhance patient and family satisfaction, and reduce healthcare costs.
- *This is Native Art*, November 2024 - February 2025. This exhibition will highlight and celebrate contemporary Native American and Alaskan Native artists living in the United States and be curated by Standing Rock Sioux tribal citizen, Danielle SeeWalker. The aim is to challenge what people perceive and view as contemporary Native American Art in the 21st century.

## COMMUNITY DEVELOPMENT

- ▶ 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.
- ▶ FY 23-24, CCI invested \$196,000 in 28 state certified creative districts to support strategic plan implementation and general operating support. Grant amounts were \$7,000.
- ▶ CCI hosted an in-person convening for state certified creative districts in May 2024 in conjunction with the annual Creative Industries Summit in the Pueblo Creative Corridor.

## GRANTMAKING AND BUSINESS SUPPORT

- ▶ Leveraged \$943,331 in state partnership funds from the National Endowment for the Arts, with a required match in state funds.
- ▶ Awarded general operating grants to 97 organizations in 24 counties totaling \$1,260,000 over their two years of funding through the Colorado Creates grant. This grant is part of a partnership agreement with the National Endowment for the Arts. The awards benefit both small and large communities, with about 50% of grant funds awarded to organizations located in rural areas.
- ▶ 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 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 \$9,717 in mini grants to participants for activities supporting tangible business goals.
- ▶ In FY 23-24, CCI partnered with several funders to create the Equity in Arts Learning for Colorado Youth (EAL) grant. This grant seeks to increase access to arts education for historically marginalized youth. Grants of \$10,000-\$25,000 were available to support projects that bring professional artists and

culture bearers into educational settings to lead programming with youth ages 4-21. Projects supported by EAL exemplified the value of arts education, encouraging ongoing community support. The goal of the initiative is to dismantle the systemic barriers that have long prevented marginalized youth from experiencing the life-altering benefits of arts learning. Funding partners included Bonfils-Stanton Foundation, Denver Arts and Venues, the Gates Family Foundation, and The Denver Foundation and the grant program was administered by Think 360 Arts. A total of \$398,750 was awarded to 21 awardees in 10 Colorado counties.

- ▶ In FY 23-24, CCI developed and launched the Folk and Traditional Arts Project grant, dedicated to celebrating, documenting, and preserving Colorado’s cultural heritage through folk and traditional arts. This initiative included two funding opportunities: funding for the creation, presentation, or teaching of folk and traditional arts; and funding for documenting folk or traditional arts and cultural heritage through the creation of community archiving, oral histories, or photojournalism, video or other creative and or documentary works. Grants of up to \$3,000 were made to a total of 21 projects across the state totalling \$62,000.

## **LEADERSHIP AND PROFESSIONAL DEVELOPMENT**

- ▶ CCI hosted the 11th annual Creative Industries Summit in the Pueblo Creative District, May 9-10, 2024. The event provided professional development for 375 attendees from Colorado’s creative sector.
- ▶ The Change Leader Program, a leadership development program to advance grassroots leadership in the creative sector through a lens of diversity, equity and inclusion across Colorado, grew to 155 individuals, 45% of whom are from rural or small communities. Fifty-eight Change Leaders have completed certification projects.
- ▶ In FY 23-24, CCI awarded four Change Leader creative response grants totaling \$2,000.
- ▶ CCI hosted an in-person Change Leader workshop and certification dinner in May 2024 in conjunction with the annual Creative Industries Summit in Pueblo.
- ▶ CCI continued to partner with Art of Access, a group of organizations who work to advance accessible and inclusive practices across cultural organizations. The group has been providing open network sessions every other month on various topics within accessibility. This network is free and open to everyone across Colorado, although it is focused on accessibility within arts and culture. Additionally, members of the group presented two access-focused sessions at the 2023 CCI Summit.
- ▶ CCI partnered with Art Access Utah to provide a six-week accessibility training for arts and culture organizations. This pilot included staff from 15 organizations across that state that are actively working on their own accessibility plans. This will evolve into a similar annual offering.

## **AFFORDABLE HOUSING AND COMMUNITY REVITALIZATION**

- ▶ Space to Create Colorado, the first state initiative in the nation to advance affordable space for artists and creative industry workers, continued projects in various stages of development throughout Colorado.
- ▶ Artspace Loveland Lofts and the Feed and Grain ribbon cutting was held June 18, 2024, opening nine live/work units available to lease.
- ▶ Projects in Carbondale, Grand Junction, Grand Lake, and Salida are in process.

# THE CCI TEAM

- ▶ Director of Colorado Creative Industries: Josh Blanchard
- ▶ Deputy Director of Colorado Creative Industries: Christine Costello
- ▶ Administration and Partnerships Director: Ruth Wilson
- ▶ Program Manager: Libby Barbee
- ▶ Program Manager: Emma Acheson
- ▶ Marketing and Outreach Manager: Victoria Gonzalez
- ▶ Grants and Accessibility Manager: TBA

# COMMUNITY REVITALIZATION GRANT PROGRAM

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Annual Report  
Fiscal Year 2022-2023



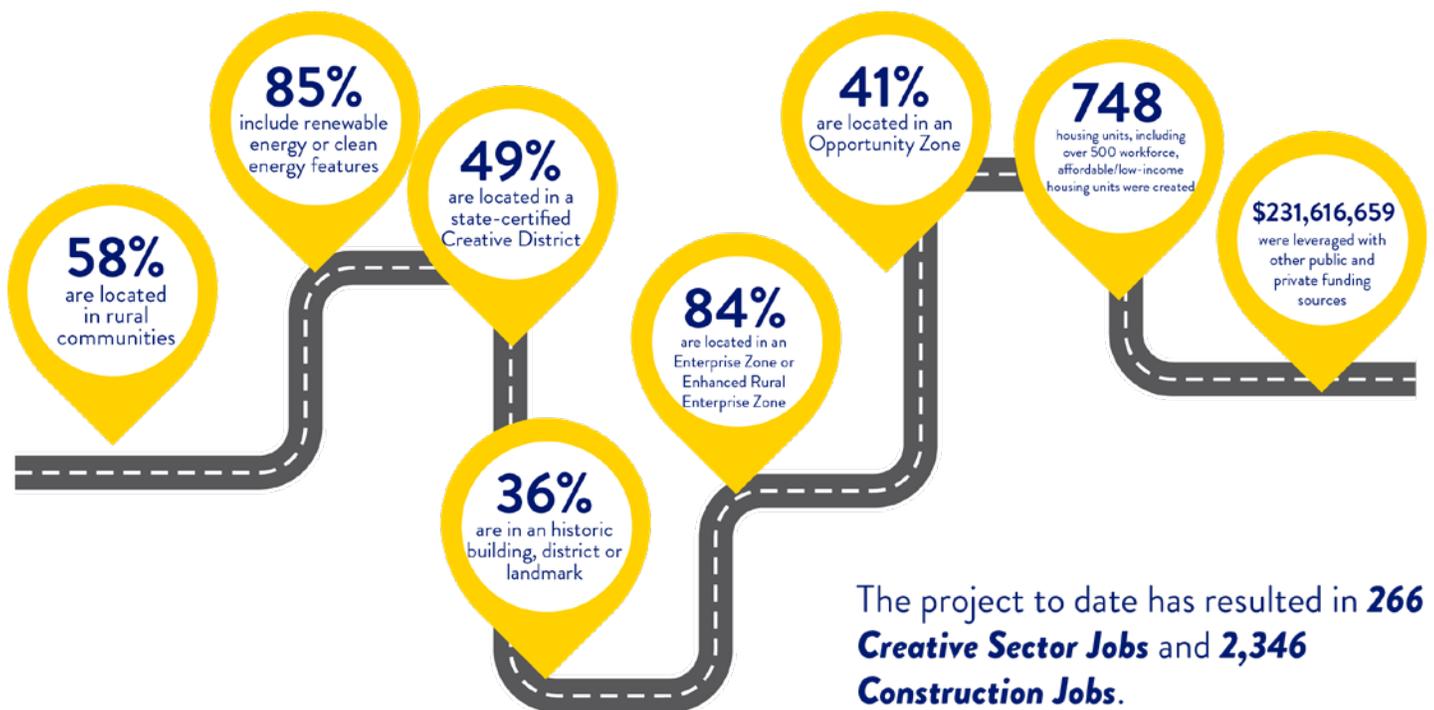
# OVERVIEW

The Community Revitalization Grant (CRG) program provides gap funding for projects in creative districts, historic districts, main streets or neighborhood commercial centers. CRG grants support creative 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. Additionally, the CRG program revitalizes community spaces in creative districts, historic districts, main streets and neighborhood commercial centers across Colorado.

CRG grants were awarded to projects that combine several uses, such as creative industry workforce housing, commercial spaces, performance space, community gathering spaces, child care centers, and retail partnerships. The projects also needed to focus on economic recovery and diversification by supporting creative sector entrepreneurs, artisans, and community non-profit organizations. Initially funded by the State of Colorado, the Colorado Economic Development Commission allocated additional federal American Rescue Plan Act (ARPA) funding to continue the program (SB21-252, HB22-1409 and additional ARPA funds). All CRG projects were evaluated by a panel review process overseen by Colorado Creative Industries (CCI), the state of Colorado's designated arts agency, and the Department of Local Affairs (DOLA).

Impact Development Fund (IDF), the grant program's third party financial administrator, is a nonprofit community development financial institution lender. Awarded projects are paid after IDF has completed financial due diligence, obtained requisite financial documents, conducted legal review, and secured signed contracts with the awardees.

The CRG program has provided approximately **\$98 million to 59 projects** in creative districts, historic districts, main streets and neighborhood commercial centers across Colorado. Of these projects, approximately:



# SB21-252: COMMUNITY REVITALIZATION GRANT PROGRAM

SB21-252 established a state grant program to promote projects in commercial centers throughout the state that will revitalize community spaces. Of the 36 projects awarded by SB21-252, 35 contracts have closed. To date, \$58.5 million has been paid to grantees by IDF. A summary of the awarded projects are as follows:

Awarded Projects SB21-252	City	Description	Amount
40 West Drumstick Building	Lakewood	Mixed use gallery space, community event space, and offices for six nonprofits serving the Lakewood West Colfax community.	\$600,000
Artspace CO Springs	CO Springs	An adaptive reuse of the Tim Gill Center for Public Media and new construction to create 51 units of multi-family workforce housing focused on creative communities and 7,500 square feet of commercial space. It will be built to the 2020 Enterprise Green communities standards, photovoltaic capacity and electric vehicle (EV) ready parking. The project also includes exterior murals and public art.	\$5,000,000
Artspace Feed & Grain	Loveland	This completes the Artspace Loveland Arts campus by redeveloping the historic Feed & Grain into affordable live/work housing for creatives and 6,000 square feet of sustainable commercial space for artists. This will include 39 units of live/work space for artists and creative sector workers.	\$5,000,000
Brush Creative Minds Art Center	Brush	Renovating the historic Clayton Street building in Brush Colorado into a co-op art gallery, counseling offices, a commercial kitchen for teaching and local entrepreneurs, and storage space.	\$50,000
CampV	Naturita	Adaptive reuse of 12 historic cabins, glamping sites, RV spots, camping, a public water system, art installations, and outdoor areas for concerts, weddings, and special events.	\$2,000,000
Carnegie Center for Creativity	Fort Collins	Renovating and preserving the historic Carnegie building to continue holding gallery exhibitions, performances, classes, and special events; also houses Creative District offices and a public television station.	\$2,400,000
Chaffee County Arts Center	Salida	The Chaffee County Creativity Center (C4) will be a multi-use space located at 605 Teller Street near downtown Salida. C4 will be home to four local businesses in Chaffee County: the Salida Circus, Colorado TINTS (Theater in Non-Traditional Spaces), Forbidden Fruit Pies 1657, and the Salida Streaming Studio. Includes a performance space, multiple artist studios, a recording studio, live/work space, and public meeting space.	\$450,000
Colorado's Home for the Literary Arts	Denver	The new building will be transformative for Lighthouse Writers Workshop's Young Writers Program by providing space for workshops, free drop-in writing help sessions, and studio space. Three public schools are within walking distance of the center.	\$2,400,000

