



Colorado Office of Economic Development & International Trade Q4 FY2017 Performance Evaluation (April - June 2017)

Strategic Policy Initiatives

The Department of Colorado Office of Economic Development and International Trade has identified several strategic policy initiatives for FY 2016-17 and beyond. For this performance evaluation, the Department has updated progress on the initiatives identified in the FY2017 Performance Plan that capture the Department's strategic and operational priorities, and reflect the overall direction as identified by Department leadership. The updates reflect data as of April 1, 2017.

Additional detail for these, and other, strategic policy initiatives is available in the Department's Performance Plan, which may be accessed [here](#).

SPI #1: Ensure strong rural focus for business growth initiatives.

The **key strategies** to achieve this SPI are as follows:

- Increase small business consulting and training programs directed at job creation and capital.
- Visit 3 rural communities for Advanced Industries Roadshow to educate on Advanced Industries programs – goal to see increase in AI grant applications from rural areas of the state.
- Promote business start up activity in rural areas by assisting the Venture Capital Authority to create a rural seed venture fund supporting the creation of a front range to rural mentoring program and making grants to nonprofit small business lender.
- Promote job growth by administering state funding for 5 regional tourism act projects.
- Coordinate visits to rural communities by SBDC Advisory Board members, who will educate on SBDC programs and identify barriers to small business growth.
- Increase economic and business opportunities between Minority and Women Businesses, government agencies, and corporations by facilitating the certification process, capacity increase, and contract pursuit.
- Develop survey that will measure key drivers of resiliency and business readiness to ensure intervention where needed.
- Continue to give priority to non-profit organizations, businesses and creative entrepreneurs through ongoing recruitment and support in our grants, initiatives and leadership programs.
- Host at least one "Creativity Connects" round-table in one or more rural communities, focusing on opportunities for creative employment and engagement through cross-sector programs and collaboration.
- Drive traveler spending through promotion and development of compelling, sustainable travel experiences for off-peak periods and less-traveled regions.
- Deploy 9 Blueprint 2.0 initiatives to serve as the foundation for business growth and attraction
- Implement initiative to focus on developing 'film ready' communities to increase exposure to the film industry and to attract film production to rural areas.
- Assist economically underperforming communities develop branding strategies.



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SPI #2: Define and employ an industry focus for business attraction, retention, expansion initiatives.

The **key strategies** to achieve this SPI are as follows:

- Grow global and domestic opportunities by proactively visiting 6 domestic competitor markets and 4 international target markets.
- Secure funds for 18 federal export grants.
- Focus resources towards existing businesses and more advanced companies through the SBDC Advanced program, Connect2DOT program, and Manufacturer's Edge program.
- Promote job growth via administering contracts for more than 150 active discretionary incentive awards under the job growth incentive tax credit and strategic fund programs.
- Develop 4 regional tech focused conferences to provide business assistance to advanced industry companies.
- Visit 3 rural communities for Advanced Industries Roadshow to educate on Advanced Industries programs.
- Create and implement digital and print campaign focused on advanced industry and targeted regions.

SPI #3: Apply technology to enhance existing ERP system and internal control.

The **key strategies** to achieve this SPI are as follows:

- Develop a mechanism for tracking PO/CT that will measure the time taken from PO/CT Request by Division to execution.
- Increase accountability and behavior by divisions that will reduce procurement and statutory violations.
- Serve as a tool that will automate the purchase and procurement process

SPI #4: Improve customer service by decreasing administrative requirements.

The **key strategies** to achieve this SPI are as follows:

- Work with DOR leadership to issue exemptions instead of refunds for 3 programs:
 1. Rural Jump Start
 2. Biotechnology R&D Equipment Refund
 3. Clean Tech and Medical Tech Equipment Refund
- Propose a statutory change during the next legislative session, if DOR is unable to issue exemptions

****OEDIT shifted to new metrics in Q4 of FY17.***



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Operational Measures

Ensure strong rural focus for business growth initiatives.

Major Program Area – Regional Development, Global Business Development, Small Business Development, Creative Industries, Outdoor Rec, Tourism
Process – Support development of rural Colorado through funding and educational opportunities

Measure	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	Q1 FY17	Q2 FY17	Q3 FY17	Q4 FY17	1-Year Goal	3-Year Goal
Drive/Contribute to the creation of 16,197 jobs in rural communities.	NA-new measure for Q4 FY17	NA-new measure for Q4 FY17	NA-new measure for Q4 FY17	NA-new measure for Q4 FY17	NA-new measure for Q4 FY17	NA-new measure for Q4 FY17	NA-new measure for Q4 FY17	15,987	15,630	48,600
Drive/Contribute to the creation 893 business starts in rural communities.	NA-new measure for Q4 FY17	NA-new measure for Q4 FY17	NA-new measure for Q4 FY17	NA-new measure for Q4 FY17	NA-new measure for Q4 FY17	NA-new measure for Q4 FY17	NA-new measure for Q4 FY17	888	893	2,680

Supporting Commentary:

