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| **2017 Annual Comprehensive Economic Development Strategy (CEDS) and Progress Report** |
| **Project Number**  **ED16DEN3020023**  **Period Covered by the Report**  **January 1, 2017 – December 31, 2017** |
| **Date of Report**  **December 31, 2017** |

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**Annual Comprehensive Economic Development Strategy (CEDS)**

**And Progress Report**

# Section I: Adjustments

The San Luis Valley Development Resources Group’s primary service area is comprised of six counties: Alamosa, Conejos, Costilla, Rio Grande/Mineral, and Saguache. These counties, commonly known as the San Luis Valley, are located in the south central part of Colorado in the 3rd Congressional District.

A result of the West Fork Fire in the summer of 2013, that virtually closed the upper Rio Grande areas of Creede and South Fork to tourism, has been a cooperative effort to promote tourism in the area, particularly outdoor recreation activities. Lower fuel prices likely contributed to an improved tourist season that continues to show improvement from the summer of 2013.

Residential home values in the South Fork area of Rio Grande County are slowly beginning to recover from the Great Recession. Most of these homes are considered second homes. The depressed prices have adversely affected local government revenues putting significant pressure on dwindling budget reserves.

Slumping silver prices have stalled exploration of silver and other minerals in the historic Creede mining district. However, the Rio Grande Silver project, owned by Hecla Mining Company, is still considered a viable project and the company to pursue further exploration in anticipation of a recovery in silver prices.

Unemployment in the Valley continues to trend above the state average of 2.9%, with the exception of Mineral County. All counties in the region saw a drop in unemployment from 2016. Rates for 2017 ranged from 2% in Mineral County, the region’s least populous, to 4.2% in Saguache County.

Renewable energy continues to be a bright spot in the region’s economy. Five utility-scale solar plants, all located in Alamosa County, produce 136.7 Megawatts of electricity, enough to power 22,418 home. Three additional solar plants have been permitted by Alamosa County but construction has yet to begin. These proposed plants would generate an additional 155 Megawatts of electricity.

Agriculture is the driving force in the Valley’s economy, accounting for 29% of the region’s base economy. The primary crops produced are potatoes, alfalfa, barley, as well as cattle. In 2015 alone, the estimated production value of the Valley’s top three crops – potatoes, alfalfa and barley – was over $357 million. All three crops are heavily reliant on groundwater irrigation, which depends on an annual recharge from rivers and streams fed by mountain snow. However, drought conditions in the last decade have reduced the recharge, resulting in serious depletions of the aquifer.

To alleviate and correct the depletions, Colorado Division of Water Resources promulgated a rule governing the withdrawal of groundwater in the San Luis Valley. The new rule is likely to affect crop production in the region and could mean the fallowing thousands of acres of irrigated cropland, or changing crop production.

SLVDRG, through the San Luis Valley Council of Governments, just completed an economic impact analysis of the effects of reduced crop production due to reduced irrigated on the region’s economy. The analysis produced an input/output model that can be used to estimate the economic effects to the regional and county economies of changes in crop production.

Proximity Malt, LLC is building a new regional craft malting plant in Rio Grande County intended to serve craft brewers and specialty malt users. Production is now underway at the new plant, which will employ 27 people. The San Luis Valley is a major producer of malt barley for Molson-Coors.

Agricultural commodities were stable this fall with alfalfa around $190/T and cattle leveling after peaking at record highs in previous years. Potatoes, the region’s number one crop in value, were on par with 2016.

Population density is sparse, 5.61 persons per square mile (as of 2010), with 46,027 people calling the San Luis Valley home. This represents a decline of 0.35% since the 2000 census. Only two counties have shown any growth, Alamosa and Saguache, while Conejos, Costilla, Rio Grande, and Mineral counties have declined. Mineral County recorded the largest loss in population over the past decade of 14.32%.

Per Capita Personal Income for 2010 in the Valley was $29,267, about 70% of the state’s PCPI of $42,107. Over 15% of families in the county live under the poverty level. Around 47% of the San Luis Valley population is Hispanic and nearly 30% speak Spanish at home. Over half of the land mass is owned by the federal government and the State of Colorado.

