



S A N ▲ L U I S ▲ V A L L E Y
DEVELOPMENT RESOURCES GROUP
&
COUNCIL OF GOVERNMENTS

**2022 Annual Comprehensive Economic Development
Strategy (CEDS) and Progress Report**

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20DEN3020001**

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Annual Comprehensive Economic Development Strategy (CEDS) And Progress Report

Section I: Adjustments

The San Luis Valley Development Resources Group serves the six counties of Colorado’s San Luis Valley – Alamosa, Conejos, Costilla, Rio Grande, Mineral, and Saguache – located in South-Central Colorado, in the 3rd Congressional District.

COVID-19

As indicated by significant increases in consumer spending over the last two years, the San Luis Valley has, so far, weathered most of the negative impacts of the COVID-19 pandemic.

According to data from the Colorado Department of Revenue, a comparison of the first nine months of the years 2019, 2020, and 2021 shows retail sales in the region grew by 164.5 percent. This increase indicates residents of the San Luis Valley spent the stimulus dollars they received from direct payments to individuals, increased unemployment benefits, unemployment benefits for self-employed and farmers, as well as business support programs like PPE. The massive influx of income boosted spending preventing the region from falling into recession and decreased unemployment rates from 2020 to 2022.

Also insulating the region from the full impact of the pandemic was an increase in tourism spending and a shift toward outdoor recreation. Lodging tax receipts for Alamosa County, the region’s economic center, increased 8 percent from 2021 to 2022, according to the Alamosa County Marketing District.

The economist for the Colorado State Demography Office called the increase in tax receipts a “sign of some ‘green shoots’ in the economic recovery” for the San Luis Valley. However, he cautioned there is still a long way to go before full recovery.

Agriculture

Agriculture remains is the Valley’s main economic driver, accounting for about one-third of the region’s base economy. The primary crops are potatoes, alfalfa, barley, as well as cattle. According to production and crop values from USDA and the Colorado Department of Agriculture, the 2019 estimated cash value of the Valley’s top three crops – potatoes, alfalfa and barley – was around \$350 million. Production and crop values by county or region are no longer available in the annual statistical reports.

The Valley remains under severe drought conditions. Surface and ground water for crop irrigation is in short supply, affecting crop yields and further depleting the Valley’s underground aquifer. During the 2022 irrigation season, ag producers used less water than any time since the creation of a special water conservation sub-district in 2006. However, in the month following the end of the irrigation season, the aquifer dropped further surprising water managers.

November and December saw more declining measurements when the aquifer should begin to recharge. This could indicate a very difficult irrigation season in 2023.

The availability of irrigation water is critical to the viability of agriculture as the major economic contributor to the Valley’s regional economy. Potatoes and barley, particularly, rely upon groundwater irrigation from the Valley’s 6,000 high-capacity wells, which tap underground aquifers. The aquifers depend on recharge from a natural system, as well as leakage from ditches and canals located throughout the Valley.

Rules from the Colorado Division of Water Resources govern the withdrawal of groundwater in the Valley and require those withdrawals only continue if the aquifer is sustainable and adequate recharge occurs. Special water improvement districts (or sub-districts) with an approved groundwater management plan have been created to regulate depletions and encourage recharge.

Should irrigators continue to “mine” the aquifer, the State Water Engineer has the authority to shut down irrigation wells in order halt the depletion. This would be a last ditch measure to save the aquifer but, it holds drastic consequences for agriculture in the Valley and far reaching economic impacts as well.

Population Change

The Valley’s estimated population increased only slightly from the year 2010 to 2021; 46,138 to 46,550. In an area of 8,192 sq. miles, the population density is about 5.7 persons per square mile. Population growth has not been uniform across the region. Here’s how each county’s population compares to 2010:

<u>County</u>	<u>2010</u>	<u>2021</u>
Alamosa	15,474	16,516
Conejos	8,282	7,584
Costilla	3,532	3,620
Mineral	705	925
Rio Grande	12,001	11,400
Saguache	6,144	6,505

Income

During the six-year period of 2015 to 2021 Median Household Income in Colorado rose 28.7 percent from \$63,909 to \$82,254. In the San Luis Valley, Median Household Income in all six counties lagged far behind the state’s figure, ranging from a low of \$31,321 to \$55,556. The chart below compares MHI for 2015 with 2021 in each county and the State.

