

# Hearing Components

Element	Description	Required or recommended
Mission/Vision statement	Mission: Why department exists & identify customers served Vision: Desired future state	Strongly Recommended
Org chart	Organizational chart of department and division leadership including FTE and budget breakdown.	Strongly Recommended
WIGs	3-5 priorities expressed as outcome measures in the form of from X to Y by when.	SMART ACT 2-7-203(2)(a)(I)
Governor's Dashboard	Make note of department measures, activities, and support of the Governor's Dashboard	Strongly Recommended
Performance Management	Provide an overview of how the Department internally uses performance management to guide its programming, resource allocation decisions, and budget and legislative requests.	Strongly Recommended
Budget Request	An overview of the Department's budget request under consideration in the current legislative session	SMART ACT 2-7-203(2)(a)(III)
Legislative Agenda	An overview of the Department's legislative agenda under consideration in the current legislative session	SMART ACT 2-7-203(2)(a)(III)
Regulatory Agenda	An overview of the Department's regulatory agenda submitted on November 1st	SMART ACT 2-7-203(2)(a)(II)
Equity, Diversity, and Inclusion	Present specific efforts and progress in addressing equity, diversity, and inclusion within the Department	Executive Order 2020 175 (II.G)
Stimulus Implementation Update	Provide an overview of your agency's implementation of state stimulus or federal stimulus funds, if applicable.	Required

# Colorado Office of Economic Development & International Trade SMART Act Hearing

Joint Business  
January 10, 2023

## Presenters:

Eve Lieberman - Executive Director

Jeff Kraft, Deputy Executive Director & Director of Business Funding & Incentives

# OEDIT Mission

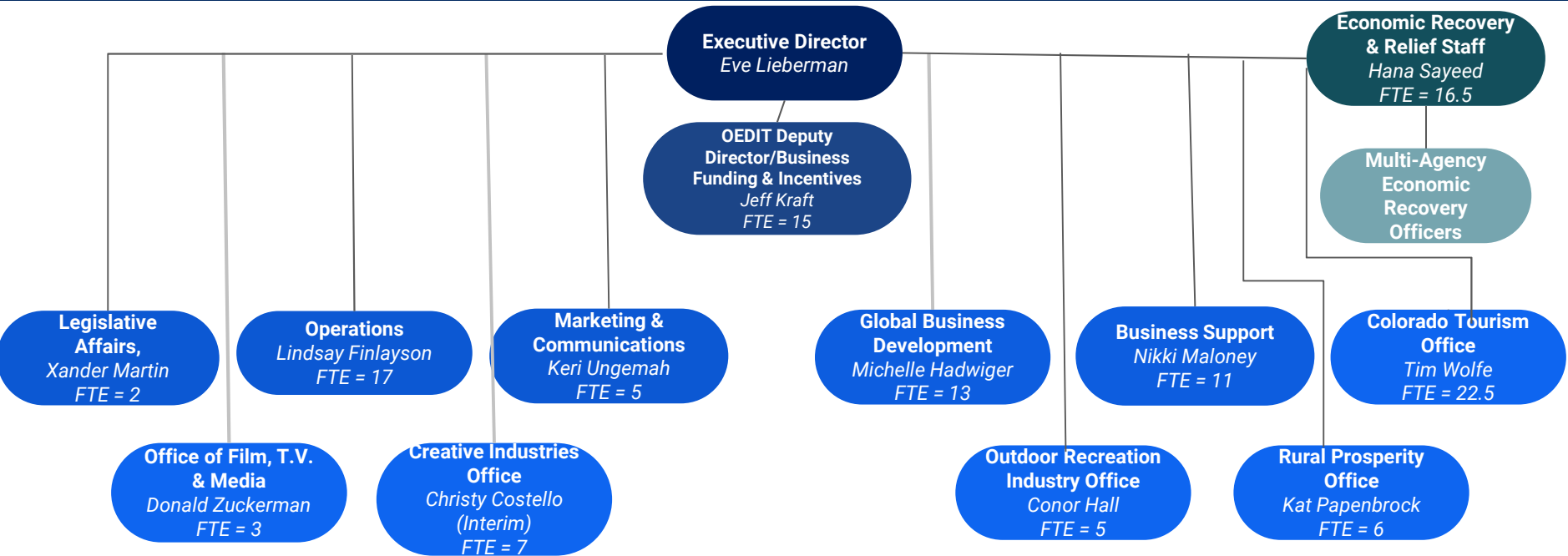
To achieve and sustain a healthy Colorado economy that works for everyone and protects what makes Colorado among one of the top states in the country to do business. By growing our economy with jobs that cannot be outsourced and infrastructure to enable entrepreneurship in all parts of the state, we strive to grow a resilient economy where everyone not only gets by, but thrives.