# Section II: 2017 Governing Board Membership

**1. GOVERNMENT REPRESENTATIVES**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Name** | **Government** | **Position** |
| 1 | Michael Yohn | Alamosa County | Commissioner |
| 2 | John Sandoval | Conejos County | Commissioner |
| 3 | Lawrence Pacheco  *(SLVDRG Secretary/Treasurer)* | Costilla County | Commissioner |
| 4 | Ramona Weber | Mineral County | Commissioner |
| 5 | Karla Shriver | Rio Grande County | Commissioner |
| 6 | Ken Anderson | Saguache County | Commissioner |
| 7 | Ty Coleman  *(SLVDRG Chairman)* | City of Alamosa | Mayor |
| 8 | Aaron Abeyta | Town of Antonito | Mayor |
| 9 | Myrrl Smith | Town of Blanca | Mayor |
| 10 | Herman Sisneros | Town of Center | Mayor |
| 11 | Jeffrey Larson | Town of Creede | Mayor |
| 12 | Kairina Danforth | Town of Crestone | Mayor |
| 13 | Chris Trujillo | Town of Del Norte | Mayor |
| 14 | Amber Najera | Town of Hooper | Mayor |
| 15 | Larry Zaragoza | Town of La Jara | Mayor |
| 16 | Brian Morgan | Town of Moffat | Mayor |
| 17 | Dan Bond | Town of Manassa | Mayor |
| 18 | Debbie Garcia | City of Monte Vista | Mayor |
| 19 | Diane Cantu | Town of Romeo | Mayor |
| 20 | Greg Terrell | Town of Saguache | Mayor |
| 21 | Gary Bailey | Town of Sanford | Mayor |
| 22 | Theresa Medina | Town of San Luis | Mayor |
| 23 | Jerry Hixson | Town of South Fork | Mayor |

**2. NON-GOVERNMENT REPRESENTATIVES**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Name** | **Company / Enterprise** | **Position** |
| 1 | Marty Asplin | Asplin & Associates | President |
| 2 | Jeff Woodward | Woody’s Q Shack | President |
| 3 | T.J. Brown  *(SLVDRG Vice Chairman)* | Del Norte Federal Bank | Vice President |
| 4 | Duane Bussey | San Luis Valley Federal Bank | President |
| 5 | Ed Ellis | Permian Basin Railways | President |
| 6 | Preston Porter | Porter Realty | Vice President |
| 7 | Mike Goodart | Town & Country Car & Truck Center | President |
| 9 | Terry Smith | Century 21 Real Estate | President |
| 10 | Loren Howard | San Luis Valley Rural Electric | Director |

**3. STAKEHOLDER ORGANIZATION REPRESENTATIVES:***Executive directors of chambers of commerce, or representatives of institutions of post-secondary education, workforce development groups or labor groups.*

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Name** | **Organization** | **Position** |
| 1 | Betty Velasquez | Colorado Workforce Center | Director |
| 2 | Randy Wright\*\* | Alamosa County Economic Development | Director |
| 3 | Carmen Simone | Trinidad State Jr. College | President |

\*\*ACED performs a dual role as economic development organization and Chamber of Commerce for Alamosa County.

**4. AT LARGE REPRESENTATIVES:** *Individuals who represent interests of the region.*

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Name** | **Area of Interest** | **Background** |
| 1 | Jim Ehrlich | Potato Administrative Committee | Executive Director |
| 2 | George Garcia | Blue Peaks Development Center | Fleet Director |
| 3 | Ashley Valdez | Xcel Energy | Community Service Manager |
| 4 | Pat Fluck | Seniors | Real Estate |

**APPLICABLE REGULATIONS:**

13 CFR Part 304.2(c)(2):

*The District Organization must demonstrate that its governing body is broadly representative of the principal economic interests of the Region, including the private sector, public officials, community leaders, representatives of workforce development boards, institutions of higher education, minority and labor groups, and private individuals. In addition, the governing body must demonstrate the capacity to implement the EDA-approved CEDS.*Section III: Current Strategy Committee Membership

**1. PRIVATE SECTOR REPRESENTATIVES:**

*Any senior management official or executive holding a key decision-making position, with respect to any for-profit enterprise.*

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| --- | --- | --- | --- |
|  | **Name** | **Government** | **Position** |
| 1 | Marty Asplin | Asplin & Associates | President |
| 2 | Josef Lucero | Lucero Dental Arts, LTD | President |
| 3 | Ty Coleman  *(SLVDRG Chairman)* | Rio Grande Savings & Loan | Asst. Branch Manager/Business & Community Relations |
| 4 | T.J. Brown  *(SLVDRG Vice Chairman* | Del Norte Federal Bank | Vice President  (Designated rep) |
| 5 | Duane Bussey | San Luis Valley Federal Bank | President |
| 6 | Ed Ellis | Permian Basin Railways | President |
| 7 | Preston Porter | Porter Realty | Vice President |
| 8 | Mike Goodart | Town & Country Car & Truck Center | President |
| 9 | Terry Smith | Century 21 Real Estate | President |
| 10 | Loren Howard | San Luis Valley Rural Electric | Director |
| 11 | Jeff Woodward | Woody’s Q Shack | President |