<u>County/State</u>	<u>2015</u>	<u>2021</u>	<u>% Change</u>
Alamosa	\$32,395	\$46,217	42.6
Conejos	36,652	38,536	5.1
Costilla	31,321	35,000	11.7
Mineral	48,125	55,556	15.4
Rio Grande	39,672	50,287	26.8
Saguache	33,393	48,413	45
Colorado	63,909	82,254	28.7

Jobs and Employment

The early impacts of the pandemic are reflected in a decline in the number of jobs from 26,895 in 2019 to 26,073 in 2020. In 2021 the number of jobs increased by year’s end to near pre-pandemic levels. By June of 2021, the Valley had regained 94.4 percent of pre-pandemic jobs.

Unemployment rates have fallen from October of 2021 to October 2022, another positive sign of economic recovery.

<u>County</u>	<u>Oct. 2021</u>	<u>Oct. 2022</u>
Alamosa	4.3%	3.9%
Conejos	3.6%	3.3%
Costilla	4.6%	4.3%
Mineral	3.5%	3.6%
Rio Grande	4.5%	3.6%
Saguache	4.4%	3.2%

Section II: 2022 Governing Board

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.*

San Luis Valley Development Resources Group Executive Board

SECTOR	AFFILIATION
Private	
Jeni Jack-Goodwin	Porter Realty
Ashley Valdez, Sec./Treas.	Xcel Energy
Public Officials	
Tom McCracken	Saguache County Commissioner

Ramona Weber	Mineral County Commissioner
John Noffske, Chairman	Rio Grande County Commissioner
Michael Carson	Alamosa City Councilor
Community Leader	
Karla Shriver	Non-Profit
Workforce Development	
Michael Yohn	Colorado Workforce Consortium, Alamosa County Commissioner
Minority	
Robert Espinoza	Costilla County Commissioner
Larry Zaragoza, Vice Chair	La Jara Town Manager
Higher Education	
Jack Wiley	Dean of Instruction, Trinidad State Junior College

Section III: 2022 CEDS Strategy Committee

13 CFR Part 303.6 (b) (1): *The Planning Organization must appoint a Strategy Committee. The Strategy Committee must represent the main economic interests of the Region, including the private sector, public officials, community leaders, private individuals, and representatives of workforce development boards, institutions of higher education, minority and labor groups, and others who can contribute to and benefit from improved economic development in the Region. In addition, the Strategy Committee must demonstrate the capacity to undertake a collaborative and effective planning process. The Strategy Committee representing Indian Tribes or States may vary.*

SECTOR	AFFILIATION
Private	
Kent Curtis	CEO, First Southwest Bank
Ashley Valdez, Sec./Treas.	Xcel Energy
Public Officials	
Tom McCracken	Saguache County Commissioner
Ramona Weber	Mineral County Commissioner
John Noffske	Rio Grande County Commissioner

Michael Carson	Alamosa City Councilor
Ty Coleman	Alamosa Mayor
Kairina Danforth	Crestone Mayor
Community Leader	
Karla Shriver	Farmer, Non-Profit
Dan Hicks	South Fork Town Manager
Tom Monaco	Upper Rio Grande Economic Development
Melinda Myers	Saguache County Sustainable Environment & Economic Development
Kathy Woods	City of Alamosa Economic Development Director
Liza Marron	San Luis Valley Local Foods Coalition
Barry Van Sant	Businessman
Workforce Development	
Michael Yohn, Chairman	Colorado Workforce Consortium, Alamosa County Commissioner
Minority	
Jason Medina	San Luis Valley Small Business Development Center
Robert Espinoza	Costilla County Commissioner
Bernadette Martinez	Del Norte Town Manager
Larry Zaragoza	La Jara Town Manager
Higher Education	
Jack Wiley	Dean of Instruction, Trinidad State Junior College

Section IV: Staff

Staff	Title	Email Address
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Staffing Notes:

1. Andrea Oakes-Jaramillo joined the staff of SLVDRG in September 2021 as the Covid Recovery Coordinator. She stayed for the better part of a year and was offered a position as the Executive Director of Upper Rio Grande Economic Development (URGED) that she began in August of 2022, thus vacating her position.
2. Hew Hallock retired from full-time service at the organization as of August 1, 2022; he remains working on a contract basis assisting with the Transportation Planning Region and CDOT for the DRG/COG.
3. Kevin Wilkins was offered a position as the City Manager in Ogallala, Nebraska, which he assumed on August 1, 2022.
4. Sarah Stoeber is now acting Executive Director and filling the role of Director of Research and Covid Recovery Coordinator. The organization is searching for an employee to fill the Director of Research role.
5. Alliyah Garcia joined the SLVDRG recently to assist with bookkeeping, meeting planning and organizational administration.

