



Strategic Policy Initiatives

The Colorado Office of Economic Development and International Trade has identified several strategic policy initiatives for FY 2019-20 and beyond. For this performance evaluation, the Department has updated progress on the initiatives identified in the FY2020 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, 2020.

SPI 1: Expand Employee Ownership

The key strategies to achieve this SPI are as follows:

- Administer \$3 million revolving loan fund (through CHFA) to assist with the transition of existing business to employee-owned businesses
- The Economic Development Commission (EDC) has committed \$500,000 as seed money for this effort. Develop a specific budget and an additional request for funds from the EDC
- Develop an employee ownership pilot program NW Colorado in conjunction with the Rural Funders Network
- Train the 200+ Certified Business Consultants who work with 15 Small Business Development Centers (SBDCs) across the state to:
 - Educate people and communities on the benefits of employee ownership
 - Service as the initial contacts with business owners, and will qualify them before recommending business valuation and legal services
- Convene Employee Ownership Commission, which would do the following:
 - Develop a budget for FY20 for technical support and resources for businesses seeking to convert to an employee ownership model
 - Identify and convene CPAs and attorneys who will provide technical services for businesses
 - Identify barriers to employee ownership development and recommend State actions to remove those barriers (including policy/legislative proposals)
 - Establish Employee Ownership working groups – Finance, Education, Policy and Research

SPI 2: Enhance Rural Economic Development

The key strategies to achieve this SPI are as follows:

- Create a comprehensive asset map of OEDIT and DOLA programs and funding available to rural communities.
- Complete at least 3 rural road shows in 2019 with DOLA, CDA and OEDIT, to educate communities on resources available and gain insights into gaps.
- Calibrate business funding incentives to include increased tax credits and/or strategic fund incentives to incentivize remote working in rural areas.
- Work with local governments, the private sector, the Colorado Association of Funders, and CTO to increase the number of co-working facilities with fast speed broadband access. Currently there are 43 co-working facilities in rural Colorado either in place or planned for this year.
- Work with CDOT to expand Bustang service to rural communities to serve remote workers and co-working facilities.



- Initiate a Hemp working group to explore additional ways to support the growth of the industry in rural areas.
- Promote OEDIT's Rural Technical Assistance Programs (RTAP)
- Host Opportunity Zones and Enhanced Enterprise Zones forums and bring together rural projects and investors.
- Strengthen and provide additional resources to rural SBDCs (such as remote learner).
- Develop legislative agenda to support rural economic development efforts.

SPI 3: Foster 100% Renewable Energy

The key strategies to achieve this SPI are as follows:

- Hold an industry roundtable with Colorado renewable energy companies to identify potential supply chain or professional service companies to recruit to Colorado.
- Attend international and national renewable energy trade shows to help promote export/import opportunities in Colorado.
- Work with coal impacted communities to develop strategies to replace coal based positions with green jobs.

SPI 4: Lower Health Care Costs

The key strategies to achieve this SPI are as follows:

- Conduct business HR stakeholder meetings across the state.
- Promote healthy living business program thru SBDCs and OEDIT marketing avenues (choosecolorado.com).
- Work with other state agency HR reps to create program(s) that businesses can adopt easily:
 - Employee Incentive Plan
- Work with companies that we currently do business with (i.e., give grants to, use job growth incentive tax credit or consult with)
- Work with Economic Developers, Chambers and health organizations to promote program across the state.



Operational Measures

SPI 1: EXPAND EMPLOYEE OWNERSHIP

Measure	Q1 YTD FY20	Q2 YTD FY20	Q3 YTD FY20	Q4 YTD FY20	1-Year Goal	3-Year Goal
Engage no fewer than 1000 businesses through the Employee Ownership Commission by June 30, 2020	69	228	400		1,000	3,000

NARRATIVE:

- Hosted an Employee Ownership Roundtable with the Colorado Bankers Association on March 3rd
- Nikki Maloney hired as Employee Ownership Grant and Operations Manager
- Employee Ownership Loan and Grant Pilot Program is now live on the OEDIT website. Each program is being used to gather data and structure needed to launch the regular programs. Colorado Lending Source and Colorado Enterprise Fund along with Colorado Housing and Finance Authority are partners in the program.