**2. PUBLIC OFFICIALS AND REPRESENTATIVES OF OTHER ECONOMIC INTERESTS:**

*Persons who provide additional representation of the main economic interest of the region. These may include, but are not limited to: public officials, community leaders, and representatives of workforce development boards, institutions of higher education, minority and labor groups, and private individuals.*

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| --- | --- | --- | --- |
|  | **Name** | **Government** | **Position** |
| 1 | Betty Velasquez  Colorado Workforce Ctr. | Workforce Development | Director |
| 2 | Ramona Weber  Mineral County | Public Official | County Commissioner |
| 3 | Debbie Garcia  City of Monte Vista | Public Official | Mayor |
| 4 | Karla Shriver  Rio Grande County | Public Official | County Commissioner |
| 5 | Dr. Carmen Simone  Trinidad State Jr. College | Higher Education | President |
| 6 | Randy Wright  Alamosa County Economic Development (ACED)\* | Community Leader | Executive Director |
| 7 | John Sandoval  Conejos County | Public Official | County Commissioner |
| 8 | Ken Anderson  Saguache County | Public Official | County Commissioner |
| 9 | Lawrence Pacheco  Costilla County  *(SLVDRG Secretary/Treasurer)* | Public Official | County Commissioner |
| 10 | Michael Yohn  Alamosa County | Public Official | County Commissioner |

**\***ACED performs a dual role as economic development organization and Chamber of Commerce for Alamosa County

**APPLICABLE REGULATIONS:**

13 CFR Part 303.6(B)(1):

*The Planning Organization must appoint a Strategy Committee. The Strategy Committee must represent the main economic interest of the Region and must include Private Sector Representatives [as defined above] as a majority of its membership. In addition, the Planning Organization should ensure that the Strategy Committee includes public officials, community leaders, and representatives of workforce development boards, institutions of higher education, minority and labor groups, and private individuals.*

# Section IV: Staff

|  |  |  |
| --- | --- | --- |
| **Staff** | **Title** | **Email Address** |
| **Kevin Wilkins** | Executive Director | [kwilkins@slvdrg.org](mailto:kwilkins@slvdrg.org) |
| **Anne Jones** | Chief Financial Officer | [ajones@slvdrg.org](mailto:ajones@slvdrg.org) |
| **Hew Hallock** | Director of Research | [hhallock@slvdrg.org](mailto:hhallock@slvdrg.org) |
| **Tonya Owsley** | Business Development Director | [towsley@slvdrg.org](mailto:towsley@slvdrg.org) |
| **Sarah Stoeber** | Business Development Director | [sstoeber@slvdrg.org](mailto:sstoeber@slvdrg.org) |

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| --- |
| **Office address and Phone numbers** |
| P.O. Box 300 |
| 610 State Avenue, Suite 200 |
| Alamosa, CO 81101 |
| 719-589-6099 |
| 719-589-6299 (f) |