Awarded Projects SB21-252	City	Description	Amount
Dancing into the Future	Denver	To create a new 25,000 square foot, four-level building that includes a theater, a healing arts center, three spacious movement studios, and four medium-sized activity rooms to accommodate multidisciplinary arts classes.	\$4,000,000
East Street School	Trinidad	Rehabilitating a historic school building designed by the Rapp brothers into 17 studio apartments with kitchenettes, culinary arts space/school, multidisciplinary manufacturing studios, retail space, cafe, outdoor gardens, and common gathering space.	\$4,000,000
Foothills Art Center Creative Hub	Golden	Revitalizing the historic Astor House in Golden, creating an accessible cultural arts hub with classrooms, galleries, studio space, a teaching kitchen, and community green space; increasing youth/senior programs and improving ADA accessibility.	\$1,450,000
Fox West Theater	Trinidad	Historic theater renovation, three residential units (affordable housing units for theater manager/artists in residence), updated performance/community events space, and two commercial spaces on the street front.	\$3,450,000
Fuel & Iron	Pueblo	Redevelopment of the historic Holmes Hardware Block in downtown Pueblo, which will consist of the Fuel & Iron Food Hall on the first floor and 28 affordable housing units on the second and third floors. The larger project site will feature an urban farm, performing arts space, child care center, and additional affordable housing.	\$1,000,000
Hayden Center*	Hayden	Renovating a former high school space into a community space that includes creative arts space, community health, childcare, economic development, general community space, youth activities, event center space, and extracurricular education space. Phase two will modernize the 350-seat auditorium (regional performing arts, music and theater venue); retrofit spaces for creative arts and maker-space uses, educational and training classrooms, general administration offices, and innovation/technology spaces (including the first business accelerator in Northwest Colorado); and update the facilities utility systems (including their rooftop solar array).	\$71,000
Holiday Theater	Denver	Adaptive reuse of historic Holiday Theater built in 1926. Rental space for the Museum of Contemporary Art (8,300 square feet), artist studio spaces (800 square feet), and 15 rental housing units targeting 60-100% area median income (AMI).	\$1,000,000
Jane's Place	Salida	Developing a vacant half-acre lot into 17 rental housing units, nonprofit meeting rooms, co-working space, and a social enterprise retail coffee shop.	\$1,300,000
Julie Harris Theater	Steamboat Springs	This project would rehabilitate the Julie Harris Theater to return the performance spaces to full, safe, and effective use. This venue hosts summer theater programs and various community organizations in the non-camp season.	\$710,000
La Plaza Inn	Walsenburg	Restoration of a two-story, 11-unit historic hotel into a mixed use 13-unit long-term rental with an artist loft, speakeasy, and restaurant. The owner will coordinate performance programming with the Museum of Friends, Miner's Plaza, and the Fox Theater.	\$1,300,000

Awarded Projects SB21-252	City	Description	Amount
Montbello FreshLo	Denver	Building a hub with 97 affordable apartments, a healthy foods grocery store and nutrition education center, several small community retail spaces, offices for community-based nonprofits, and a two-story cultural arts wing run by the Colorado Black Arts Movement dba FreshLo Arts (includes a black box theater, performing and presenting venues, and recital/rehearsal spaces).	\$2,500,000
Montrose Urban Renewal	Montrose	Gap financing to complete two flex buildings with workspaces (for a mix of commercial users, design artisans, and manufacturing crafts), an early childhood education center, an electric vehicle charging station business, a local restaurant, a nonprofit business incubator, several outdoor gear manufacturing entities, and (potentially) a youth community recreation center.	\$2,000,000
Old Firehouse	Ridgway	Rehabilitation and adaptive reuse of historic Ridgway firehouse and new development adjacent; includes restaurant/tavern/event space/micro-farm, four workforce housing units (LURA applied), two market rate housing units, and commercial and office space.	\$500,000
Oliver House	Norwood	Purchasing the property of the Livery (a historic barn remodeled into a performing arts space) and the historic Oliver House to keep them as a center for youth programming, the offices of the local art collaborative, a community gathering space, and local business offices.	\$175,000
Plaza Block Building	La Junta	This rehabilitates the historic Plaza Block building to repurpose it as a community arts center, public use space, and commercial kitchen with two second floor housing units.	\$2,000,000
Ridgway Space to Create	Ridgway	New construction of 30 affordable rental housing units and a 2,000 square foot community amenity space for community gathering, display, performance, and commercial uses.	\$2,000,000
RiNo Art Park	Denver	Building an "ArtPark" for the neighborhoods of RiNo Art District, Globeville, 5 Points, Elyria-Swansea, and Cole; includes makerspace, library, gallery space, nine affordable art studios, and a gallery food incubator/commissary kitchen to train immigrants and refugees.	\$1,250,000
Rose Mountain	Pagosa Springs	This development will provide 34 affordable workforce housing units, a club house, office, community playground area, a 7,200 square foot human services building, and a 3,100 square foot short term residential/commercial/retail and shared community space.	\$2,400,000
Sociedad Protección de Trabajadores Unidos (SDMPTU)	Antonito	Will complete structural stabilization, restoration and rehabilitation of the Sociedad Protección de Trabajadores Unidos (SPMDTU) Concilio Superior building in Antonito Colorado for the oldest active Hispanic organization in the U.S.	\$1,076,000

Awarded Projects SB21-252	City	Description	Amount
St. Cloud Hotel	Cañon City	Third renovation in a series of renovations encompassing two blocks of mainstreet. Restoring Hotel St. Cloud – will be displaying local art; a restaurant; and local musicians, songwriters, and poets will perform there. Will also renovate Apex Commons where local artisans sell goods in the market, and there is a large ballroom for events/fairs/community arts events; and affordable artist housing will be built upstairs. This project was halted in 2020 due to COVID-19 and resultant increased costs for construction and labor. The Apex will employ formerly incarcerated individuals in construction and hospitality fields.	\$3,000,000
Telluride Arts Transfer Warehouse	Telluride	Renovating a crumbling historic landmark in Telluride into a public arts space (for music, gatherings, and community events), permanently stabilizing structural elements, and building eight units of affordable housing units two blocks away with the assistance of the city.	\$3,000,000
The Commons Space to Create	Trinidad	Renovating three historic storefronts into 41 live/work housing units (fully occupied), coworking spaces, meeting spaces, offices for the creative district, a cafe, space for two retailers, and the buildout of the Toller Garage business incubator.	\$1,550,000
VFW Post 1	Denver	Interior renovation of the VFW building to make bathrooms ADA compliant, add office space, create an archive room, upgrade HVAC, and complete plumbing, electrical, and drywall improvements.	\$868,000
Warehouse Food Hall	Craig	Expansion of existing food hall to add another food vendor booth, fully onboard the coffee shop, and revamp their community space (more space for local artists, a small gallery, dedicated space for musicians, and a co-working space).	\$50,000
Westwood Redeemer	Denver	Re-use of Lutheran church in Westwood neighborhood that will include a community kitchen, library, art programming, a garden, mental health resources, cultural programming, community space, a law clinic, community resources, and more.	\$2,000,000
Wonderbound	Denver	This renovation creates a 250-seat theater, two rehearsal studios, offices, a scenic shop, a costume shop, and live/work spaces for artists.	\$750,000
World's Wonder View Tower	Genoa	Renovation of the historic tower into a community center, performance space, six artist live/work spaces, retail space (showcasing local artisans), museum, and historic cafe.	\$1,500,000

\*Hayden Center is funded partly by HB21-252 and SB22-1409s

# HB22-1409: COMMUNITY REVITALIZATION GRANT PROGRAM FUNDING

HB22-1409 provided additional funding for the community revitalization grant program. Unlike SB21-252, private sector applicants such as LLCs were not eligible to apply. Of the 19 projects awarded by HB22-1409, 12 contracts have closed. To date, \$10.6 million has been paid to grantees by IDF. A summary of the awarded projects are as follows:

Projects HB22-1409	City	Description	Amount
Aurora Arts Facility	Aurora	Phase II renovation of the 1400 Dallas Arts Building to complete communal and studio spaces for artists (with energy efficiency features).	\$197,000
Clear Creek Center for Arts & Education (CCCAE)	Idaho Springs	The Clear Creek Center for Arts & Education (CCCAE/501c3) is a community-focused performing and visual arts center, a family-oriented educational hub for K-12 through adults, and in the summer months, home to a professional repertory theater company. By offering professional, community and educational offerings in theater, music theater, dance, visual arts, and health & wellness, CCCAE will become a regional center for the arts and arts education in the Clear Creek County and surrounding region. In collaboration with the Clear Creek School District, curriculum based educational programs will cater to K-12 students throughout the year in the form of integrated experiential learning, after school programs, performance opportunities, educational classes and workshops.	\$1,538,000
Center for the Arts Evergreen	Evergreen	Renovating a historic church into a mixed-use community room, six rental studios for artists, five offices for full-time staff, a ceramics facility, a mixed-use space, a large heated courtyard, and a community sculpture garden.	\$750,000
Center Theater	Center	Renovation and rehabilitation of historic theater including structural repairs, new seating, a refurbished concession area, bathrooms, and ground floor retail. Renovation of three second story apartments. Part of a larger investment of Continuum Partners in San Luis Valley.	\$500,000
Dancing Spirit	Ignacio	The new center, consisting of 3,750 square feet, will enable our community partners to expand patronage through tourism, events, projects, and classes that have been otherwise limited with their current space. After the completion of the revitalized historic site, the space will be fully ADA accessible, and will house several classrooms, a gallery space, an office, a visitors information center, bathrooms, a small kitchen area, storage, and event space.	\$500,000

Projects HB22-1409	City	Description	Amount
Florence Project	Florence	Renovating the historic Florence Hotel and Rialto Theater. The Rialto theater will complete interior renovations and will be a performing arts center, arts education facility, and community center. The Hotel needs extensive interior and exterior renovation, including HVAC, roof, and plumbing upgrades. The hotel adds 10 rental opportunities as overnight tourist, performer, and workforce housing.	\$500,000
Grand Lake Community Center	Grand Lake	The Community House is a 101-year-old, state-designated historic structure that is the heart of the Grand Lake community and is owned by the town. For almost 40 years it served as the home of the Rocky Mountain Repertory Theatre until the organization moved to a new home. The goal of this project is to reestablish the Community House as a venue for wintertime productions to include movie nights, potluck dinners, community dances, musical entertainment, and educational lectures.	\$86,000
Gunnison Art Center	Gunnison	The \$3.5 million project will allow the organization to renovate their historic building, expand and enhance arts programming, create flexible event spaces and welcome more participants, and upgrade outdated infrastructure to improve energy efficiency.	\$1,550,000
Hayden Center*	Hayden	Renovating a former high school space into a community space that includes creative arts space, community health, childcare, economic development, general community space, youth activities, event center space, and extracurricular education space. Phase two will modernize the 350-seat auditorium (regional performing arts, music and theater venue); retrofit spaces for creative arts and maker-space uses, educational and training classrooms, general administration offices, and innovation/technology spaces (including the first business accelerator in Northwest Colorado); and update the facilities utility systems (including their rooftop solar array).	\$1,629,000
Holiday Theater 2	Denver	MCA applied for funding to complete interior renovations towards up to 15 units of housing, administrative space, performance spaces and community space for neighborhood organizations and residents in the historic Potter Highland District.	\$400,000
LCAC Los Bodegas	Denver	Constructing a building with a multimedia lab, classrooms, a cafe, a library, and gardens	\$1,900,000
Learning Council's Hearth Center	Paonia	The Learning Council (TLC) is moving its services to the main street. It is curating a space to host classes, workshops, community events, and festivals. The space will include: co-working space for collaborating nonprofits; a commercial kitchen to support food equity projects; an ice cream parlor that will be a teen-run business; a portal to our educational, cultural, and advocacy work; a multi-use indoor/outdoor gathering space for community events; and safe, shared space to inspire more community gatherings.	\$650,000
Mancos Commons	Mancos	Establish a center dedicated to the printer's art while restoring and reusing the historic Mancos Times Tribune building and presses as a community-based facility for students and graphic artists; building four one-bedroom apartments (one ADA accessible).	\$1,300,000

Projects HB22-1409	City	Description	Amount
Miners Alley	Golden	Converting the former Meyer Hardware building into a 300-seat theater, artist housing, and community spaces	\$2,500,000
Piknik Amphitheater	Steam-boat Springs	Building a 200-seat outdoor amphitheater at the Strawberry Park Elementary School Campus for regional arts groups, local schools, and educational activities.	\$125,000
S2C Grand Lake	Grand Lake	Building 18 units of affordable rental housing along with shared community amenities and gathering spaces and working studio rental opportunities. All units within the project will be income-restricted to households earning 60% to 80% (or less) of the Area Median Income. Units will be intentionally designed and built with the creative workforce in mind but will be equally suited to the general workforce as well, including teachers, nurses, police, firefighters, etc.	\$3,000,000
Silverthorne Fire Station Makerspace	Silverthorne	Revitalizing the town's old fire station as a community gathering space, arts hub, and artist makerspace. This project will include an initial investment in equipment and supplies such as pottery wheels, two kilns, painting and drawing supplies, metal working supplies and woodworking equipment, as well as miscellaneous items such as shelving, free standing light fixtures, and worktables.	\$300,000
Studio Arts Boulder	Boulder	Multimedia studio art education center; gallery space; rooftop terrace/community gathering space; multipurpose conference room for nonprofits; geothermal.	\$1,500,000
Su Teatro	Denver	Building a three-story facility with rehearsal space, meeting space, classroom space, office space, retail space, studio space, and affordable housing units. In June 2024, the CCI Council voted to allow a scope change to allow for the purchase of 659 Sante Fe, the "Blue Building" to establish an arts campus that includes space for classrooms, offices and performances, as well as prevent further gentrification within this historic community.	\$500,000
VFW Post 1 Phase 2	Denver	The proposed Phase II improvements include the installation of an elevator and new staircase, structural work on the interior and exterior walls of the second story, repairs to the exterior brick and stucco, installation of energy efficient windows, and improvements to ensure the building can support the weight and load of their historic 1940s neon sign.	\$150,000

\*Hayden Center is funded partly by HB21-252 and SB22-1409s

# COLORADO ECONOMIC DEVELOPMENT COMMISSION STRATEGIC FUND: ARPA

The CRG projects awarded through ARPA go through the same application process as projects funded by the state legislature, although the final award is approved by the Colorado Economic Development Commission (EDC) rather than the CCI Advisory Council.