SPI 2: ENHANCE RURAL ECONOMIC DEVELOPMENT

Measure	Q1 YTD FY20	Q2 YTD FY20	Q3 YTD FY20	Q4 YTD FY20	1-Year Goal	3-Year Goal
Increase new businesses (per SoS definition of new business start) in rural counties (population 50k or less) from 10,400 to 11,000 per year by June 30, 2020	2,802	5,740	8,889		11,000	33,000

NARRATIVE:

- The first Location Neutral incentive was approved by the EDC in February. The incentive provides an incremental cash incentive of up to \$6,500 per remote employee per year for up to five years to companies that hire new employees in designated rural areas of the state.
- \$80k Colorado Microloan from Region 9 for the hemp processing facility in Cortez (Montezuma County) called 303 Labs. They are a minority owned business located in an Enterprise Zone. The loan could help create up to 8 jobs.
- BF&I and GBD proposed a new strategic grant program to support rural projects to the EDC. This grant would focus on emerging industries in rural CO.
- Continuing work on the 64 county travel strategy and planning rural roadshows for 2020
- Standing up special EZ Contribution Projects to provide grants and other supports to EZ businesses impacted by COVID closures. Received approval from the EDC. Projects are active for 6 of the 19 EZ Administrative areas as of the end of March. Will continue to work with remaining zones to activate projects.



SPI 3: FOSTER 100% RENEWABLE ENERGY

Measure	Q1 YTD FY20	Q2 YTD FY20	Q3 YTD FY20	Q4 YTD FY20	1-Year Goal	3-Year Goal
Increase EDC approved awards for net new jobs in the renewable energy sector from 2,574 jobs to 3,074 jobs by June 30, 2020	0	489	1,145		3,074	9,222

NARRATIVE:

- Businesses in the Green energy sector certifying for EZ tax credits this fiscal year reported employee growth of 336.
- Two Advanced Industries energy projects awarded grants with a total of 11 new jobs.
- Continuing to work on bill for extension of Renewable Energy refund under the Enterprise Zone Investment Tax Credit
- Vestas reported a 38% jump in sales compared to the fourth quarter of 2018 and recorded the highest volume of orders in its history, logging turbine orders totaling 17.9 gigawatts of electrical generating capacity globally. The company added hundreds of jobs at its northern Colorado factories, pushing it above 3,700 employees on its payroll in the state.
- 11 businesses certified for credits in qualified renewable energy investments. In total these businesses also certified for the new employee tax credit for a total of 7 new jobs.

SPI 4: LOWER HEALTH CARE COSTS

Measure	Q1 YTD FY20	Q2 YTD FY20	Q3 YTD FY20	Q4 YTD FY20	1-Year Goal	3-Year Goal
Promote a healthier Colorado workforce through the creation of a health and wellness toolkit (focused on outdoor activities) by December 2019 and recruit 50 businesses to sign an MOU agreement to implement toolkit by June 30, 2020	0	Assessment complete and draft resource page ready for launch on 2/3	Survey launched; 37 businesses participated		50	150

NARRATIVE:

- Finalized and launched the “Get Outdoors Toolkit” on Feb. 3rd. 37 businesses have participated to date.
- Promoted through multiple channels, including: press release, presentations/meetings, newsletters, social media, and personalized emails to businesses.
- Developed micro-site to house the toolkit and resources : <https://choosecolorado.com/programs-initiatives/get-outdoors-employer-toolkit/>
- Developing criteria for nominating businesses for the Get Outdoors Healthy Business Award to be awarded at the Health Links event on August 20th.