# Section V: 2017 Scope of Work

1. **Build a Business-Friendly Environment** 
   1. Market federal, state and local programs that assist local businesses.
      1. Accomplishments Achieved: Residents and businesses of all six counties of the region are eligible for Colorado Enterprise Zone state income tax credits, and all six counties are now included in the Enhanced Rural Enterprise Zone.
      2. Quantifiable Deliverables: The EZ tax credit program returned $1.758 million in tax credits to 382 businesses in the region for investments in their businesses and in training of 124 employees.
      3. Difficulties Encountered: None.
   2. Act as a conduit for the State Department of Transportation to meet regularly with local officials and citizens to discuss and improve the San Luis Valley (SLV) regional highway network.
      1. Accomplishments Achieved: SLVDRG serves as the planning agency for the San Luis Valley Transportation Planning Region’s regional coordinating council, which includes county and local governments in the seven-county planning area. SLVDRG organized the San Luis Valley Regional Transit Council bringing together local governments, transit agencies, non-profit human service organizations, and the Colorado Department of Transportation (CDOT) to monitor and share transit issues in the region.
      2. Quantifiable Deliverables: SLV TPR met quarterly to review progress on CDOT highway construction projects and receive updates on transportation and agency issues throughout the region and state. SLVDRG was awarded an annual planning grant from CDOT to continue serving as the regional transportation planning agency. Began training sessions during TPR meetings in preparation for development of regional transportation plan in 2018.
      3. Difficulties Encountered: None
   3. Assist in the development of sector (cluster) strategies for agricultural and health industries.
      1. Accomplishments Achieved: None at this time.
      2. Quantifiable Deliverables: None at this time.
      3. Difficulties Encountered: None.
   4. Expand the development of sector (cluster) strategies to include the transportation industry. (Year 2 - January 1, 2017 to December 31, 2017 only)
      1. Accomplishments Achieved: None at this time.
      2. Quantifiable Deliverables: None at this time.
      3. Difficulties Encountered: None.
   5. The staff will participate in training offered by various professional organizations including but not limited to EDA, International Economic Development Council (IEDC), Council of Development Finance Agencies (CDFA), and National Association for Development Organizations (NADO).
      1. Accomplishments Achieved: The day-long workshop, New Approach to Developing Your Comprehensive Economic Development Strategy, provided important information and techniques for development of the next CEDS.
      2. Quantifiable Deliverables: Our Executive Director and Director of Research attended the seminar New Approach to Developing Your Comprehensive Economic Development Strategy in Denver during October. The Executive Director also attends meetings of the Colorado Association of Regional Organizations, and the Director of Research attends the annual State Demography Conference.
      3. Difficulties Encountered: None.
2. **Retain, Grow, and Recruit Companies**
   1. Assist businesses in developing a relationship with regional markets.
      1. Accomplishments Achieved: Very limited activity.
      2. Quantifiable Deliverables: Continued support and collaboration with the San Luis Valley Local Foods Coalition to provide a local food marketing outlet for food produced in the region.
      3. Difficulties Encountered: None.
   2. Focus on businesses, which diversify the economy and provide lasting community benefits.
      1. Accomplishments Achieved: Provided loan counseling to 12 businesses in the region.
      2. Quantifiable Deliverables: Made 13 loans to 12 businesses totaling $2,358,999, leveraged $7,143,500 in private funds, and created or retained 66 FTE jobs.
      3. Difficulties Encountered: None.
   3. Assist businesses facing prolonged road construction.
      1. Accomplishments Achieved: SLVDRG has a program and guidebook for local businesses facing road construction in their communities. Entitled “The San Luis Valley *Cone Zone* Survival Guide,” the program gives businesses a pathway for managing the potential disruptions that road construction can bring.
      2. Quantifiable Deliverables: No communities in the region had prolonged road construction during the past year.
      3. Difficulties Encountered: None