# OEDIT Vision

OEDIT's vision for economic recovery and resilience includes three key phases: Innovate, Adapt and Thrive. Through these three phases, OEDIT will modify current programs, educate on existing resources and collaborate with outside organizations, partners and state agencies to get the economy back on its feet and working again:

1. **Innovate:** We will foster business innovation in a way that maximizes the Governor's Bold 4 Initiatives and positions Colorado to accelerate opportunities unique to the post COVID environment in the areas of remote work and in the advanced industries, including bioscience, high tech and advanced manufacturing.
2. **Adapt:** The current economic downturn has created an immediate and long-term need to develop forward-looking plans that will help communities adapt to changing market conditions in response to future economic disruptions.
3. **Thrive:** The workforce of Colorado's future will be more nimble, better prepared for economic disruptions, and will be a model for enhanced inclusion, social equity, with a clear business case for protecting the environment.

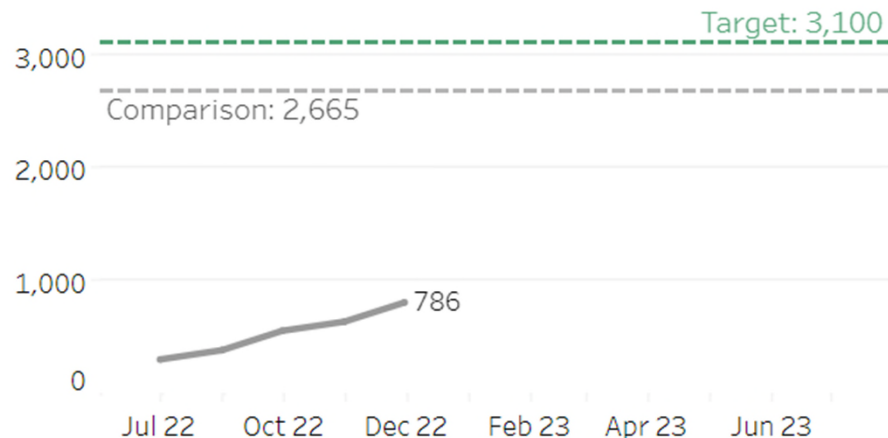
# OEDIT Organizational Chart



# OEDIT FY 2022-23 Wildly Important Goals (WIGs)

**Increase the number of jobs created and retained in rural communities from 3,000 to 6,100 jobs by June 30, 2023.**

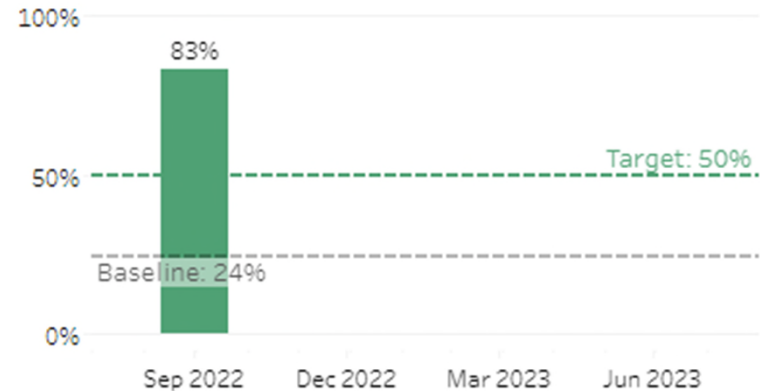
Successful completion of this goal will mean that communities are establishing the business environment necessary to attract and retain businesses, thereby paving the way to create and sustain jobs for years to come.