Section V: 2022 Scope of Work

A. Build a Business-Friendly Environment

1. Market federal, state and local programs that assist local businesses.
 - a. Accomplishments Achieved:
 - i. 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 included in the Enhanced Rural Enterprise Zone.

- ii. Promoted six designated Opportunity Zones under the federal Tax Cuts and Jobs Act of 2017.
 - iii. Made fourteen loans from various funding sources including: Colorado State Forest Service, Community Development Block Grant, United States Department of Agriculture, Energize Colorado Gap Fund and Economic Development Administration Coronavirus Aid, Relief, and Economic Security (CARES) Act. The fourteen loans totaled \$3.749MM. Close to 1,000 jobs were impacted in the San Luis Valley as a result of these loans.
 - iv. Two loans were made to hemp-based companies in the San Luis Valley. These are the first hemp-based businesses funded with USDA-IRP funds in Colorado. One loan was made to the San Luis Rio Grande Railroad. The sole purpose of this loan was to keep jobs active in the San Luis Valley and make sure the railroad was still operational at the time of its sale. Both of these objectives were met as no local jobs were lost at the railroad and the business was approved for sale in December of 2022.
 - v. The Disaster Recovery Coordinator, funded by the CARES Act through EDA, continued under the scope of work established between SLVDRG and EDA, which focuses on identifying potential resiliency, mitigation, and economic recovery projects in the disaster-impacted six-county area served by SLVDRG.
 - vi. Distributed \$100,000 in business loans through a partnership with the Energize Colorado Gap Fund, a hybrid grant and loan program for small businesses and non-profits impacted by COVID-19.
 - vii. Partnered with the San Luis Valley Small Business Development Center, of which SLVDRG is the sponsoring agency, developing an aggressive outreach program focusing on providing technical assistance for businesses to access the increase in capital available through SLVDRG lending programs.
 - viii. Disaster Recovery Coordinator initiated a business retention and expansion effort with a business-call program to contact regional businesses and survey their potential for future expansion or retention, and gauge any barriers or opportunities.
- b. Quantifiable Deliverables:
- i. The EZ tax credit program returned \$2.13 million in tax credits to 571 businesses in the region for investments in their businesses and in training of 84 employees. In 2021, \$2.27 million in tax credits were granted to 489 businesses.
 - ii. Continued to market the San Luis Valley Opportunity Zone to encourage investment in the region and continue to track federal programs that provide program preferences for OZ investments. Response to the OZ investment program has been limited, however. The program is available until 2026.
- c. Difficulties Encountered: None.

2. Provide conduit for State Department of Transportation to meet regularly with local officials and citizens to discuss and improve the San Luis Valley regional highway network.
 - a. 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 a 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.
 - b. Quantifiable Deliverables:
 - i. 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.
 - ii. In spring 2022, the San Luis Valley Regional Transit Council completed a regional transit plan that was funded by a HOPE Grant from the U.S. Department of Transportation’s Federal Transit Agency. The grant, for \$172,000, was initiated and written by an AmericorpsVISTA volunteer hosted by SLVDRG .
 - iii. In 2022, The Chaffee Shuttle, which operates limited shuttle bus service to communities in the San Luis Valley, initiated two additional routes to the two existing routes it provided. Another route serving communities in Conejos County is planned for 2023.
 - c. Difficulties Encountered: None
3. Assist in the development of sector (cluster) strategies for agricultural and health industries.
 - a. Accomplishments Achieved: None at this time.
 - b. Quantifiable Deliverables: None at this time.
 - c. Difficulties Encountered: None.

B. Retain, Grow, and Recruit Companies

1. Assist businesses develop a relationship with regional markets.
 - a. Accomplishments Achieved:
 - i. Very limited activity. The San Luis Valley Local Foods Coalition continues its lead role in promoting and marketing regionally grown natural and organic foods to other regions of Colorado through the SLV Local Foods Hub. The Local Foods Hub provides produce, meat, and other food products to individual, family and commercial customers through a statewide collective of food hubs.
 - b. Quantifiable Deliverables:
 - i. 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.