   4. Complete an economic impact analysis of the effects of reduced groundwater irrigation in the Rio Grande Basin.
      1. Accomplishments Achieved: A research team from Colorado State University developed an input/output model to gauge the economic impact to the San Luis Valley regional economy should significant acreage of irrigated cropland be fallowed or if there are changes in crops raised.
      2. Quantifiable Deliverables: Dr. Rebecca Hill and Dr. James Pritchett of Colorado State University completed development of a forecasting tool that may be used to estimate the effects on the regional economy of the San Luis Valley should large amounts of acres be taken out of irrigated crop production due to efforts to reduce depletion of the aquifer. The model can be applied regionally and or by county. Presentations were made to funders and the public. The model may be used by local governments and other decision-making entities, and holds potential for application to other sectors of the economy. A workshop on using the model was held in August to train lenders and representatives from water management agencies to use the tool
      3. Difficulties Encountered: None. Participation among lenders was good.
   5. Implement the suggested strategies to alleviate possible effects of the reduced groundwater irrigation. (Year 2 – January 1, 2017 to December 31, 2017, only).
      1. Accomplishments Achieved: None at this time. No strategies are suggested by the model as it is a decision-making and information tool.
      2. Quantifiable Deliverables: None at this time.
      3. Difficulties Encountered: None.
3. **Increase Access to Capital**
   1. Bridge the gap for businesses to eventually qualify for bank financing and prepare them for traditional bank relationships.
      1. Accomplishments Achieved:  Three loan clients, still in operation, closed out loans with SLVDRG and now can be considered “bankable” with traditional lenders.
      2. Quantifiable Deliverables:  Three loans totaling $323,088 at origination were closed out in 2017. Conventional financing for their businesses was not possible at the time the loans made. Those businesses continue to operate providing 13 jobs.
      3. Difficulties Encountered:  None
   2. Provide risk mitigation for local lenders.
      1. Accomplishments Achieved:  Originated five loans in 2017 with participation by local lenders.
      2. Quantifiable Deliverables: Of the thirteen new loans made in 2017, five were done in participation with local lenders, mitigating their risk. The five loans totaled $1,241,963 ($230,963 from SLVDRG and $1,011,000 for local lenders).
      3. Difficulties Encountered:  None
4. **Create and Market a Stronger San Luis Valley /Colorado Brand**
   1. Promote tourism through SLV Great Outdoors that highlights the uniqueness and authenticity of the region.
      1. Accomplishments Achieved: The executive director for SLVGO completed his first year with the organization and was provided office space and support from SLVDRG, as well as SLVDRG serving as the group’s fiscal agent. SLVGO is in the process of becoming an independent, non-profit organization.
      2. Quantifiable Deliverables: Ongoing. SLVGO is a program of the San Luis Valley Council of Governments, and SLVDRG operates the SLVCOG. SLVDRG is the fiscal agent for SLVGO with responsibility for accepting grant awards and financial management. SLVDRG provides in-kind services to SLVGO by providing office space and support.
      3. Difficulties Encountered: None.
   2. Assist in the development of local trails for greater outdoor activities.
      1. Accomplishments Achieved: SLVDRG/SLVCOG continues to serve as the coordinating agency for San Luis Valley Great Outdoors (SLVGO), which is the regional organization responsible for the promotion and enhancement of outdoor recreational opportunities in the San Luis Valley. Outdoor recreation initiatives are occurring throughout the region in Alamosa, Conejos, Costilla, Mineral, Rio Grande, and Saguache counties. Great Outdoors Colorado’s (GOCO) Inspire Initiative has funded outdoor recreation initiatives in the communities of Alamosa, Antonito, Creede, and Saguache to boost and encourage outdoor activity for young people.
      2. Quantifiable Deliverables: A coalition of organizations from throughout the Valley has received funding of $1.86 million from GOCO’s Inspire Initiative to develop outdoor recreation plans for young people in their communities. SLVGO continues to meet and plan in 2017 for future development of outdoor recreation opportunities in the region.
      3. Difficulties Encountered: Securing funding for programs, promotion, and trail development.