# OEDIT FY 2022-23 Wildly Important Goals (WIGs)

**Increase the percentage of economic recovery funding and services for disproportionately impacted businesses, communities, and industries from 24% to 50% by June 30, 2023.**

Successful completion of this goal will mean that recovery resources are being equitably distributed across the state to a diverse group of businesses and communities, thereby creating a stronger recovery that benefits all Coloradans.





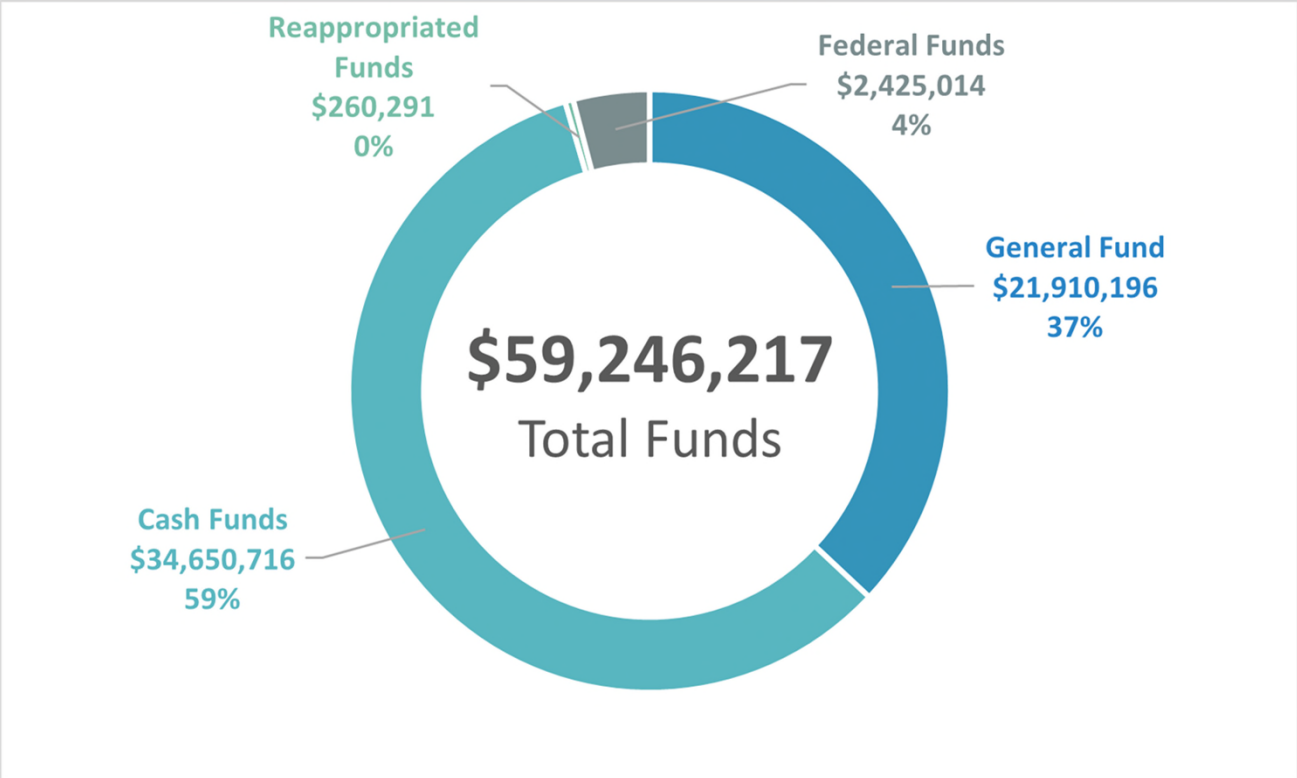
# More information

To view monthly updates on Wildly Important Goals and corresponding lead measures, please visit the [Governor's Dashboard](#).