The awarded projects have been prioritized due to the significant units of affordable housing they provide their communities. To date, \$16.2 million have been awarded.

Of the four projects awarded thus far, three contracts have closed. To date, \$12.3 million has been paid to awardees by IDF.

Projects ARPA	City	Description	Amount
Montbello FreshLo	Denver	Building a hub with 97 affordable apartments, a healthy foods grocery store and nutrition education center, several small community retail spaces, offices for community-based nonprofits, and a two-story cultural arts wing run by the Colorado Black Arts Movement dba FreshLo Arts (includes a black box theater, performing and presenting venues, and recital/rehearsal spaces).	\$5,000,000
Artspace Colorado Springs	Colorado Springs	An adaptive reuse of the Tim Gill Center for Public Media and new construction to create 51 units of multi-family workforce housing focused on creative communities and 7,500 square feet of commercial space. It will be built to the 2020 Enterprise Green communities standards, photovoltaic capacity and electric vehicle (EV) ready parking. The project also includes exterior murals and public art.	\$5,000,000
South Platte Crossing Hub	Commerce City	Urban Land Conservancy, along with partners from the Collaboration of Commerce City Nonprofits (C4), including Kids First Health Care, Kids In Need of Dentistry, and the Early Childhood Partnership of Adams County, and Nesbitt Development, will create a community hub at the previous Adams County Human Services Department building. It will be repurposed to provide 60 units of affordable housing at 30-80% AMI. This space will additionally offer a drop-in childcare program serving children of parents while they are receiving services on the site—with purposeful design including various materials and opportunities for children to engage with the arts (music, dramatic play, arts/crafts).	\$2,970,000

Projects ARPA	City	Description	Amount
The Terminal Grand Junction	Grand Junction	The Grand Junction DDA intends to redevelop the historic site, which was vacated by Greyhound Bus Lines in 2021, by developing a mixed-used project across two buildings connected by a skybridge. The first building will be home to an energizing mix of commercial uses surrounding a central courtyard, including an innovative culinary operation and a first-of-its-kind downtown Space to Create artist co-op called Terminal S2C. A large, modern gallery and event space will be surrounded by 12 individual artist studios and a multiple-use community space. The second building will include additional arts, culinary and retail offerings for downtown pedestrians as well as up to 90 urban apartments, of which 30 rental units will be maintained for the local workforce at an average AMI of 100% or less. The Terminal will be the first workforce, and the first mixed-income project, in downtown Grand Junction.	\$3,206,471

## COMMUNITY REVITALIZATION TAX CREDITS

CCI has received many inquiries from applicants looking for CRG funding since the program closed due to the funds being encumbered. Around 30 of these prospective projects include an affordable housing component. Notably, there are Space to Create projects with funding needs in Grand Junction, Grand Lake, Carbondale, and Salida.

[The Community Revitalization Tax Credit \(CRTC\)](#) program was established with HB24-1295, Creative Industry Community Revitalization Incentives. The CRTC program builds on the success of the CRG program.

While CRG grants supported 59 creative capital projects that combined creative industry workforce housing, commercial spaces, performance space, community gathering spaces, child care centers, and/or retail partnerships for the purpose of economic recovery and diversification by supporting creative sector entrepreneurs, artisans, and community non-profit organizations, the expectation is that the CRTC program will continue to support capital projects with similar impacts to the creative industries and creative economy.

Additionally, the CRTC program concerns community revitalization incentives for the support of creative industries, and, in connection therewith, extending the community grant revitalization program and creating an income tax credit for expenses incurred in completing infrastructure that supports creative industries and creative industry workers.

CRTC will provide up to \$50 million in available tax credits (up to \$10 million a year for tax years 2025-2029) for eligible Colorado tax payers. Eligible projects can apply for tax credits up to \$3 million and up to 25% of the total eligible expenses of a project.

# VI.

## COLORADO OFFICE OF FILM, TELEVISION & MEDIA

The Colorado 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 tax credit incentive that covers up to 22% 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. The new tax credit went into effect in January 2024, and it is anticipated to have a very positive effect for Film, Television and Media activity throughout the state due to its sustainable nature and increased annual allocation.

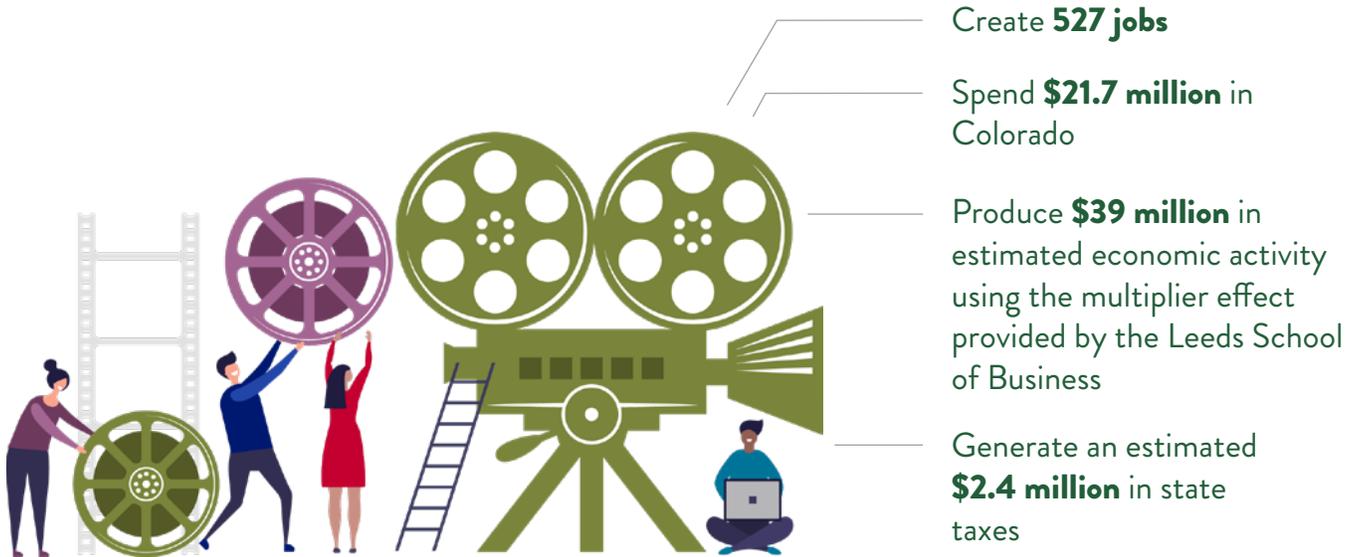


# COFTM SERVICES & ACHIEVEMENTS

## COLORADO OFFICE OF FILM, TELEVISION & MEDIA HIGHLIGHTS

In fiscal year 2023-2024, COFTM and the Economic Development Commission (EDC) pre-approved incentives totaling approximately \$3.56 million for 18 new projects.

These projects estimated that they would:



Most FY 23-24 projects are still in production and the final audited spend will affect the overall return on investment (ROI).

COFTM also hosted, sponsored, and/or provided in-kind marketing support for approximately 43 virtual and in-person industry events and film festivals.

The office also launched a new workforce development initiative to bring skill workshops to Colorado communities and hosted four workshops with the Boulder County Film Commission.

COFTM sponsored and/or coordinated seven social impact and education grant video projects that either have been completed or are in production. These projects include:

- ▶ **“[The Film Exposure Program](#)”**: Following the successful launch of the Film Exposure Program, COFTM partnered with DeWeber Media, Mesa County School District 51, and the Mesa County Library District to make an eight-minute documentary about the program and its impact. The documentary is completed and is going to be housed on the program’s webpage.
- ▶ **“[Orchestra Documentary](#)”**: COFTM is working in partnership with the Denver School of the Arts to create a 30-minute documentary highlighting the Denver School of the Arts Orchestra. This project is completed and is awaiting delivery to PBS12.
- ▶ **“[Fabrica de Arte Americas](#)”**: COFTM collaborated with the University of Colorado Denver, the Governor’s Office, and Biennial of the Americas to produce a 30-minute documentary chronicling Fabrica de Arte Americas, a prominent interdisciplinary art hub in Havana, Cuba, as it made its debut in Denver during the Cities Summit of the Americas. The film aired on Rocky Mountain PBS on Jan. 7, 2024.

- ▶ **“Denver Homelessness Documentary”**: COFTM collaborated with the Caring for Denver, Denver Film, and Liquid Luck Productions to produce a 30-minute documentary exploring the homelessness crisis Denver is facing and the rising resources for homeless individuals. The film is in production and will be completed in late 2024.
- ▶ **“Nothing Safer”**: COFTM collaborated with the Lt Governor’s Office and the Department of Corrections to produce a 30-minute documentary sharing the unique stories of incarcerated people who learned new skills, improved self-esteem, and earned a salary while on the Prison Trained K-9 Companion Program (PTKCP). The film will air on Rocky Mountain PBS in 2025.
- ▶ **“Circular Colorado Project”** is a documentary in collaboration with The Circular Economy Development Center, and EbersoleMEDIA to create a 30-minute documentary exploring how the program can benefit Coloradans. The film is currently in post production and will air in early 2025.
- ▶ **“SBDC PSAs”** is a series of short form PSA videos in collaboration with the SBDC, Employee Ownership, the Small Business Accelerated Growth Program, and the Business Foundations Program. The videos are designed to be hosted on the SBDC website to act as a resource for individuals looking to learn more about the programs.

In partnership with the Gates Family Foundation, COFTM coordinated and executed two summer workshops for high school students at the Ute Mountain Ute and Southern Ute tribes. Students learned the basics of finding, interviewing, lighting, and filming a subject.

COFTM has launched additional sites in the Regional Liaison Program including Fort Collins and Grand Junction.

COFTM expanded the Film Exposure Program (FEP) from serving four school sites in Mesa County to include two additional school sites: one in Montrose School District and the other in Cripple Creek. The program served 90 students over the course of the year. The program also expanded to include a paid internship in partnership with GJ Creates and Downtown Grand Junction for four students that successfully completed FEP.

## FILM INCENTIVES

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

### TELEVISION

#### “Lifestyle Series 1”

Approved in February 2024, *Lifestyle Series 1* follows the show’s host as he takes one of his biggest risks in life transforming 11 cabins from an unlivable condition and turning them into a destination for summer vacation. The project is produced by High Noon Productions LLC. The project will have post production in Denver, with an anticipated local spend of \$314,821 and 12 local crew member hires.

#### “Lifestyle Series 2”

Approved in February 2024, *Lifestyle Series 2* is a series that follows two dynamic hosts that see a possible dream home where others see disaster. Partners in life and business, these renovation sensations are giving a city a major makeover, transforming its most rundown properties into fabulous and unique starter homes. The project is produced by High Noon Productions LLC. The project will have post production in Denver, with an anticipated local spend of \$773,150 and 12 local crew member hires.

#### “Lifestyle Series 3”

Approved in June 2024, *Lifestyle Series 3* is a series following real estate consultants that have a knack for helping desperate homeowners sell their lifeless homes. The project is produced by High Noon Productions LLC. The project will have post production in Denver, with an anticipated local spend of \$807,319 and 20 local crew member hires.

#### **“Lifestyle Series 4”**

Approved in June 2024, *Lifestyle Series 4* is a reality television show centered on the renovation of an abandoned building. Produced by High Noon Productions LLC, the show will undergo post-production in Denver. The project is anticipated to have a local spend of \$385,101 and have 20 local crew hires.

#### **“Lifestyle Series 5”**

Approved in June 2024, *Lifestyle Series 5* is an unscripted reality show centered around the transformation of ‘Frankenstein homes.’ Produced by High Noon Productions LLC, post-production took place in Denver. The project is anticipated to have a local spend of \$669,087 and have 20 local crew member hires.

#### **“Lifestyle Series Pilot 1”**

*Lifestyle Series Pilot 1* is a reality television show focused on the renovation of an old abandoned campground that was approved in June 2024. The show is produced by High Noon Productions LLC and has anticipated post production in Denver. The project is anticipated to have a local spend of \$144,579 and had 18 local crew hires.

#### **“Project Slate”**

Approved in March 2024, *Project Slate* is a short-form episodic sports documentary produced by Fresh Tape Media LLC. The series chronicles the journey of a championship-winning athlete as they navigate the challenges of recovering from a career-threatening injury. The project has an anticipated local spend of \$120,000 and one local cast and four local crew member hires.

#### **“Coach Prime” Season Three**

Approved in February 2024, *Coach Prime* Season 3 is a multi-part documentary series following Deion Sanders. Produced by SMAC Productions Inc., the series will be filmed in Boulder, Colorado, with an anticipated local spend of \$4,259,867 and 24 local cast and crew hires.

#### **“High Science” Season Three**

*High Science* Season Three, approved in February 2024, is an unscripted reality series centered on Colorado-based cannabis company Clear Cannabis Inc. Produced by HS Productions, LLC, the show has an anticipated local spend of \$603,822 and 17 local cast and crew hires.

#### **“High Science” Season Two**

*High Science* Season Two, approved in July 2023, is an unscripted reality series centered on Colorado-based cannabis company Clear Cannabis Inc. Produced by HS Productions, LLC, the show has an anticipated local spend of \$245,042 and five local cast and crew hires.