1. **Educate and Train the Workforce**
   1. Assist with workforce sector strategies to determine the workforce needs of SLV businesses and industry clusters. (Year 1 – January 1, 2016 to December 31, 2016 only)
   2. Develop Strategies to support stronger communication among partners who provide employment education including Workforce Development, Workforce Innovation and Opportunity Act (WIOA), Temporary Assistance to Families (TANF), and adult education.
      1. Accomplishments Achieved: None.
      2. Quantifiable Deliverables: None.
      3. Difficulties Encountered: The concept of a “professional skills” incubator using a sewing cooperative business model to help TANF clients learn soft skills needed by businesses failed to gain local champions and was dropped.
   3. Assist organizations to develop mechanisms to assist businesses to meet their need for quality, trained, and skilled workforce.
      1. Accomplishments Achieved: None
      2. Quantifiable Deliverables: None
      3. Difficulties Encountered: Change in SLVDRG personnel weakened relationship with Workforce agency.
2. **Cultivate Innovation and Technology**
   1. Promote SLVDRG as the repository for research, demographic information, federal and state economic development programs for the SLV.
      1. Accomplishments Achieved: SLVDRG continues to provide pertinent and up-to-date information on demographics, state and federal government programs, and funding opportunities to local government, non-profits and individuals.
      2. Quantifiable Deliverables:
         1. Provided demographic and economic information to Colorado State Demography Office for annual demography conference.
         2. Attended annual State Demography Conference.
         3. Continue to distribute CEDS in compact disc format to local governments, individuals, and businesses. We constantly promote our CEDS as the definitive resource on the San Luis Valley and refer inquiries to the document.
      3. Difficulties Encountered: None encountered.
   2. Guide development of broadband strategic planning to address lack of adequate and cost effective broadband in several outlying communities. (Year 1 – January 1, 2016 to December 31, 2016, only).
   3. Use the broadband strategic plan to begin implementing strategies to develop broadband in underserved areas. (Year 2 – January 1, 2017 to December 31, 2017, only).
      1. Accomplishments Achieved: The SLV COG Technical Advisory Committee has taken a higher leadership responsibility with Kevin Daniels of Adams State University as chairman.
      2. Quantifiable Deliverables:
         1. SLV BOCES has engaged their school districts in an E-Rate initiative to bring both parity of cost and speed.
         2. The cities Alamosa and Monte Vista have opted out of Colorado Senate Bill 152, allowing these communities to take a more active role in broadband infrastructure.
         3. Utilization of Colorado Telehealth funds are being considered to build out a public/private network between health care providers and educational institutions with health care curriculum, as well as schools that have healthcare providers (school nurses) on staff. This network would be designed with excess dark fiber capacity accessible by internet service providers for lease.
   4. Difficulties Encountered: A lack of economy of scale for a solid business case to justify a competitive environment and a lack of trust between private sector providers and public entities as to capacity to meet a variety of deliverables.
3. Update the Comprehensive Economic Development Strategy (CEDS)
   1. Begin updating and re-writing individual sections of the SLV CEDS (Year 1 & 2 – January 1, 2016 to December 31, 2017, only).
      1. Accomplishments Achieved: None.
      2. Quantifiable Deliverables: None at this time.
      3. Difficulties Encountered: None
   2. Begin meeting with strategy committee quarterly to discuss findings, develop strategies and outline future economic development needs and strategies for the CEDS update. (Year 2 & 3 – January 1, 2017 to December 31, 2018, only).
      1. Accomplishments Achieved: None.
      2. Quantifiable Deliverables: None at this time.
      3. Difficulties Encountered: None
   3. Meet with communities, counties and other organizations to assess community and economic development needs, issues, and concerns. (Year 2 – January 1, 2017 to December 31, 2017, only).
      1. Accomplishments Achieved: None.
      2. Quantifiable Deliverables: None at this time.
      3. Difficulties Encountered: None
   4. Develop library of assessments from other organizations that study SLV needs. (Health care, childcare, elderly care, judicial, other economic development organizations, etc.) (Year 2 – January 1, 2017 to December 31, 2017, only).
      1. Accomplishments Achieved: None.
      2. Quantifiable Deliverables: None at this time.
      3. Difficulties Encountered: None
   5. Submit any revisions to the updated/revised CEDS to the EDA Denver Regional Office and Economic Development Representative (EDR) based on EDA’s review of the document.
      1. Accomplishments Achieved: None.
      2. Quantifiable Deliverables: None at this time.
      3. Difficulties Encountered: None
   6. Submit in hard and electronic copy an updated/revised Comprehensive Economic Development Strategy (CEDS) and CEDS Checklist following the new CEDS Guidelines and include a resiliency section. Submit document to EDA by December 31, 2018. The CEDS will have 30-day public comment period and be approved by the Board prior to submission to EDA. (Year 3 – January 1, 2018 to December 31, 2018, only).