For more information on additional OEDIT goals, view our FY 2022-23 Performance Plan at: [operations.colorado.gov/performance-management/departments-performance-plans](https://operations.colorado.gov/performance-management/departments-performance-plans)

# OEDIT FY 2023-24 Budget Breakdown

In FY 2023-24, OEDIT's long bill budget will return to funding levels closer to FY 2019-20 funding levels.



# Legislative Agenda

The Department respectfully requests the General Assembly consider legislation on the following:

- Reauthorize Advanced Industries Accelerator Grant
- Establish & Fund the Rural Opportunity Office
- Expansion of the Employee Ownership Tax Credit
- Technical Fix to Film Incentive Statute
- CHIPS Matching Funds and Tax Credits

# OEDIT FY 2023-24 Budget Request

## R-1 Reauthorize Advanced Industries Accelerator Grant

The Office of Economic Development and International Trade (OEDIT) is requesting a reauthorization of the Advanced Industries Accelerator Act (AIAA) that is set to expire July 1, 2024.

### Why this Session?

- OEDIT has two legislative sessions to pass a reauthorization before there are any gaps in programming.
- Program is of great importance to the Colorado's economy

### Funding Sources

- Proceeds from bioscience and clean technology income tax withholding growth (C.R.S. 39-22-604.3) that vary year by year and a set \$5.5M annually in Gaming Revenue.

### Program Impact

- Supported the creation of 4,423 new jobs, retention of 4,597 jobs, creation of 124 new companies, filing of 624 patents and 24,536 licenses, and capital investments of \$173,596,885.
- Additionally, these funds have helped the technologies acquire an additional \$2,501,676.764 in third-party capital to commercialize further, and supported projected annual revenues of \$332,311,808.

# Inclusion, Diversity, Equity, and Accessibility (IDEA)

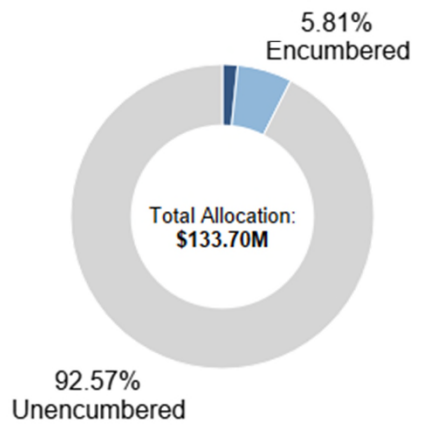
In accordance with the Governor's Executive Order [2020 175](#), OEDIT is implementing the following efforts in accordance with its equity, diversity, and inclusion plan throughout FY23:

- OEDIT IDEA Committee has hired Zilo International of Centennial, CO to create an equity focused strategic plan, targeting both internal and external policies/initiatives, that will be implemented over the next 3-5 years. The plan is expected to be released by June 30, 2023.
- OEDIT Marketing and Communications team conducted primary research with minority-, women-, veteran-, and rural Coloradan owned businesses to develop an outreach guide to facilitate engagement among these diverse small business owners, encouraging uptake of OEDIT programs.