## **FEATURE FILMS**

#### **“Giant Void Project”**

Approved in June 2024, *Giant Void Project* is a feature film that follows a lonely programmer who makes a startling discovery that upends her place in the universe. This film, which will be shot in areas around Denver, has an anticipated budget of \$177,500, with 32 anticipated local cast and crew hires.

#### **Project Shelter**

Approved in April 2024, *Project Shelter* is a feature film that will be shot in Grand Junction, Fruita, and Loma. The drama is about five people suffering from homelessness, who seek comfort and community while finding redemption through a never-imagined heartache. The production has an anticipated spend of \$1,900,000 and an anticipated 34 local cast and crew hires.

#### **Project Snow**

Approved in March 2024, *Project Snow*, produced by A Long Winter Productions LLC, follows Mike and his father, Lester, as they search for his mother who has gone missing. Filming is scheduled across Ouray, Silverton, Ophir, Telluride, Trout Lake, and Rico. The production is estimated to spend \$5,825,704 locally, with an anticipated 125 local cast and crew hires.

### “Project Purple”

Approved in March 2024, *Project Purple* is a dramedy following the first anniversary of a family’s father taking his own life, when the family comes together to sort out their grief, their futures, and Dad’s closet. The production anticipated filming Denver, Golden, Wheat Ridge. The film has an estimated local spend of \$581,790 and 41 local cast and crew hires.

### “Welcome to the Fishbowl”

Approved in February 2024, *Welcome to the Fishbowl* is a feature film that follows a mother of two who gets a career-making offer. The film is set to film in Denver, Golden, Evergreen and Telluride. The production has an anticipated spend of \$1,871,600 and an anticipated 73 local cast and crew hires.

## COMMERCIALS

### “Project VI”

Approved in February 2024, *Project VI* is a slate of commercial projects consisting of three 60-second videos. Produced by Mass FX Media, the production anticipated filming in Denver and Boulder. The project has an estimated local spend of \$283,911 and 31 local cast and crew hires.

## VIDEO GAMES

### Idol Minds Iris Phase I

Approved in March 2024, Idol Minds LLC will lead both the development and Production of *Project Iris Phase I*. *Project Iris Phase I* is a story-driven first-person mystery game with compelling, nuanced characters and clever, tactile gameplay. The studio is using its industry-leading motion capture processes and pipelines, combined with the local Denver acting talent to deliver a fun, exciting and emotionally engaging story-based game. The project will be released internationally through a top tier studio in 2024. The project anticipates a Colorado spend of \$2,277,000 and hiring 45 local cast and crew members.

### Project Iris Phase II

Approved in February 2024, Serenity Forge LLC was awarded an incentive for the second phase of their Project Iris video game. Like their other projects, *Project Iris* is built upon an innovative non-linear narrative system and grounded with unexpected dramatic depth. Project Iris has secured a third-party partnership with one of the largest video game companies in the world, who will be providing not only funding for the project but an additional commitment of significant marketing support through their sizable international audience. The second phase of Serenity Forge’s Iris is estimated to spend \$495,977 locally and hire 11 cast and crew members.

## THE COFTM TEAM

The Colorado Office of Economic Development & International Trade’s (OEDIT) COFTM Team has the following five members:

- ▶ Film Commissioner: Donald Zuckerman
- ▶ Deputy Film Commissioner: Arielle Brachfeld
- ▶ Senior Program Manager: Makayla O’Malley
- ▶ Program Manager: Skylar McKelvey
- ▶ Incentive Analyst: Cody Pearson

# VII.

# 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 2024

The Colorado Tourism Office (CTO) in 2023 continued to strengthen collaboration with partners building strategies to address areas still in recovery with success in the front range while strengthening stewardship and visitor management in resort areas as work continues to build back international travel.

Travel spending in Colorado grew from \$27.2 billion in 2022 to \$28.2 billion in 2023, a 3.9% increase. Just over 49% of that growth is attributed to the Denver region alone. Additionally, the Longwoods Travel USA Report indicates that visitation to Colorado increased from 90 million in 2022 to 93.3 million in 2023, a 3.6% increase. Direct travel-generated tax revenue increased from \$1.7 billion in 2022 to \$1.8 billion in 2023, an increase of 5.7%.

Direct travel-generated employment experienced a gain of approximately 9,450 jobs, with a total of 187,710. This was a 5.3% increase in employment compared to 2022. In 2022, every \$1 million in travel-related spending resulted in seven jobs for the industry. Overnight business trips grew by 7% in 2022 from 2021. The top three activities and experiences for overnight visitors to Colorado in 2023 were shopping, sightseeing and attending a celebration.

In addition to promoting economic development, the CTO continued its focus on destination stewardship. Destination stewardship balances quality of life for residents and quality of experience for visitors, while enhancing our environment and communities. The CTO's "Do Colorado Right" campaign educates visitors and residents on ways to travel thoughtfully and responsibly throughout the state. Core messages include topics like water safety, fire prevention, trash mitigation, backcountry safety and sustainable travel.



## CTO SERVICES & HIGHLIGHTS

### MARKETING & PROMOTION

- ▶ CTO's FY 24 Summer/Fall *Shine a Little Brighter* campaign ran from April 2023 to October 2023, influencing over 1.4 million Colorado trips that would not have occurred without the advertising. The campaign delivered \$2.4 billion in visitor spending and ROI came in at \$438 per dollar spent, significantly more efficient than the industry average of \$314.
- ▶ The CTO continued its insight-driven campaign, *Shine a Little Brighter*, for Winter FY 23-24. The campaign ran from October 2023 to March 2024 and directly influenced over 740,000 trips and \$1.4 billion in spending. The campaign ROI was ranked #1 in the U.S. and set a record for the highest return on investment ever measured.

- ▶ The CTO *Do Colorado Right* campaign continued in FY 23-24, educating both visitors and residents on how to explore Colorado mindfully and respectfully. Promotion topics included water safety, fire and trash mitigation, off-peak travel, backcountry safety and more. Content was created in conjunction with partners throughout the state, including Colorado Parks and Wildlife.
- ▶ The *Do Colorado Right* campaign achieved a click-through rate almost three times the industry benchmark and delivered over 101 million paid impressions, with additional support from social media and Colorado.com. Do Colorado Right was amplified by customized destination-specific campaigns in 19 destinations throughout the state including Steamboat Springs, Minturn and Red Cliff.
- ▶ Influential in both domestic and international markets, the CTO collaborated with MICHELIN and destinations around the state to launch MICHELIN Guide Colorado, recognizing the state's commitment to quality, sustainability and innovative dining experiences. The inaugural 2023 program included five markets and recognized close to 50 Colorado restaurants, elevating the state's culinary scene.
- ▶ The CTO saw strong performance on social in FY 23-24, garnering more than 203 million impressions and over 6.2 million engagements across social channels. The launch of owned Reels on Instagram drove a 6.1% engagement rate, more than triple Sprout Social's industry average. Additionally, the CTO hosted 17 social media influencers, generating more than 2.9 million engagements.
- ▶ The CTO continued its popular Paid Media and Social Media Media Co-Op programs in FY 23-24, garnering over 60 participating partners. These partners contributed over \$454,000 in funding with a CTO match of over \$479,000, delivering a value of over \$1.2 million and over 160 million impressions.
- ▶ Colorado's marketing was enhanced by a national and in-state focused public relations program. CTO public relations efforts in FY 23-24 resulted in more than 200 stories in top target outlets featuring all eight travel regions of the state, and generating 4.5 billion impressions and \$14 million in media value.
- ▶ In FY 23-24, Colorado.com garnered 9.2 million sessions. The site ranked third in the country among state tourism websites for page one keywords, according to BrightEdge. In the fourth quarter of FY 23-24, the CTO evolved technology for the website, immediately improving the performance rating from a 75 to 98 and SEO from a 67 to 92.
- ▶ In FY 23-24, CTO distributed 350,000 Explore Colorado 2023 & 2024 Official Travel Guides.
- ▶ In FY 23-24, the CTO's paid search program generated over 67,000 lodging partner referrals and 316,000 outbound clicks to partners, newsletter signups and vacation guide requests.
- ▶ The CTO helped support marketing efforts for Tour Colorado and Destination Colorado, providing nearly \$250,000 in 2024 to bolster tours, meetings and event businesses throughout the state.

## INTERNATIONAL TOURISM

- ▶ International visitors have a high economic impact for the state of Colorado, as they stay longer and visit more areas of the state, spending more per person per trip than any other visitor.
- ▶ 2023 visitation numbers show that travelers are visiting Colorado in pre-pandemic numbers. Although Asia Pacific has not returned to pre-pandemic levels, North America and several European countries are showing increases in visitation from the state's high-level mark in 2019. The rest of Europe is projected to recover in 2024. Asia and Oceania are expected to return in full visitation numbers in 2025.
- ▶ The CTO currently has in-market international representatives in the CTO's top target markets of the UK/Ireland, Canada, Australia, German-speaking countries, France, and Mexico.
- ▶ Funding from the U.S. Economic Development Administration (EDA) State Tourism Non-Competitive grant has allowed the CTO international team to reach more potential international tourists than ever before through pan-European and winter-specific campaigns.
- ▶ The pan-European consumer promotion is reaching audiences not only in our top markets of the UK, France and Germany, but also adding inspiration in Italy and Spain to target those potential travelers.

- ▶ Winter promotion reaches Colorado’s top winter visitors in Australia, Mexico and the UK and has allowed the CTO and Colorado destination partners to participate in Snow Shows in London, Melbourne and Sydney, as well as host VIP events targeting winter visitors in Mexico.

## DESTINATION STEWARDSHIP

The CTO is dedicated to embedding destination stewardship into all aspects of our tourism initiatives. We address the evolving challenges and opportunities within Colorado’s tourism landscape through a comprehensive approach, aiming to balance resident well-being with a vibrant visitor economy while protecting our cultural heritage and natural resources. Our stewardship efforts emphasize responsible travel, sustainability, and inclusiveness, aiming to build resilient destinations through collaboration.

Our programs, including Destination Development, Grants & Funding, Visitor Services, CTO Learning Labs, and the annual Governor’s Tourism Conference, align with our destination stewardship approach, ensuring that we support the industry while fostering a sustainable future for tourism in Colorado.

- ▶ In FY 23-24, the CTO initiated the Colorado Destination Stewardship Strategic Planning Initiative, a year-long effort that engaged communities in shaping the future of tourism across the state. The statewide and eight regional plans serve as a comprehensive guide for tourism leadership, industry partners, and stakeholders to address shared priorities over the next decade. Recognizing that destination stewardship requires interconnected efforts, the plan underscores the importance of collaboration and public-private partnerships to align initiatives across agencies, organizations, and communities.
- ▶ In FY 23-24, 20 of the 59 creative asset production shoots were awarded through the Restart and Reimagine Colorado Tourism programs. These shoots represent the final phase of the CARES Act grant OEDIT received in January 2021, providing partners with photography and videography tailored to their marketing needs.
- ▶ The CTO launched the Destination Development Mentor Program, offering 100 hours of consulting to Colorado destination organizations and industry associations. In FY 23-24, the program supported 15 communities with 1,500 consulting hours, leading to projects such as visitor education campaigns, off-peak season marketing strategies, and convention space planning.
- ▶ In FY 23-24, the CTO launched the Destination Blueprint Program, an 11-month initiative for destination organizations. The program includes a destination assessment, a full-day visioning and action planning workshop, and 100 hours of consulting to advance identified priorities. In its inaugural year, the program served 10 communities, engaging over 1,000 residents and stakeholders through workshops, surveys, and meetings. A total of 1,000 consulting hours were provided, resulting in projects such as workforce development campaigns, trailhead ambassador programs, and destination management plans.
- ▶ The Colorado Tourism Office, Colorado Energy Office, and Colorado Department of Transportation, in collaboration with the Colorado Scenic & Historic Byway Commission, continue to designate Colorado Electric Byways statewide. As of May 2024, 17 of the state’s 26 Scenic & Historic Byways have received Colorado Electric Byway designation.