# Section VI: Evaluate

We have chosen eight performance measures against which to review our accomplishments and judge the effectiveness in meeting our goals:

1. Capital investment by new and existing businesses in the San Luis Valley.
   * During 2017, at least $64 million in capital investment was made by 382 businesses in the San Luis Valley.
   * The top investments by sector were:
     1. Ag, forestry, fishing & hunting - $39 million
     2. Information - $5 million
     3. Transportation & warehousing - $4.5 million
     4. Retail - $4.2 million
     5. Real estate - $3.8 million
   * Through the Colorado Enterprise Zone Investment Tax Credit, $1.24 million was returned to businesses in the form of state income tax credits to be reinvested in those businesses and their communities.
2. New jobs created in the San Luis Valley.
   * A total of 154 jobs were created as a result of capital investments made in 2017.

1. Total jobs created or retained as a direct result of SLVDRG activities.
   * A total of 66 jobs were retained or created through lending by the SLVDRG business loan fund. Thirteen new loans were made to 12 new or existing businesses.
2. Quality of jobs created or retained in terms of wages, occupation, skills, benefits, and other factors.
   * Proximity Malting, a value-added agricultural manufacturing enterprise, financed in 2015 by the SLVDRG, began operation in 2017. Company jobs require advanced skills and offers higher wages estimated to be $67,000/annum. The number of full-time jobs is expected to be 27.
   * Idaho Pacific Colorado, a food processing plant in Center, has a $7M plant expansion underway that will add 35 new jobs to the community. SLVDRG is financing $1.5M of the expansion that covers upgrades to the Center Sanitation District’s water treatment facility to expand the water infrastructure and treatment system necessary for the plant expansion.
3. Amount of private sector investment in the region as a result of CEDS implementation.
   * The investment by Proximity Malting of $25,587,532 as a direct result of SLVDRG assistance and activities based on the CEDS strategies. Their investment and activity continued 2017, when the plant began operation.
   * Idaho Pacific’s investment of $7M in plant expansion was made possible by SLVDRG’s loan assistance and is based on CEDS strategies.
4. Notable changes in economic environment of the region attributed to the programs, projects, and activities being carried out.
   * Our activities preserve the economic vitality of the San Luis Valley, which has continued to experience the economic challenges seen in other rural regions of Colorado and the United States. Compared to the state unemployment rate of 2.9 percent for November 2017, unemployment rates for counties in the San Luis Valley range from 2 percent in Mineral County to 4.2 percent in Saguache County for the same period. The trend in unemployment over the last year shows decreases in all counties, which are an improvement; however, the region’s unemployment continues to be slightly higher than the state rate. There has been no loss of a single, major employer in the region, and job numbers indicate the region has recovered from the recession.
   * Agriculture continues to be the driving economic force in the San Luis Valley with the primary crops being potatoes, alfalfa, barley and cattle. Agriculture accounts for about 29 percent of the Valley’s base employment.
   * Real estate shows a rebound from the recession with the inventory of available residential property very tight, particularly in Alamosa County.
5. Number and types of investments undertaken in the region.
   * The SLVDRG business loan fund made 13 new loans to 12 business in 2017. Those loans totaled $2,358,999 and leveraged $7,143,500 in private funds, and created or retained 66 FTE jobs. The businesses ranged from a care center to a campground and a shoemaker.
6. Accomplishments or advancements made in achieving project objectives, and/or successful implementation of strategies and elements listed in the plan of action.
   * Financial Assistance continues to be a very important component of our strategies for economic development in the SLV. The SLVDRG maintains a loan portfolio of $6.1 million and 43 loans. The loan fund is a critical component for funding small businesses as local lending institutions continue to tighten their policies. We are also working with CHFA to use the Collateral Support program to assist lenders with collateral shortfalls.
   * In the agriculture industry, value-added processing has grown with the Proximity Malting beginning production and Idaho Pacific Colorado doubling its production capacity. Both companies received financial assistance from SLVDRG.
   * The region continues to “grow” its tourism economy. The number of visitors to Great Sand Dunes National Park and Preserve is one indicator of that growth. The park had 388,308 visitors in 2016. In 2017, that number will go over 480,000.
   * With funding and assistance from the Colorado Office of Economic Development and International Trade and in-kind support from SLVDRG, a coalition of business and government leaders from the entire region developed a business brand for the San Luis Valley. The new brand name for the San Luis Valley is “Colorado Genuine”.
   * As an affiliate of the Colorado State Demography Office, we attend trainings and annual meetings in order to keep our demographic information up-to-date. Throughout the year SLVDRG provided demographic and economic data to local governments, businesses and non-profits.
   * SLVDRG serves as the coordinating agency for the San Luis Valley Transportation Planning Region, which includes all of the six counties in the region and Chaffee County. We provide local governments and other interests with information from the Colorado Department of Transportation regarding transportation issues. Other responsibilities include holding regular meetings of the TPR and providing regional input into state transportation meetings.