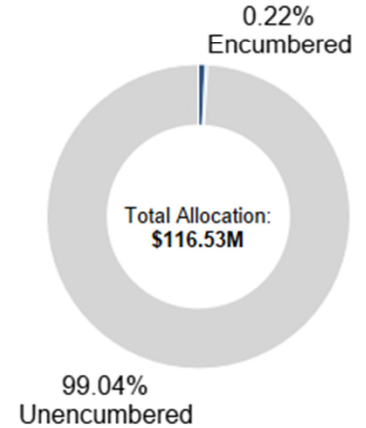
# Stimulus Funding Implementation | Spending Status

## Overall Spending Status - OEDIT

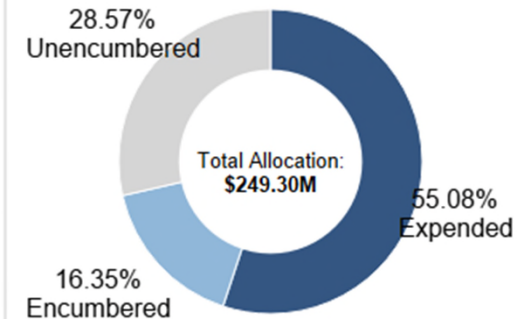
### ARPA State & Local Fiscal Recovery Funds (SLFRF)



### ARPA Direct to Agency Awards (DAA)



### State Stimulus



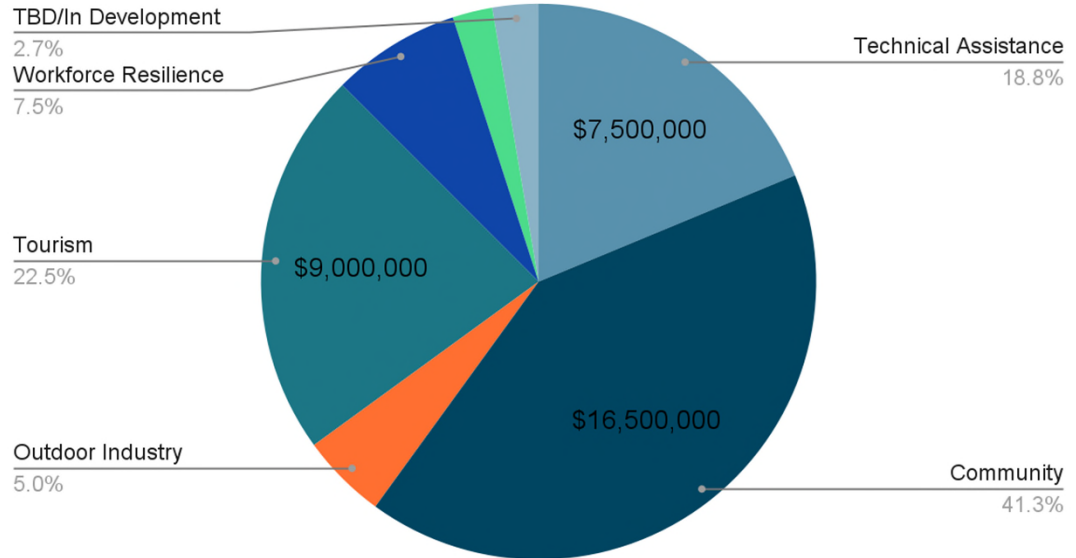
# OEDIT EDC \$40M Strategic Fund Update, SB21-291

\$40M Funding Breakdown (at least in \$10M Rural Colorado):

- *Technical Assistance - \$7.5M*
- *Colorado Community Revitalization Grant - \$16.5M*
- *Outdoor Industry Impact Fund - \$2M*
- *Tourism - \$9M*
- *Workforce Resilience Training Assistance - \$3M*
- *Salesforce Rebuild - \$930K*
- *TBD/In development - \$1M*

Fund Source: from Federal ARPA SLFRF into the EDC's Strategic Fund

Strategic Fund - \$40M



# State Small Business Credit Initiative (SSBCI) Update

- On March 11, 2021, President Biden signed The American Rescue Plan Act, which provided \$10 billion to the State Small Business Credit Initiative (SSBCI). SSBCI will fund state, territory, and Tribal government credit support and investment programs for small businesses.
- About \$5M of Tranche 2 and 3 can only be accessed by deploying 36% of the previous tranche's capital to a businesses owned by Socially and Economically Disadvantaged Individuals (SEDI).
- Tranche 1 must be deployed in 3 years, we expect to have it deployed in one year or slightly longer.