1. Alpine Loop Scenic Byway (High-Clearance + 4WD vehicle required)
2. Collegiate Peaks Scenic Byway
3. Colorado River Headwaters Scenic Byway
4. Flat Tops Scenic Byway



5. Gold Belt Tour Scenic Byway
6. Grand Mesa Scenic Byway
7. Guanella Pass Scenic Byway
8. Highway of Legends Scenic Byway
9. Lariat Loop Scenic Byway
10. Mt. Blue Sky Scenic Byway
11. Peak to Peak Scenic Byway
12. Silver Thread Scenic Byway
13. Top of the Rockies Scenic Byway
14. Trail Ridge Road Scenic Byway
15. Santa Fe Trail Scenic Byway
16. South Platte River Trail Scenic Byway
17. West Elk Loop Scenic Byway

- ▶ Created and funded by HB22-1382 (“Support Dark Sky Designation And Promotion In Colorado”), the CTO continued its Colorado Dark Sky Certification Mentor program in FY 23-24. This program offers 70 hours of project-based consulting from a DarkSky Colorado mentor to help destinations achieve International Dark Sky Place (IDSP) certification. In its initial year, four locations were selected to participate. In FY 23-24, 350 consulting hours were provided to support these efforts and enhance Colorado’s visitor experience.
- ▶ The Care for Colorado Coalition has grown into an alliance of over 190 organizations, state and federal agencies, and businesses statewide. The coalition is dedicated to educating Coloradans and visitors on protecting the state’s extraordinary natural and cultural resources.
- ▶ The 2023 Colorado Governor’s Tourism Conference, held for the first time in Fort Collins, brought together over 450 professionals from the travel and tourism sector, marking another year of significant accomplishments. The event featured more than 25 educational sessions on topics such as crisis communications, destination stewardship, and DEIA initiatives. With record-breaking sponsorship revenue and the recognition of 15 award winners, the conference highlighted the excellence and collaboration within the state’s tourism industry.
- ▶ The CTO has expanded its free educational platform, CTO Learning Labs, to help frontline workers and tourism professionals enhance their skills and deepen their knowledge of Colorado. The platform now offers 12 destination-focused courses across the state and eight specialized courses on topics ranging from astrotourism to low-impact travel. In FY 23-24 alone, over 2,400 courses were completed.
- ▶ The CTO awarded \$569,328 to 16 industry partners through our annual Tourism Marketing Matching Grant program to support tourism marketing campaigns and initiatives statewide. To further assist partners facing budget constraints, the maximum grant award of \$40,000 and the reduced 2:1 match requirement remained in place for the FY 23-24 grant cycle.
- ▶ The Tourism Management Grant program provides funding for projects that develop, enhance, or manage visitor experiences statewide. Launched in December 2023, the program awarded \$242,720 through 14 grants for FY 23-24.
- ▶ The Meeting and Events Incentive Program offered a 10% rebate, ranging from \$3,500 to \$100,000, for eligible costs associated with hosting meetings and events in Colorado from July 1, 2021 to June 30, 2024. This program aimed to attract new events and retain those at risk of cancellation, postponement or relocation. Due to limited remaining funds, we closed applications on Jan. 31, 2024. As of June 30, 2024, the program received 710 applications, with 464 approved for over \$8 million in cash rebates, supporting events across 28 counties.

- ▶ The Economic Development Administration’s Travel, Tourism, and Outdoor Recreation program allocated \$9.6 million in funding, equally divided between the Outdoor Recreation Industry Office (OREC) and the CTO, to aid the recovery of communities reliant on these sectors. The CTO received \$4.8 million, with \$2.4 million dedicated to international marketing to replace COVID-19-related losses and rebuild international markets. An additional \$2.4 million was awarded in Oct. 2022 through the Tourism Recovery Marketing Grant to seven destinations, supporting regions still affected by the pandemic. The remaining funds were allocated for administrative costs. In FY 23-24, one of the seven destinations completed its Tourism Recovery Marketing Grant-funded project, while the others are expected to finish in FY 24-25.
- ▶ Colorado welcomed 739,900 guests in FY 23-24 through the state’s ten Welcome Centers.
- ▶ The CTO launched a multi-year initiative to review and update welcome centers, aiming to make them more welcoming, engaging, and reflective of the Colorado brand. In FY 23-24, the CTO finalized the design concept and budget for implementation and initiated a Design/Build contract with CDOT to proceed with the next steps. The project will begin with the Fruita Welcome Center, with completion anticipated in early FY 25-26.

*Sources:*

*SMARI Research, FY 2023*

*MMGY Tableau, FY 2023*

*Colorado Travel USA 2023 Report - Longwoods*

*Colorado Travel Impacts 2023 (Dean Runyan Associates)*

*Tourism Economics, 2023 International State Data*

*Sprout Social*

*TikTok*

*Sideqik*

*Colorado.com*

*Brightedge*

*GA4*

## THE CTO TEAM

The Colorado Office of Economic Development & International Trade’s Colorado Tourism Office Support Team has the following 23 members:

- ▶ Director, Colorado Tourism Office: Timothy Wolfe
- ▶ Deputy Director, Marketing & Advertising : Shelley Cooper
- ▶ Deputy Director, Destination Stewardship: Jill Corbin
- ▶ Deputy Director of International Sales: Andrea Blankenship
- ▶ Senior Fiscal/Operations Manager: David Fishman
- ▶ Communications Manager: Hayes Norris
- ▶ Senior Brand Manager: Natashya Rodriguez

- ▶ Marketing Manager: Christina Tuchman
- ▶ Marketing Copywriter: Michelle Wulfson
- ▶ Director of Destination Development & Research: Andrew Grossman
- ▶ Destination Development Program Manager: Hilary Lewkowitz
- ▶ Director of Grants & Funding: Elizabeth O'Rear
- ▶ Grants & Funding Manager: Sami Wells
- ▶ Director of Visitor Services: Taren Mulch
- ▶ Manager, Fruita Welcome Center: Laurie Dickey
- ▶ Assistant Manager, Fruita Welcome Center: Phil Amundson
- ▶ Manager, Burlington Welcome Center: Nellie Perry
- ▶ Assistant Manager, Burlington Welcome Center: Dena Daniel
- ▶ Senior Manager of Industry Partnerships & Education: Kaiti Jacobson
- ▶ Destination Stewardship Specialist: Jackson Feld
- ▶ International Promotions Manager: Julie Default
- ▶ International Program Manager: Hope Smith
- ▶ Administrative Manager: Will Anderson

# VIII.

# 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.

Colorado's outdoor recreation industry accounts for \$65.8 billion in overall economic output annually and contributed 404,000 jobs in 2023. According to the 2024 Statewide Comprehensive Outdoor Recreation Plan (SCORP), 96% 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 Colorado Outdoor Recreation Industry Office (OREC) serves as the State’s primary coordinator for outdoor recreation industry matters in Colorado. This includes attracting, retaining, and expanding businesses, partnering with the outdoor recreation industry to protect and conserve our natural environment, and supporting efforts that increase diversity, equity, and inclusion in the outdoors to ensure all Coloradans benefit from the continued health of the outdoor recreation industry.

We partner with relevant federal, state, and local governments, nongovernmental organizations and businesses to promote the cultivation and development of Colorado’s outdoor recreation industry.

Our mission at OREC is to champion industries, communities, and people to come to life 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, bodies of water, and climate.

### EDUCATION AND WORKFORCE TRAINING



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

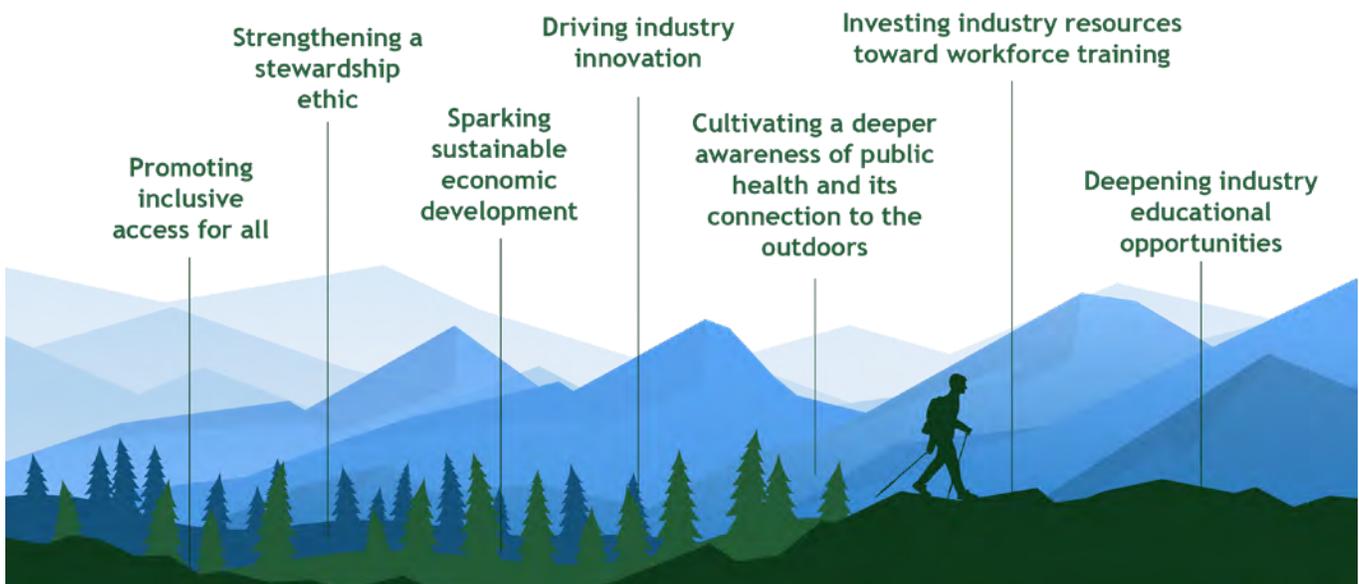
### PUBLIC HEALTH, WELLNESS AND SAFETY



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

Colorado’s outdoor recreation industry is a cornerstone of our State’s economy and essential to the general welfare of all Coloradans. The continued growth and vitality of our outdoor economy will need the State’s coordination, promotion, and support. When we have cross-collaboration between outdoor entities and cooperation from the State, we are able to provide diverse recreation opportunities that not only boost our economy but improve public health and enhance our quality of life in Colorado.

Building on the State’s outdoor heritage, OREC focuses on:



## 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 represents the State of Colorado in the Outdoor Recreation Roundtable, a national umbrella association of outdoor industry associations.

## ECONOMIC DEVELOPMENT HIGHLIGHTS

- ▶ Continued implementation of the Outdoor Recreation Industry Impact Fund (ORIIF), a \$1.8 million fund from the federal Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program, a part of the American Rescue Plan Act (ARPA) recovery funding. The grants distributed will directly support 23 organizations with the creation and retention of over 100 jobs.
- ▶ Continued implementation of the Colorado State Outdoor Recreation Grant Program (COSORG), with 22 projects beginning work over the past year amounting to \$1,663,007 in funding provided. A total of \$3,739,208 has been awarded to 49 nonprofit, local government, and educational organizations across Colorado. To date, 385 jobs have been created or retained as a result of funding.
- ▶ Successfully launched the Outside Summit and Festival. This event has already been established as one of the preeminent national gatherings for outdoor industry leaders and enthusiasts. Envisioned to be the South by Southwest (SXSW) of the Outdoor Industry, this event—in partnership with Outside Interactive—showcases Colorado on a global scale (1.8 billion media impressions) and drives economic impact (over \$5 million direct impact in 2024).
- ▶ Served as a key leader in the Confluence of States, mentoring and supporting more than 20 states in forming their outdoor recreation industry offices. This work remains critical in the movement to empower the outdoor industry as a national force and share best practices.
- ▶ Through the Rural Technical Assistance Program (RTAP), OREC supported three technical assistance workshops in rural Colorado for communities planning to develop local outdoor recreation industries. This partnership with CU-Boulder’s Masters of the Environment (MENV) brought together community members in Lake City, Huerfano County, and Rangely/Dinosaur to plan for outdoor recreation development under the guidance of graduate students.



### 404K direct jobs

Colorado’s outdoor recreation industry contributed **404,000 direct jobs** in 2023. According to the 2024 Statewide Comprehensive Outdoor Recreation Plan (SCORP), **96% of Colorado residents participate in outdoor recreation each year.**

## CONSERVATION & STEWARDSHIP HIGHLIGHTS

- ▶ Partnered with the Colorado Tourism Office (CTO) in the Care for Colorado Coalition to promote destination management and stewardship campaigns across the State.
- ▶ Served on the Elevate Conservation Outdoor for All planning committee to host an event at the Big Gear Show designed to address diversity and inclusion in the outdoor recreation industry, recognize leaders from Black, Indigenous, and People of Color (BIPOC) communities, and honor the intersection of conservation and recreation.

## EDUCATION & WORKFORCE TRAINING

- ▶ Served on the Board of the Colorado Outdoor Equity Grant Program. Through this partnership we granted \$3 million to support equitable opportunities for youth up to age 25 from underrepresented communities and their families to experience Colorado's parks and open spaces, to participate in outdoor recreation, and to engage in conservation activities, career exploration, and outdoor job training. Communities served by this program include: Black, Indigenous, and People of Color, LGBTQ+, people with disabilities, and people with low incomes.
- ▶ Partnered with the CU Boulder Masters of the Environment Program and Outside to support a 2023-2024 Graduate Capstone project examining the impact of Colorado Parks and Wildlife's Regional Partnership Initiative (RPI) and opportunities for partnering with Colorado's outdoor recreation industry businesses and partners.

## OREC PUBLIC HEALTH & WELLNESS HIGHLIGHTS

- ▶ OREC's Colorado State Outdoor Recreation Grant (COSORG) is supporting a variety of projects directly related to public health and inclusive access to the outdoors.
  - Mesa County Public Health received a grant to develop a master plan for the Gunnison Bluffs Trail system outside of Grand Junction, connecting communities with low income directly to a world class trail system.
  - San Luis Valley Great Outdoors (SLV GO!) received a grant to begin planning for the Heart of the Valley Trail, a major trail system which will span the width of the San Luis Valley and connect directly to communities.
  - Multiple grantees are providing access to the outdoors for cancer survivors and recreationists of different abilities. These include Adaptive Adventures, Epic Experience, First Descents, and the Live by Living Foundation.
  - Get Outdoors Leadville, Environmental Learning for Kids (ELK), and the Middle Colorado Watershed Council are increasing access to the outdoors for Spanish-speaking populations around the State.