# Section VII: Schedule

*2018 Implementation/Action Plan*

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| CEDS Strategy | 2016 Scope of Work | Objective | Priority | Lead Organization | Resources | Timeline | Jobs | Evaluation |
| *Business and Industry, Financial Assistance* | Build a Business-Friendly Environment | Market federal, state and local programs that assist local businesses | High | SLVDRG | OEDIT, DOLA, CARO | On-going, 2018 | 0 | Amount of credits, jobs created/retained & amount contributed |
| *Capacity Building, Communications, Community Services and Facilities* | Build a Business-Friendly Environment | Provide conduit for Colorado Dept. of Trans. to meet regularly with local officials and citizens to discuss and improve the SLV regional highway system | High | CDOT | SLVDRG, local governments | On-going, 20178 | 0 | Meetings attended and hosted, creation of transit council |
| *Business and Industry, Financial Assistance* | Build a Business-Friendly Environment | Assist in the development of sector (cluster) strategies for agricultural and health industries | Low | SLVDRG | OEDIT, EDA, Local lenders, SBA, USDA | On-going, 2018 | 15 | # of loans & jobs created/retained |
| *Business and Industry, Financial Assistance* | Build a Business-Friendly Environment | Expand the development of sector (cluster) strategies to include the transportation industry | Low | SLVDRG | OEDIT, EDA, Local lender, SBA, CDOT | 2018 | 0 | # of loans & jobs created/retained |
| *Business and Industry, Financial Assistance* | Build a Business-Friendly Environment | Staff will participate in trainings offered by professional organizations including but no limited to EDA, International Economic Development Council, and National Association of Development Councils | Medium | SLVDRG | EDA, IEDC, NADO, CARO, OEDIT, SDO | On-going, 2018 | 0 | # of trainings attended |
| *Business and Industry, Financial Assistance* | Retain, Grow and Recruit Companies | Assist businesses in developing a relationship with regional markets | Medium | SLVDRG | OEDIT, SBA | On-going, 2018 | 0 | Relationships developed with regional markets |
| *Business and Industry, Financial Assistance* | Retain, Grow and Recruit Companies | Focus on businesses which diversify the economy and provide lasing community benefits | Medium | SLVDRG | OEDIT, EDA, Local lenders, SBA, USDA | On-going, 2018 | TBD | # of jobs created |
| *Business and Industry, Financial Assistance* | Retain, Grow and Recruit Companies | Assist businesses facing prolonged road construction | Low | SLVDRG | CDOT, Local Gov’t | On-going, 2018 | 0 | Sessions held |
| *Business and Industry, Financial Assistance* | Increase Access to Capital | Bridge the gap for businesses to eventually qualify for bank financing and prepare them for traditional bank relationships | High | SLVDRG | OEDIT, EDA, Local lenders, SBA, USDA | On-going, 2018 | 25 | # of loans & jobs created/retained |
| *Business and Industry, Financial Assistance* | Increase Access to Capital | Provide risk mitigation for local lenders | High | SLVDRG | OEDIT, EDA, Local lenders, SBA, USDA | On-going, 2018 | 0 | # of loans |
| *Tourism* | Create and Market a Stronger San Luis Valley/Colorado brand | Promote tourism through SLV Great Outdoors highlighting the uniqueness and authenticity of the region | Low | SLVCOG | SLV Great Outdoors, Rio Grande County, NPS, Rio Grande NF, BLM, Colo. Div. Parks & Wildlife | On-going, 2018 | TBD | # of visitors to area attractions, lodging & sales tax revenues |
| *Tourism* | Create and Market a Stronger San Luis Valley/Colorado brand | Assist in the development of local trails for greater outdoor activities | Medium | SLVDRG/COG | SLV Great Outdoors, Rio Grande County, NPS, Rio Grande NF, BLM, Colo. Div. Parks & Wildlife | On-going, 2018 | TBD | New trails built |
| *Workforce Development* | Educate and Train the Workforce | Develop strategies to support stronger communication among partners that provide employment education including Workforce, WIOA, TANF, and Adult Education | Medium | Colorado Workforce Center, South Central WIB | SLVDRG, CRCC, CWDC, TSJC, RMS, ASU | On-going, 2018 | TBD | Meetings attended, survey completed, changes made to Workforce to address local needs |
| *Workforce Development* | Educate and Train the Workforce | Assist organizations to develop mechanisms to assist businesses to meet their need for quality, trained, and skilled workforce | Low | SLVDRG, Colorado Workforce | SLVDRG, CRCC, CWDC, TSJC, RMS, ASU | On-going, 2018 | 0 | Selection of host businesses and interns. |
| *Data Collection, Management, Research and Community Services and Facilities* | Cultivate Innovation and Technology | Promote SLVDRG as the repository for research, demographic information, federal and state economic development programs for the San Luis Valley | High | SLVDRG | DOLA - State Demographers, OEDIT,EDA, Local Governments | On-going, 2018 | 0 | # of inquiries and responses |
| *Data Collection, Management, Research and Community Services and Facilities* | Cultivate Innovation and Technology | Use the broadband strategic plan to begin implementing strategies to develop broadband in underserved areas. | High | SLVDRG | DOLA, Local Governments, SLVREC, EDA, OEDIT | 2018 | 0 | # of areas where service is planned or initiated. |

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| *Data Collection, Management, Research and Community Services and Facilities* | Update CEDS | Begin updating & rewriting sections of the SLV CEDS | High | SLVDRG | SLVDRG | 2018 | 0 | # of section updated and data collected |
| *Data Collection, Management, Research and Community Services and Facilities* | Update CEDS | Begin meetings with strategy committee quarterly to discuss findings, develop strategies and outline future economic development needs and strategies for the CEDS update | High | SLVDRG | SLVDRG | 2018 | 0 | # of meetings |
| *Data Collection, Management, Research and Community Services and Facilities* | Update CEDS | Meet with communities, counties and other organizations to assess community and economic development needs, issues and concerns | High | SLVDRG | SLVDRG, Local governments, local chambers of commerce | 2018 | 0 | # of communities met with |
| *Data Collection, Management, Research and Community Services and Facilities* | Update CEDS | Develop library of assessments from other organization that study SLV needs. | Medium | SLVDRG | SLVDRG | 2018 | 0 | # of studies catalogued |
| *Data Collection, Management, Research and Community Services and Facilities* | Update CEDS | Submit any revisions to the Update/Revised CEDS to the EDA Denver Regional Office and Economic Development Representative based on EDA’s review of the document | High | SLVDRG | SLVDRG, EDA | 2018 | 0 | Revisions submitted |
| *Data Collection, Management, Research and Community Services and Facilities* | Update CEDS | Submit in hard and electronic copy an Updated/Revised CEDS and CEDS Checklist following the new CEDS guidelines & include a resiliency section. Submit document to EDA by Dec. 31, 2018. The CEDS will have a 30-day public comment periods & be approved by the Board prior to submission to EDA. | High | SLVDRG | SLVDRG, EDA | 2018 | 0 | CEDS submission |

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