	Total Allocation w/ Admin	Tranche 1 Final - Received	Max Remaining for Tranches 2 & 3
Venture Capital Authority	59,193,554	19,477,276	39,716,278
Cash Collateral Support	34,600,000	6,800,000	27,800,000
CLIMBER	10,000,000	4,000,000	6,000,000
OEDIT Admin	980,000	980,000	
<b>TOTAL</b>	<b>104,773,554</b>	<b>31,257,276</b>	<b>73,516,278</b>



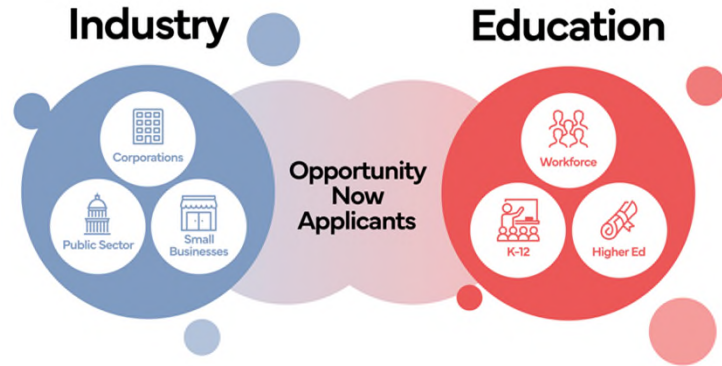
# Colorado Startup Loan Fund Update, HB21-1288

- The CO Startup Loan Fund provides loan capital to mission-based lenders to provide loans to Colorado entrepreneurs and small business owners needing capital to start, restart, or restructure a business, and those who are not able to obtain a loan from traditional lenders
- \$40,000,000 is allocated to the CO Startup Loan Fund, and of this, \$31,257,356 has been awarded and encumbered to non-profit and community based lenders focused on underserved business owners, new businesses, and character based lending
- \$1,350,000 has been encumbered for the SBDC Accelerated Growth Program
- Lenders are making loans, supplementing loans with grant capital, conducting marketing and outreach activities, and providing technical assistance
- Loan data will be reported mid-February

# Opportunity Now Update, HB22-1350

## The Goals of the \$85M program are to:

1. Meet today's regional workforce development needs.
2. Incent regional connections between education systems and employers so workers can put their skills to use
3. Provide more opportunities for regional learners and earners to be more economically mobile.



## Highlights:

- Onboarded Third Party Grant Administrator partnership that includes Common Group, Mile High United Way, WestED, and Strada
- Opportunity Now launched on Dec. 1st, with the first "Letters of Intent" due January 23rd. There will be three application phases: Spring 2023, Winter 2023, Fall 2024.
- Spending began in October, 2022 and will accelerate with the awarding of grants this year in the categories of Planning, Seed, and Scale grants.

# OEDIT Housing Programs Update

- **The Innovative Housing Incentive Program (IHIP)** HB22-1282, supports the development and expansion of the state's innovative housing manufacturing businesses through grants and loans. In December 2022, OEDIT announced final guidelines and opened applications for the grant program. The loan program will open in early 2023.
- The **Middle Income Housing Authority (MIHA)** SB22-232, will acquire, construct, rehabilitate, own, operate, and finance affordable rental housing projects for middle-income workforce housing.
- **State Affordable Housing Fund (Prop 123)** will be implemented in July 2023. These funds will support three housing programs: a land banking program, the affordable housing equity program, and the concessionary debt program. OEDIT to hire third party administrator (CHFA) to run the programs. Statute allows 2% for administrative costs by the third party but OEDIT also needs some of these funds for staff to perform: stakeholder engagement, high level program management, contracting, fiscal and program oversight and interagency coordination.