## 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
- ▶ Senior Program Manager: Matt Nunez
- ▶ Senior Compliance Manager: Giselle Habeych
- ▶ Operations and Marketing Coordinator: Frida Silva

# IX.

## 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 support and opportunities to attain their full potential and a resilient future. The office consists of a director and two rural opportunity representatives that serve Colorado's eastern, western, and southern regions. These representatives live within the region of the state that they support.



# ROO SERVICES & HIGHLIGHTS

The ROO supports Colorado’s rural communities, economic development offices, business support organizations and small businesses by connecting them to support and opportunities to attain their full potential and a resilient future. The office consists of a director and rural opportunity representatives that live in rural Colorado and serve Colorado’s eastern, western, and southern regions.

The ROO was formally codified through SB23-006, which became effective in August 2023.

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 Rural 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)

## FY 23-24 DIVISION WIGS



## RURAL COMMUNITY ECONOMIC DEVELOPMENT SUPPORT

Rural community support is at the core of the ROO’s mission. Most of this is based on individualized, “boots on the ground” outreach with our rural partners. The ROO team traveled over 35,000 miles within our rural communities in FY 23-24 (the equivalent of 1.4 times around the world).

Rural engagements by the numbers:

Engagement	Goal	Actual
Individual Stakeholder Engagements	1,500	1,897
Rural Jobs Created	60	57
Technical Assistance Funding Deployed	\$500,000	\$502,900
Technical Assistance Hours Provided via Manufacturers Edge	72	78
Rural Consulting Hours	200	1205
CEDS Meetings Hosted	50	50
Small Businesses Supported	69	153

## ENGAGEMENT WITH SELECT USA AND INTERNATIONAL OPPORTUNITIES

ROOs participation in Select USA has proven instrumental in fostering potential economic opportunities for rural Colorado. Through collaboration with the Global Business Development division, early discussions related to rural development have sparked curiosity within Huerfano and Las Animas counties. While no official deals have been established yet, several meetings ensued to explore avenues for potential international opportunities. We are optimistic about the possibilities that lie ahead for southwest Colorado and beyond.

## RURAL TECHNICAL ASSISTANCE PROGRAM

In 2023, the ROO continued the [Rural Technical Assistance Program \(RTAP\)](#) to better meet the needs of rural Colorado communities. RTAP is a multi-faceted economic development education, outreach and implementation program for rural Colorado communities. The goal of the RTAP program is to provide fundamental education and subsequent project development and strategic implementation to rural community cohorts while measuring economic metrics to provide quantifiable economic help to Colorado communities.

The current available programs are designed for rural communities to understand the Colorado Office of Economic Development and International Trade (OEDIT), their economic development State Partners and a baseline Economic Development 101 curriculum. The online content is free and available to anyone. This “core” curriculum provides a baseline of economic development knowledge to community cohort partners and allows them to move forward into the targeted categories with the same language, toolkits and partner awareness. It also opens access to targeted courses and opportunities to engage in the second and third phases of RTAP.

Rural data by the numbers:

Engagement	Actual
Rural Data Grant Application Support	3
Rural Data Office Hours	26 two-hour open sessions
Rural Roadmaps Regional Data Profiles	32 completed (each six-month updates)
State Partner Data Requests, Projects Support and Presentations	6

## STRATEGIC PARTNERSHIPS

In 2024, the ROO significantly strengthened its partnership with CDLE, playing a pivotal role in supporting the economic transformation of Just Transition communities transitioning away from coal. By driving innovative strategies, including the establishment of a new coworking and innovation hub, the ROO is enhancing the region's capacity to foster entrepreneurship and economic resilience. Through active leadership in Just Transition discussions, ROO is positioned to lead in shaping forward-thinking solutions that will accelerate the revitalization and sustainable growth of these transitioning regions.

In 2024, the ROO forged a strategic partnership with Community Resource Centers (CRE) to further enhance economic development initiatives across rural Colorado. By aligning with CRE's Rural Philanthropy Days and Denver-area funders, ROO is creating a powerful conduit for rural communities to access critical funding opportunities. This partnership not only strengthens ties between urban and rural resources but also amplifies the impact of local economic development initiatives. ROO has deepened its commitment by sponsoring CRE's rural events throughout the year, helping to bridge the gap between rural communities and capital resources, ensuring sustainable growth and long-term success for economic projects across the state.

## 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 ran through the end of FY 23-24.

As the Regional Community Teams completed the Roadmaps Planning process in May 2024 and moved into implementation, all regional partners made significant strides toward building a robust economic foundation.

- ▶ These road maps will support the implementation of their strategic plans, driving long-term growth in each region.
- ▶ The EDA funding will help ensure that each region's roadmap plan becomes a reality, fostering sustainable economic development and enhancing the local communities' infrastructure and resilience.

### *EDA Rural Technical Assistance Program Participants (RTAP)*

Several regions participated in the EDA RTAP, demonstrating a commitment to forward-thinking economic development strategies. These regions have been awarded grant funds to support their initiatives:

- ▶ Sedgwick County Economic Development
- ▶ Saguache County Sustainable Environment & Economic Development (ScSEED)
- ▶ Colorado River Valley Economic Development Partnership
- ▶ Logan County Economic Development Corporation
- ▶ Town of Red Cliff
- ▶ Cañon City City Economic Development

These organizations are focused on enhancing their communities through innovative economic strategies and collaborative projects aimed at sustainable growth and will be awarded a \$2,500 RTAP grant upon completion of projects.

## **STATEWIDE COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDs)**

The Colorado statewide Comprehensive Economic Development Strategy will serve as the regionally informed, resilient economic development foundation for Colorado's state agencies. The plan is written with the intent that it supports Colorado's 14 existing regional CEDs by qualifying the State of Colorado as an applicant for federal EDA, USDA and HUD grants.

The strategy addresses 29 common themes and goals representing the interests of local, regional, and Tribal communities; entrepreneur-led economic development objectives; as well as infrastructure and long-term resilience priorities across Colorado. As a result, from cataloging these issues, this CEDs will allow the State to support the regions in achieving strategic priorities, thereby facilitating action on economic development strategies that might otherwise go unrealized.

In the past year, the ROO supported the Denver Regional Coalition of Governments, Pikes Peak Area Council of Governments, Northeast Colorado Area Council of Governments, and UpState Colorado in developing and gaining approval by the EDA for each of their regional CEDs. This accomplishment marks the first time that all 14 of Colorado's regional coalitions of governments, plus its two Tribal Nations, have had active CEDs registered with the EDA. This marks the first time that every region in Colorado can compete for select federal grants which require an active CEDs as a prerequisite.

X.

# ADDENDA

The Colorado Economic Development Commission: Annual Report Fiscal Year 2023-2024



**COLORADO**

**Office of Economic Development  
& International Trade**

# **THE COLORADO ECONOMIC DEVELOPMENT COMMISSION**

## **ANNUAL REPORT FISCAL YEAR 2023-2024**

**Colorado Office of Economic Development and International Trade**

Governor Jared Polis

Eve Lieberman, Executive Director

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



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

Economic Development Commission  
1600 Broadway, Suite 2500  
Denver, CO 80202

October 1, 2024

Members of the Second Regular Session of the Seventy-fourth 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 2023-2024. This report contains information regarding projects and activities supported by the EDC from July 2023 through June 2024 as well as the status of active initiatives previously approved by the EDC.

The EDC was very appreciative to the General Assembly and the Governor for the approval of the annual appropriation of \$5 million in funding that assisted with projects during FY 23-24.

In addition, the EDC has deployed the additional funding received in a fiscal year for COVID Recovery efforts statewide. One-hundred percent 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 packages of \$30 million plus \$10 million for rural Colorado funds have been allocated among OEDIT divisions and have spending plans to power the Colorado economy's recovery.

The EDC applied for and has oversight of the State Small Business Capital (SSBCI) Program funds that were approved for three access to capital programs and will receive these funds in three tranches. The SSBCI program runs through 2032, at which point the State will retain any recycled funds. As of June 30, 2024, we expended, obligated, or transferred over 80% of \$31,257,276 received in the first transfer of funds from the U.S. Treasury. The programs exceeded the targets of investing in companies owned by Socially and Economically Disadvantaged Individuals and in businesses with fewer than ten employees, which earned us a \$5,027,266 bonus. The U.S. Treasury deployed the second tranche of funding in August 2024.

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 12 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

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# COMMISSION MEMBERS AS OF JUNE 30, 2024

**CHAIR**

Carrie Schiff  
Boulder, CO

**MEMBERS**

David Dragoo  
Montrose, CO

Jay Seaton  
Grand Junction, CO

Chris Franz  
Colorado Springs, CO

Andrew Sparn  
Boulder, CO

Esther Lee Leach  
Denver, CO

Walker Stapleton  
Greenwood Village, CO

Jesse Ogas  
Denver, CO

Nell Wareham  
Summit County, CO

Steven Paletz  
Denver, CO

Carl Young  
Walsenburg, 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), the Rural Jump-Start program, 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 2023 through June 2024:

## ACTIVITY HIGHLIGHTS ON SELECTED PROGRAMS

Program	Grant Dollars Paid in FY23-24	Tax Credits Issued in FY23-24	Applicants Approved in FY23-24	Active* Projects as of June 30, 2024
Strategic Fund Incentive - Long Bill	\$ 0	n/a	3	24
Strategic Fund Incentive - CRPS**	\$ 0	n/a	1	9
Strategic Fund Initiative - Long Bill	\$ 3,924,282	n/a	14	38
Strategic Fund Initiative - ARPA***	\$ 1,070,000	n/a	2	19
Strategic Fund Initiative - CRPS	\$ 666,161	n/a	1	11
Job Growth Incentive Tax Credit	n/a	\$ 39,039,368	26	237
Regional Tourism Act	n/a	n/a	n/a	5
Disproportionately Impacted Business Fund	\$ 148,963.83	n/a	170	n/a
Rural Jump-Start	\$ 269,829	\$427,382****	8	29
CHIPS Act	\$ 71,518	\$ -	0	0
Just Transition	\$ 5,016	n/a	4	4

\* 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.

\*\*\* American Rescue Plan Act (ARPA) denotes State and Local Fiscal Recovery Funds (SLFRF) funding from the American Rescue Plan Act’s \$40 million allocated to the Economic Development Commission for COVID-19 economic recovery efforts.

\*\*\*\* In FY 23-24, OEDIT staff estimated the amount of Personal State Income Tax revenue lost versus total exempt salaries. Amount is as reported on the “U3 Report”.

# 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. These projects are executed in conjunction with businesses, partner communities, key industry leaders, local economic development organizations and other regional organizations. In FY 23-24 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 \$6.04 million in performance-based cash incentives associated with the future creation of up to 1,383 net new jobs to the State of Colorado.

Project Name	Project County	EDC Approval Amount Awarded	EDC Approval Jobs to be Created	Min Average Annual Wage (AAW) For County	Fund Source	EDC Approval Date
Project Eleven	Adams County	\$ 1,053,000	162	\$ 69,914	LB	4/18/2024
Project Danish - SF*	Pueblo County	\$ 1,244,882	311	\$ 50,921	CRPS	10/19/2023
Project Danish - SF*	Pueblo County	\$ 3,371,118	843	\$ 50,921	LB	10/19/2023
Alquist	Weld County	\$ 335,000	67	\$ 59,501	LB	8/17/2023

\*Same project, two different funding sources

Fund Source: LB = Annual Long Bill, ARPA= Federal ARPA/SLFRF, CRPS = CO Recovery Plan Stimulus

## DESCRIPTIONS OF APPLICANTS APPROVED IN FY 23-24

1. **Project Eleven** is a manufacturer of sodium-ion battery energy storage systems. The company is expanding their overall manufacturing capacity as a part of this Strategic Fund Incentive. As a part of this Strategic Fund Incentive, the company is developing a state-of-the-art Research and Development (R&D) campus, which includes manufacturing and process development.
2. **Project Danish** is a company that manufactures wind turbine blades. This Strategic Fund Incentive is for the expansion of their manufacturing facilities in Colorado. This project also has a corresponding Job Growth Incentive Tax Credit (JGITC) award.
3. **Alquist (Project Innovate)** is a 3D housing printing company. This Strategic Fund Incentive is to establish the company’s operations in Colorado. This project also has a corresponding Job Growth Incentive Tax Credit (JGITC) award.

## STRATEGIC INCENTIVE PAYMENTS MADE IN FY 23-24

There were zero strategic fund incentive payments made in FY 23-24.