- 10 of Colorado’s 14 regions were selected to receive 17 Blueprint 2.0 initiatives of 8 focuses. The recipient announcements will be made in July.
- \$2.6 awarded by EDC for Grants to innovative nonprofit lenders to provide small character-based loans targeting rural start-up businesses. The intent is to fill a funding gap.
- The Business Loan Funds dispersed \$473,000. \$2.6 awarded by EDC to lenders for loans for primarily rural businesses.
- Hosted COILSX Leadership Summit in Grand Junction to address the energy sector and ORec sector intersection on the West Slope. 75 people attended, including elected officials, city and county leadership from the Western Slope region.
- Fort Morgan & Sterling are candidates for Project Photon (367 manufacturing jobs).
- Trinidad, Ft Lyon, and Walsenburg competing for major ag business development project.
- Approximately 50% of CCI Summit attendees were from rural or small communities (200).
- Space to Create meetings were held in Paonia, Ridgway and Crested Butte
- Site visits conducted for Creative District Certification; if approved, 3 of the 5 will be in rural communities.
- 3 awards were given for the Governor’s Creative Leadership awards, 2 of the 3 from rural Colorado: Antonito and Gunnison.
- 4 rural counties were awarded Disaster Recovery Tourism Grants.
- Provided a production grant to Rio Blanco County to help assist with the television show “Nick Canyon’s Wild Ride”.
- Built new online Colorado Field Guide with 3- to 7-day itineraries aimed at steering travelers, especially in-state, to drive rural economic impact by exploring less-traveled destinations. Launched with 23 itineraries; will build to 50 itineraries by July 1.
- Conducted community assessments in Bayfield, Hayden and Custer County. Assessment objectives are community driven and bring a variety of subject matter experts to the community to provide strategic recommendations.



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- The SBDC Advisory board visited Idaho Springs and Georgetown to assess the business needs and struggles in the region for small businesses

Define and employ an advanced industry focus for business attraction, retention, and expansion initiatives.

Major Program Area – Global Business Development, Business Funding & Incentives, Small Business Development

Measure	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	Q1 FY17	Q2 FY17	Q3 FY17	Q4 FY17	1-Year Goal	3-Year Goal
Drive/Contribute to the creation of advanced industry 16,265 jobs.	NA-new measure for Q4 FY17	NA-new measure for Q4 FY17	NA-new measure for Q4 FY17	NA-new measure for Q4 FY17	NA-new measure for Q4 FY17	NA-new measure for Q4 FY17	NA-new measure for Q4 FY17	16,254	16,270	48,795
Drive/Contribute to the creation 312 advanced industry business starts.	NA-new measure for Q4 FY17	NA-new measure for Q4 FY17	NA-new measure for Q4 FY17	NA-new measure for Q4 FY17	NA-new measure for Q4 FY17	NA-new measure for Q4 FY17	NA-new measure for Q4 FY17	333	312	940

Supporting Commentary:

- Visited with 11 companies in 3 European cities (Paris, London & Treviso) with the goal to attract new business to CO or expand existing business in CO.
- The EDC approved Job Growth Incentive Tax Credits for \$12.7M to incentivize Lockheed Martin (Aerospace) to relocate their fleet ballistic missile program from CA to Jefferson County creating 550 jobs. They also awarded \$20.3M to an unnamed business in the Information Technology sector to establish a new office in Denver Metro with 991 new jobs.
- Participated in Hannover Messe, the world’s leading trade fair for industrial technology, in Hannover, Germany. OEDIT had a Colorado booth at the show to promote exports from Colorado and to offer support to the Colorado companies that attended the show. The trade fair also provided an opportunity to leverage OEDIT’s Advanced Industries Export Accelerator grant program.
- 19 Companies were awarded funding for \$2.9 million.
- 2 AI Export Grantees funded for \$16,809.
- Advanced Industry Investment Tax Credit AITC renewed by Legislature.
- TechSource Innovative Business Road trip held events in Boulder and Pueblo with over 20 people in attendance at each event.
- 2 significant Outdoor Rec industry brands in the relocation/acquisition pipeline.

Apply technology to enhance existing ERP system and internal control.

Major Program Area – Operations



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Process – Develop mechanism in Salesforce to allow for better visibility of vendor transactions and to create efficiencies with the procurement process.

Measure	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual	Q1 FY17	Q2 FY17	Q3 FY17	Q4 FY17	1-Year Goal	3-Year Goal
Migrate greater than 50% of transactions into Salesforce by June 2018.	New measure – not tracking until FY18	New measure – not tracking until FY18	New measure – not tracking until FY18	New measure – not tracking until FY18	New measure – not tracking until FY18	New measure – not tracking until FY18	New measure – not tracking until FY18	New measure – not tracking until FY18	>50%	100%

Supporting Commentary:

Work has commenced on designing a tool in Salesforce to capture all vendor transactions. The tool will create more visibility to the vendor’s current commitment status with OEDIT, provide efficiencies with the procurement process, and will help to mitigate fiscal violations. The new process will be implemented for FY18. Training for staff will occurred in June.

Improve customer service by decreasing administrative requirements.

Major Program Area – Operations, Business Funding & Incentives

Process – Decrease administrative burdens to customers by issuing exemptions, instead of refunds.

Measure	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual	Q1 FY17	Q2 FY17	Q3 FY17	Q4 FY17	1-Year Goal	3-Year Goal
Eliminate customer reimbursement requirements and replace with real time exemption capabilities for 3 programs by June 2018.	New measure – not tracking until FY18	New measure – not tracking until FY18	New measure – not tracking until FY18	New measure – not tracking until FY18	New measure – not tracking until FY18	New measure – not tracking until FY18	New measure – not tracking until FY18	New measure – not tracking until FY18	100%	100%

Supporting Commentary:

Identified three programs that OEDIT has involvement with that describe "refunds" instead of exemptions in their statutory authorizing language:

- 1) Rural Jump Start
- 2) Biotechnology R&D Equipment Refund
- 3) Clean Tech and Medical Tech Equipment Refund

An inquiry has been sent to DOR leadership to find out if they have administrative discretion to issue exemptions instead of refunds for these 3 programs. Otherwise, OEDIT will propose a statutory change during the next legislative session.