# Community Revitalization Grant, SB21-252

- The Colorado Community Revitalization Grant (SB21-252) provides state-appropriated gap funding for projects in creative districts, historic districts, main streets or neighborhood commercial centers.
- This grant supports 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.
- Currently, there are 36 awarded and recommended projects, totaling all of the appropriated \$65M. Of these 36 projects:
  - 64% are located in rural areas
  - 50% are located in Opportunity Zones
  - 79% include energy efficiency improvement or renewable energy

# Community Revitalization Grant, HB22-1409

- The Colorado Community Revitalization Grant (HB22-1409) provides additional funding for the community revitalization program.
- Currently, there are 17 awarded and recommended projects, totaling \$16.8M of the appropriated \$19M. Of these 17 projects,
  - 10 are located in rural communities (\$10.4M)
  - 7 are located in urban communities (\$6.4M)
- In total, projects funded by both SB21-252 and HB22-1409 have provided 482 units of workforce housing and counting.
- The Colorado Economic Development Commission further accorded \$16.5M in federal ARPA funding to Community Revitalization projects that contain 50 or more units of workforce housing. To date, three projects have been awarded \$12.97M.

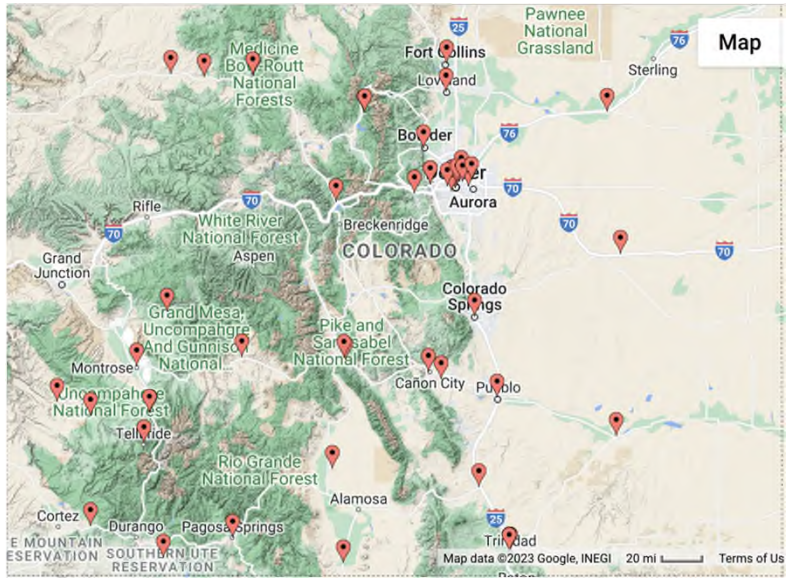
# Community Revitalization Grants Update




**VFW Post 1 (\$1.09 million):** internal ADA-compliant and energy-efficient structural renovation and exterior repairs for the country’s oldest veteran organization; the Post is host to monthly art walks, the National Veterans Creative Arts Festival, Art Therapy, an artist in residence program, wellness programs, career counseling, Veteran job fairs, and more.



**Florence Rialto Theater (\$500,000):** the grant will help the 100-year-old historic vaudeville theater complete interior renovations to be a performing arts center, arts education facility, and community center.



 Awarded

# 2022 Talent Pipeline Report

The 2022 Talent Pipeline Report was published on Dec. 13, 2022. The report identifies:

- Top jobs & critical industries
- Key features of the current labor force
- Strategies to align supply with industry demand

## Policy Recommendations:

- Enhance opportunities for employers to promote job quality and connect with historically excluded talent to expand access to skilled talent and connect Coloradans with quality jobs.
- Strengthen the state's data infrastructure to better identify longitudinal outcomes of policies and programs to help inform decision makers about evidence-based practices to close equity gaps.
- Continue current efforts to develop an ecosystem to empower learners/earners to have agency and ownership of their data on their education and employment journeys through digital learner and employment records.

# Questions?