# 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 23-24

Project Name	Project Area	Fund Source	EDC Approval Award Amount	EDC Approval Date
Community Business Preservation Program (CBPP) - ARPA Gen \$370,000*	State	ARPA - Gen	\$ 370,000	7/17/2023
Community Business Preservation Program (CBPP) - ARPA Rural \$700,000*	State	ARPA - Rural	\$ 700,000	7/17/2023
Community Business Preservation Program (CBPP) - Long Bill \$1.7 million*	State	LB	\$ 1,151,300	7/17/2023
Semiconductor -CDPHE Permitting Interagency Agreement	State	LB	\$ 825,000	8/17/2023
JT - Pioneers Medical Center	State	JT	\$ 600,000	8/17/2023
Federal Fast Forward Program - \$2 million - TBD	State	LB	\$ 2,000,000	8/17/2023
Federal Fast Forward Program - \$3 million Tech Hub - Quantum	State	LB	\$ 3,000,000	8/17/2023
Federal Fast Forward NSF Engines - CRPS - \$2 million	State	CRPS	\$ 2,000,000	8/17/2023
Sundance Institute - Project S@S - Workshop	State	LB	\$ 200,000	9/7/2023
JT - South Routt Medical Center - Town of Oak Creek	State	JT	\$ 307,000	11/16/2023
Salesforce Rebuild - Long Bill	State	LB	\$ 800,000	3/21/2024
FFF - CO Tech Hub Devel - RAPIDS - GJ	State	LB	\$ 625,000	4/18/2024
FFF - CO Tech Hub Devel - Securing Space - CS	State	LB	\$ 750,000	4/18/2024
FFF - CO Tech Hub Devel - Clean Range - Den	State	LB	\$ 625,000	4/18/2024
OEDIT Admin FY 24-25	State	LB	\$ 516,000	5/16/2024
JT - Northwest Small Business Development Center (SBDC)	Rural	JT	\$ 200,000	2/15/2024
West End Economic Development Corporation (WEEDC) Application	State	JT	\$ 210,680	5/16/2024
Coventure Accelerator - Year 5	Rural	LB	\$ 50,000	6/20/2024
GBD Supplemental - FY25 and FY26	State	LB	\$ 1,320,000	6/20/2024
Sundance Film Festival - Project Yellow	State	LB	\$ 1,500,000	6/20/2024
Rural Federal Fast Forward	State	LB	\$ 1,000,000	6/20/2024

\* Same program but from various funding sources within the EDC's Strategic Fund.

Fund Source: LB = Annual Long Bill, ARPA= Federal ARPA/SLFRF, CRPS = CO Recovery Plan Stimulus, JT = Just Transition

## DESCRIPTIONS OF STRATEGIC INITIATIVES APPROVED IN FY 23-24

- 1. Community Business Preservation Program (CBPP) - ARPA General:** Reallocated from the Build Back Better ARPA/SLFRF program. The Community Business Preservation Program (CBPP) provides grants and technical assistance to groups of geographically proximate and culturally similar businesses that are facing displacement pressures and that hold cultural, social, or historical significance in Colorado. This is one of three funding sources for the same comprehensive program (See #2 and #3 below).
- 2. CBPP ARPA Rural:** Same program as #1 above, but a different appropriation. This funding source is dedicated to rural areas of Colorado and is reallocated from the EDC's Build Back Better ARPA/SLFRF program.
- 3. CBPP Long Bill:** Same program as #1 above, but a different appropriation. This funding source is for the CBPP including grants, training and consultation, travel and promotion costs, and administrative support from Energize Colorado. This allocation of the Cultural Preservation Program is funded using the EDC's Annual Long Bill appropriation. At the March 21, 2024 EDC meeting, the commission approved additional funding of \$531,300 to expand awardees.
- 4. Semiconductor Industry - CDPHE Permitting Interagency Agreement:** Funding to expand the capacity of the Colorado Department of Public Health and Environment (CDPHE) air permitting team through direct hires or contracting.
- 5. Just Transitions (JT) - Pioneers Medical Center:** Funding to support the organization's conversion to a new electronic health record system, which will serve as the first necessary step to expanding service lines and facilitating a stronger medical tourism economic development strategy. The completed project is located in Meeker and anticipates a creation of six direct employees and 62 additional indirect jobs.
- 6. FFF - To Be Determined:** Federal Fast Forward (FFF) - Funding earmarked for Colorado consortiums applying for federal funding through the U.S. Economic Development Administration's (EDA) Build 2 Scale program.
- 7. FFF - Elevate Quantum Tech Hub:** Funding to support the EDA designated Tech Hub consortium, Elevate Quantum, helping to unlock over \$40 million from the EDA.
- 8. FFF - NSF Engines - CRPS:** Funding to support the first two years of the Colorado Wyoming NSF Engine, which was selected for up to \$160 million in federal funds over ten years.
- 9. Sundance Institute - Project S@S - Workshop:** Funding related to the Sundance Institute's Directors Labs in Estes Park, Colorado for a non-profit entity to move its annual workshop series to Colorado for a minimum of two years.
- 10. JT - South Routt Medical Center - Town of Oak Creek:** Funding to support the initial planning phase of an expansion to the center located in Oak Creek. Specifically, the expansion would involve 10.25 new FTE over a 1-3 year period and the capacity to serve an additional 2,000-3,000 patients per year.
- 11. Salesforce Rebuild - Long Bill:** Funding for the completion of the rebuild of OEDIT's Salesforce system to allow for long-term functionality and sustainability, the removal of technical debt, and the consolidation of siloed applications across the organization into a single Salesforce system.
- 12. FFF - Colorado Tech Hub Development - RAPIDS - GJ:** The RAPIDS consortium seeks to enhance cyber security for critical environmental and national security infrastructure along the Colorado River.
- 13. FFF - Colorado Tech Hub Development - Securing Space - CS:** The Securing Space Assets Coalition seeks to establish a tech hub in Colorado Springs to enhance Colorado's competitive edge in aerospace, defense, and cybersecurity.
- 14. FFF - Colorado Tech Hub Development - Clean Range:** The Colorado CleanRange Coalition (CCC) seeks to establish a Tech Hub in support of Colorado's leading role in the adoption of Clean Energy Technologies.
- 15. OEDIT Administrative Funding FY 24-25:** Funding to support standard EDC programming.

16. **JT - Northwest Small Business Development Center (SBDC):** Funding to support opening a satellite SBDC office in Craig and expand services in northwest Colorado.
17. **JT - West End Economic Development Corporation (WEEDC):** Funding to support capacity building within the organization, specifically by funding an Office and Grant Administrator to conduct grant writing, manage awards, and oversee the general administrative functions of WEEDC, thereby freeing up capacity of other staff and board members to partake in other substantive activities.
18. **Coventure Accelerator - Year 5:** 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, Colorado and regional rural communities.
19. **Global Business Development Supplemental Funding - FY25 and FY26:** Supplemental budget request, for a critical division of OEDIT engaged with the EDC, two years which includes strategic industry review, data subscriptions and support, and promotional efforts/flexible funds.
20. **Sundance Film Festival - Project Yellow:** Funding from the strategic reserve to incentivize moving the Sundance Film Festival to Boulder, Colorado starting in 2027.
21. **Rural FFF:** Funding to support rural consortiums seeking various federal funding opportunities through TA and matching funds.

## STRATEGIC INITIATIVE PAYMENTS MADE IN FY 23-24 (ALL PROJECTS)

The total Strategic Initiative payments made in FY 23-24 was \$5,319,337 from various sources of the strategic fund.

Project Name	Project Area	Fund Source	Amount Paid in FY 23-24
EDC Marketing FY24	Statewide	LB	\$ 12,000
Strategic Fund Grant Outdoor Festival	Statewide	LB	\$ 390,000
Elevate Quantum	Statewide	LB	\$ 318,470
Salesforce Rebuild - Long Bill	Statewide	LB	\$ 226,588
SSBCI - RFP Contractor(s)	Statewide	LB	\$ 16,313
OREC- Outside Festival Feasibility Study	Statewide	LB	\$ 50,000
Colorado Forum Fund - TechHubNow!	Rural	LB	\$ 50,000
Coventure - Year 4	Rural	LB	\$ 8,000
Opportunity Zone Initiative	Statewide	LB	\$ 108
Community Business Preservation Program (CBPP) - Long Bill \$1.7 million	Statewide	LB	\$ 2,374
SBDC Childcare Training Program	Statewide	LB	\$ 2,650
OEDIT BF&I's administration of the Cash Collateral Support program - Cash	Statewide	LB	\$ 13,338
Governor's Employee Ownership Commission FY20-24	Statewide	LB	\$ 247,196
Rural Technical Assistance Program (RTAP)	Statewide	LB	\$ 301,883
Colorado Office of Film, Television, & Media	Statewide	LB	\$ 2,247,095
COFTM Programing	Statewide	LB	\$ 2,405
EDO Support	Statewide	JT	\$ 5,016
Startup Colorado	Rural	LB	\$ 49,200
PTAC Update and Expansion Request - CRPS	Statewide	CRPS	\$ 60,000

Project Name	Project Area	Fund Source	Amount Paid in FY 23-24
Rural Jump-Start Zone Grant Funds	Statewide	RJS	\$ 269,829
CHIPS Act FY23 Progaming	Statewide	CHIP	\$ 71,518
DIBs - Technical Assistance	Statewide	DIBs	\$ 369,193
Bridge Entrepreneurs Network	Statewide	CRPS	\$ 429,344
Startup Colorado 2.0 - Operations	Rural	CRPS	\$ 98,400
Kiva Colorado - CRPS	Statewide	CRPS	\$ 18,417
PTAC Update and Expansion Request - CRPS	Statewide	CRPS	\$ 60,000

Fund Source: LB = Annual Long Bill, ARPA= Federal ARPA/SLFRF, CRPS = CO Recovery Plan Stimulus, JT = Just Transition, DIBS = Disproportionately Impacted Businesses, RJS = Rural Jump-Start

## STRATEGIC FUND ARPA SLFRF (CREATED BY SB21-291) PAYMENTS MADE IN FY 23-24

The total Strategic ARPA SLFRF payments made in FY 23-24 was \$10,358,318.

Project Name	Project Area	Amount Paid in FY 23-24
SBDC Technical Assistance General	Statewide	\$ 893,734
SBDC Technical Assistance - Rural	Rural	\$ 714,162
Manufacturer's Edge TA - General	Statewide	\$ 258,800
Manufacturer's Edge - Rural	Rural	\$ 52,500
Startup Colorado TA - Rural	Rural	\$ 3,000
SF CO Community Revitalization Grant General	Statewide	\$ 3,029,400
Outdoor Industry Impact Fund	Statewide	\$ 1,113,817
Outdoor Industry Impact Fund - Non Profit	Rural	\$ 760,117
Strategic Fund Tourism	Statewide	\$ 2,478,616
Strategic Fund Tourism - Rural	Rural	\$ 132,000
SF - BFI - Salesforce Rebuild - ARPA General	Statewide	\$ 922,173

# 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. These awards are only earned after the business chooses Colorado for their project, over other states or counties, and actually creates the net new jobs in Colorado. Businesses have an eight year term to earn this incentive.

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 annual wage (AAW) rate where the business is located. A business located in an Enhanced Rural Enterprise Zone has to create at least five net new jobs (NNJ) 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 JGITC APPLICATIONS APPROVED IN FY 23-24:

The total JGITC performance based awards made by the EDC in FY 23-24 was \$87,667,032.

Account OR Project Name	Project Name	Project County	EDC Approval Amount Awarded	EDC Approved NNJs	Min AAW For County	Date Approved by EDC
<b>Infinity Labs</b>	Project Verge	El Paso County	\$ 691,288	61	\$ 60,151	7/20/2023
<b>Boecore, Inc</b>	Project Bullseye	El Paso County	\$ 7,499,388	620	\$ 60,151	7/20/2023
<b>Meyer Burger</b>	Project Blanc	El Paso County	\$ 4,944,960	380	\$ 60,151	7/20/2023
<b>Sierra Space</b>	Project Tycho	Boulder County	\$ 7,051,196	500	\$ 86,333	7/20/2023
<b>Invictus</b>	Project Stronghold	Broomfield County	\$ 2,010,864	130	\$ 110,760	8/17/2023
<b>Infinity Systems Engineering</b>	Project Thoroughbred	El Paso County	\$ 4,264,630	459	\$ 60,151	8/17/2023
<b>Alquist</b>	Project Innovate CO - JGITC	Weld County	\$ 1,097,242	79	\$ 59,501	8/17/2023
<b>TE Connectivity</b>	Project Connect	Douglas County	\$ 493,671	67	\$ 78,637	8/17/2023
<b>Project Tortuga*</b>	Project Tortuga	Jefferson County	\$ 938,913	78	\$ 71,136	9/21/2023
<b>Project Danish - JGITC*</b>	Project Danish - JGITC	Pueblo County	\$ 18,532,221	2308	\$ 50,921	10/18/2023
<b>Project Solitaire*</b>	Project Solitaire	Adams County	\$ 7,607,743	631	\$ 89,700	11/16/2023
<b>Hensel Phelps Construction Co.</b>	Project Treadstone	Larimer County	\$ 4,866,978	589	\$ 62,010	11/16/2023

Account OR Project Name	Project Name	Project County	EDC Approval Amount Awarded	EDC Approved NNJs	Min AAW For County	Date Approved by EDC
Philip Morris International	Project Waterfall	Adams County	\$ 4,553,743	500	\$ 65,312	11/16/2023
Project Earth II*	Project Earth II	Statewide	\$ 3,917,590	250	\$ 72,046	11/16/2023
Project Hawk*	Project Hawk	Statewide	\$ 1,987,193	178	\$ 72,046	11/16/2023
Project Octopus*	Project Octopus	El Paso County	\$ 2,267,843	427	\$ 60,151	12/14/2023
Project Maple*	Project Maple	Larimer County	\$ 208,616	29	\$ 62,010	12/14/2023
Project Ladybug*	Project Ladybug	Denver County	\$ 1,332,528	160	\$ 89,700	12/14/2023
Project Silver Lode*	Project Silver Lode	Jefferson County	\$ 688,760	42	\$ 71,136	1/18/2024
Advancing Eco Agriculture, LLC	Project Tabletop	Adams County	\$ 380,712	43	\$ 69,914	1/18/2024
Goose Gear	Project Geese	Mesa County	\$ 535,844	49	\$ 54,587	1/18/2024
Project Da Vinci*	Project Da Vinci	El Paso County	\$ 1,281,974	101	\$ 63,362	2/15/2024
Kratos Defense & Security Solutions, Inc.	Project Balloon	El Paso County	\$ 669,375	200	\$ 60,151	2/15/2024
Project Airborne*	Project Airborne	Adams County	\$ 5,456,368	592	\$ 69,914	3/21/2024
Project Saffron*	Project Saffron	Larimer County	\$ 3,376,808	210	\$ 65,468	4/18/2024
Project Lightspeed*	Project Lightspeed	El Paso County	\$ 1,010,584	120	\$ 63,362	4/18/2024

(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.)

## DESCRIPTIONS OF APPLICANTS APPROVED IN FY 23-24

- Infinity Labs (Project Verge):** A technology company focused on modeling and simulation and cyber security. This project is to increase modeling and simulation support for Department of Defense customers
- Boecore, Inc (Project Bullseye):** An aerospace and defense engineering company. This project is to build out a large Sensitive Compartmented Information Facility (SCIF) space.
- Meyer Burger (Project Blanc):** An industrial manufacturer of solar cells and solar modules. This project is for the company to establish a photovoltaic/solar cell manufacturing plant and to move its U.S. headquarters.
- Sierra Space (Project Tycho):** A commercial space company. This project is to expand their manufacturing facilities as well as their administrative, engineering, and support operations.
- Invictus (Project Stronghold):** A cybersecurity and technology company. The project is to expand the company's operations in Colorado.
- Infinity Systems Engineering (Project Thoroughbred):** An engineering services company. This project is to add a new digital engineering solutions product line.

7. **Alquist (Project Innovate):** A 3D housing printing company. The project is to relocate its Headquarters from Iowa and expand the company's operations in Colorado.
8. **TE Connectivity (Project Connect):** A manufacturing and product development company. The project is to expand the company's operations in Colorado.
9. **Project Tortuga:** A green energy manufacturing and technology company. The project is to expand the company's manufacturing capabilities in Colorado.
10. **Project Danish - JGITC:** A company that manufactures wind turbine blades. The project is to expand the company's manufacturing facilities in Colorado.
11. **Project Solitaire:** An engineering and materials science company. The project is to expand the company's manufacturing capabilities in Colorado.
12. **Hensel Phelps Construction Co. (Project Treadstone):** A general contracting company. The project is to support the Company's significant expansion and retention of its headquarters in Colorado.
13. **Philip Morris International (Project Waterfall):** A company that makes nicotine pouch products. This project is to set up a manufacturing facility that will produce low-nicotine products at scale
14. **Project Earth II:** A rare-earth magnet manufacturing company. The project is to expand the company's operations in Colorado.
15. **Project Hawk:** A technology, manufacturing and energy storage company. This project is to establish a battery production facility in Colorado.
16. **Project Octopus:** A space science and systems engineering company. This project is to hire candidates from the aerospace/systems engineering workforce in Colorado.
17. **Project Maple:** A food and agriculture company. This project is to establish a facility in Colorado for the company to process its CBD and Hemp products.
18. **Project Ladybug:** An aerospace company. This project is for the company's potential headquarters relocation and establishment of an R&D/manufacturing plant in Colorado.
19. **Project Silver Lode:** A manufacturing and technical ceramics company. This project is for the expansion of the company's ceramic powder manufacturing facilities.
20. **Advancing Eco Agriculture, LLC (Project Tabletop):** An agricultural services company. This project is to expand the company's operations and to create a Sap Lab in Colorado.
21. **Goose Gear (Project Geese):** A company that manufactures interior storage systems for vehicles. This project is for the relocation of the company's full operations to Colorado.
22. **Project Da Vinci:** An aerospace and advanced manufacturing company. This project is for the company's expansion into new product lines, services and development of their clientele and customer base.
23. **Kratos Defense & Security Solutions, Inc. (Project Balloon):** A technology company that addresses the defense, national security, and commercial markets. This project is to expand the company's operations in Colorado.
24. **Project Airborne:** An aerospace company. This project is to consolidate the company's existing headquarters in Colorado and to accommodate a major expansion of its production activities.
25. **Project Saffron:** A renewable energy manufacturing company. This project is for the establishment of a U.S. manufacturing system.
26. **Project Lightspeed:** A technology and manufacturing company. This is for the company's effort to start a manufacturing facility in the U.S.

## JGITC TAX CREDITS ISSUED IN FY 23-24:

The total JGITC Tax Credits earned by businesses that chose to move forward with their project in Colorado and who created net new jobs in the state was \$39,039,366.

Account Name	Project County	Tax Credit Amount Issued	Net New Jobs Created
Agrium US Inc.	Larimer County	\$ 802,098	136
Mikron Group	Arapahoe County	\$ 246,864	70
Loxo Oncology Inc	Boulder County	\$ 249,086	67
Ball Corp	Jefferson County	\$ 585,568	484
Comcast	Arapahoe County	\$ 3,117,127	754
Chatham Financial	Jefferson County	\$ 286,279	70
Astroscale	Denver County	\$ 149,455	45
Optiv Security	Denver County	\$ 479,417	88
Maxar Technologies Holdings Inc.	Adams County	\$ 1,481,513	238
Pilatus	Jefferson County	\$ 12,114	40
DHI Group, Inc	Arapahoe County	\$ 941	20
CoorsTek	Jefferson County	\$ 41,568	40
Lockheed Martin Corporation	Jefferson County	\$ 1,876,508	438
Naked Wines	Denver County	\$ 96,779	26
Marketo, Inc.	Denver County	\$ 1,422,249	316
Swisslog Healthcare Solutions	Broomfield County	\$ 76,251	64
Woodward Inc.	Larimer County	\$ 683,995	271
Datadog, Inc.	Denver County	\$ 919,266	274
Mikron Group	Arapahoe County	\$ 298,148	82
Fidelity Investments	Arapahoe County	\$ 1,658,767	400
VF Corporation	Denver County	\$ 3,562,613	800
Tipico Usa Technology Inc	Denver County	\$ 136,708	51
VELOCITY GLOBAL LLC	Denver County	\$ 554,436	153
Agrium US Inc.	Larimer County	\$ 882,806	124
DaVita	Denver County	\$ 1,424,659	256
Frontdoor	Denver County	\$ 236,631	46
TMC Design Corporation	El Paso County	\$ 127,117	25
Kiewit Engineering & Design Company	Douglas County	\$ 1,611,648	419
Partners Group	Broomfield County	\$ 314,183	150
Charter Communications	Arapahoe County	\$ 3,942,863	922
Charter Communications	Arapahoe County	\$ 5,587,304	1200
Robinhood Markets, Inc.	Denver County	\$ 24,458	193
West Star Aviation	Mesa County	\$ 8,838	21
Molecular Products Inc.	Boulder County	\$ 128,971	48
United Airlines, Inc.	Denver County	\$ 1,798,744	265
SALESFORCE.COM INC.	Denver County	\$ 3,135,028	619
STAQ PHARMA, INC	Denver County	\$ 145,134	72
Technical Youth LLC	Denver County	\$ 4,877	70
Woodward Inc.	Larimer County	\$ 928,355	322

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 little or no state tax liability may be carried forward for up to 10 years from the date of issuance. At the end of the 10 year period, the tax credit certificate expires and may not be transferred or refunded.

## REGIONAL TOURISM ACT (RTA)

The RTA program was created to give 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. As part of their application the local government provided 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 ensured that the approvals of any project would not 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 23-24.

### APPROVED RTA PROJECTS

Project	Date Approved by EDC	Amount of Award	Current Status of Project
<b>Pueblo Heritage of Heroes/ Professional Bull Riders University</b>	May 18, 2012	\$35,700,000	Completed
<b>Aurora Hotel &amp; Conference Center (Gaylord Rockies)</b>	May 18, 2012	\$81,433,000	Completed
<b>Colorado Springs City for Champions</b>	Dec. 16, 2013	\$120,500,000	Olympic Museum, UCCS Sports Medicine and Performance Center, and Colorado Sports and Event Center completed. USAFA Visitor Center has begun construction.
<b>Go NOCO (4 attractions in Northern Colorado)</b>	Nov. 12, 2015	\$46,680,093	Peligrande & Loveland Whitewater Adventure Park Project Elements revoked. Stanley Film Center commenced substantial work.
<b>Denver National Western Center</b>	Nov. 12, 2015	\$121,464,164	Under construction. Various RTA supported elements completed.
<b>Total</b>		<b>\$405,777,257</b>	

# ENTERPRISE ZONE

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

**Zone boundary terminations and designations:** The EZ statute gives the Commission authority to designate or terminate Enterprise Zones proposed by local representatives. All EZs 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 23-24 that added to the Pikes Peak EZ, Southwest EZ, and South Metro EZ. Enterprise Zone Administrators have an opportunity to propose boundary amendments once a year at a designated EDC meeting.

**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 329 active Contribution Projects by June 30, 2024.

**The EDC has provided administrative funds, out of the EDC's Strategic Fund, to support local administration:** \$399,500 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 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, 2024, 29 companies are participating in the Rural Jump-Start program which are projected to create 212 new full-time jobs at or above their county's average annual wage. Thirty-two counties had also formed Rural Jump-Start Zones. This program was extended in statute during the spring 2024 legislative session and expires on Dec. 31, 2030.

# 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. These grants went into effect in FY 21-22 and will expire at the end of FY 24-25.

New businesses located in Rural Jump-Start zones are eligible for up to \$20,000 in grants, and in Tier One Coal 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 One Coal Transition Community. As of June 30, 2024, \$1,257,500 were awarded to new businesses.

# TRANSFERABLE TAX CREDITS

The Transferable Tax Credit program was authorized to pre-certify \$30 million in tax credit transferability through FY 17-18, FY 18-19, and FY 19-20. As of June 30, 2023 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. As of June 30, 2024, The EDC authorized VF Corporation to transfer \$12,379,463 of issued and unused Job Growth Incentive Tax Credit Certificates, out of their \$13 million precertification allocation.

# ECONOMIC DEVELOPMENT ORGANIZATION ACTION GRANT

In the 2022 legislative session, the Colorado General Assembly appropriated \$1 million to the Strategic Fund, via the Long Bill, to “be used to support local economic development organizations throughout the state with a preference toward those serving rural regions of the state.” OEDIT launched the Economic Development Organization Action Grant program in 2022 and then announced 27 award recipients in April 2023. These one-time grants support initiatives that seek to strengthen and diversify local economies across the state, from Grand Junction to Hugo and La Junta to Mancos.

# 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.

# COAL TRANSITION COMMUNITY FUNDING

In the 2022 legislative session, the Colorado General Assembly appropriated \$5 million to the Strategic Fund, via the Long Bill, to support coal transition communities in their economic development activities. In January 2023, OEDIT and the Colorado Office of Just Transition (OJT) launched a joint grant program to support community-driven projects in coal transition communities. As of June 30, 2024, four grants were awarded totaling \$1,317,680 to Pioneers Medical Center in Meeker, South Routt Medical Center in Oak Creek, the Northwest Small Business Development Center, and the West End Economic Development Corporation in Naturita.

# OPPORTUNITY ZONE PROGRAM

Colorado has 126 Opportunity Zones in which investors receive an incentive for investing in a business or real estate property located within the zone. OEDIT no longer has active programming to support this federal incentive, but does have one staff member who continues to dedicate a small portion of time to helping investors, project sponsors, and community leaders to utilize the incentive.

# 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 originally created a \$4 million fund with \$1.94 million to be used for grants, \$1 million for loans, \$900,000 for technical assistance, and \$160,000 for administering the program. The program kicked off in FY 20-21, ran through FY 21-22, and, for technical assistance, was extended through December 2023.

The DIB Grant program was designed to cover expenses related to COVID-19 losses of up to \$10,000 that were not covered by other federal or state funding. As of December 2023, the program was fully developed, awarding grants to 311 businesses, totaling \$1,793,002 in relief funding. The technical assistance program opened in October 2021 to provide training and access to legal, accounting and digital tools to improve access to local and federal government programming for micro and small businesses. This technical assistance program provided online training on business registration in Colorado, basic accounting and digital tools, directly benefiting 369 DIB businesses. The program also awarded a total of \$305,837 in small grants and directed \$156,952 to the development of courses, consultants, and software. This program reached more than 9,000 individual online course registrations. The loan portion of the DIB fund was completed the first semester of 2023. It has benefited 24 businesses, disbursing \$989,860. A total \$474,892 was spent over two and a half years for administrative costs, including staffing the disbursement and administration of the DIB Grant Relief program. At the end of the program, \$279,456 was returned to the EDC's Strategic Fund for future projects.



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# **COLORADO**

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

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