- ii. The economic summit served to establish professional ties and contacts.
 - c. Difficulties Encountered: None.
- 2. Focus on businesses which diversify the economy and provide lasting community benefits.
 - a. Accomplishments Achieved: Provided loan counseling to 10 businesses in the region.
 - b. Quantifiable Deliverables: Made 11 loans to ten businesses totaling \$931,863 leveraged \$1,530,235 in private funds, and created or retained 33 FTE jobs.
 - c. Difficulties Encountered: None.
- 3. Assist businesses facing prolonged road construction.
 - a. Accomplishments Achieved: No activity as no communities faced long construction projects this year.
 - b. Quantifiable Deliverables: None as no communities in the region had prolonged road construction during the past year.
 - c. Difficulties Encountered: None

C. Increase Access to Capital

- 1. Bridge the gap for businesses to eventually qualify for bank financing and prepare them for traditional bank relationships.
 - a. Accomplishments Achieved: One loan client, still in operation, closed out a loan with SLVDRG and now can be considered “bankable” with traditional lenders. The former client is still working for the firm.
 - b. Quantifiable Deliverables: Four loans totaling \$305,000 were closed on in 2022. Conventional financing for their businesses was not possible at the time the loans were made. The businesses continue to operate providing 6 jobs.
 - c. Difficulties Encountered: None
- 2. Provide risk mitigation for local lenders.
 - a. Accomplishments Achieved: Originated two loans in 2022 with participation by regional lenders to reduce their risk.
 - b. Quantifiable Deliverables: Of the 14 new loans made in 2022, two were originated in participation with regional lenders, mitigating their risk. The two loans totaled \$680,000 and leveraged \$1.6 million from other local lending sources.
Closed three loans through the Colorado State Forest Service Business Loan Fund in the amount of \$625,000.
 - c. Difficulties Encountered: None

D. Create and Market a Stronger San Luis Valley/Colorado brand

- 1. Promote tourism through SLV Great Outdoors (SLV GO!) for the San Luis Valley that highlights the uniqueness and authenticity of the region.
 - a. Accomplishments Achieved: SLV GO! maintained a full-time staff of seven (up from 4) four that include an executive director, Great Outdoors Action Team (GOAT) director of operations, community connections coordinator,

development and communications coordinator, and coordinator of SLV Generation Wild Coalition. In addition to full-time staff six more part-time employees work to build and re-establish trails throughout the Valley. SLV GO! became an independent, non-profit organization by gaining 501(c)(3) in 2019 and continues to build programs and partners.

- b. **Quantifiable Deliverables:** Among SLV GO! deliverables are: more than four miles of new trail built, one mile of trail re-established in Costilla County, .25 miles of social trail obliteration & erosion control, 20 feet of trail bridge construction, 120 feet of boardwalk and Gabion basket retaining wall built, 1.5 acres of fire fuels reduction, 30 boulders placed for resource protection in campgrounds, .5 miles of road maintained & constructed, 2 tons of trash picked up on BLM lands, successful Colorado Health Foundation award to fund a full-time health and wellness coordinator position and two to three part-time outdoor embajadores, or ambassadors, to conduct accessible and inclusive outdoor trips for community members; partnered with nine organizations across the San Luis Valley to receive a GOCO Generation Wild Colorado grant to sustain and expand outdoor and conservation programs for youth and families; continued progress on expanding partnerships with municipalities and community groups toward creating the Sangre de Cristo Dark Sky Reserve.
 - c. **Difficulties Encountered:** Recovering from the COVID pandemic continued to present challenges with public meetings and funding, but these lessened in the third and fourth quarters of 2022.
2. Assist in the development of local trails for greater outdoor activities.
- a. **Accomplishments Achieved:** Expanded projects for our professional trail building and stewardship team. Six to eight paid employees work seasonably to build trails on SLV GO! projects throughout the San Luis Valley. Work was done on a variety of projects on federal land, county open space, municipal open space, and privately-owned conservation easements ensuring that some of the most heavily used trails had maintenance.
 - b. **Quantifiable Deliverables:** More than 6 miles of trails built and maintained.
 - c. **Difficulties Encountered:** None

E. Educate and Train the Workforce

- 1. Develop strategies to support stronger communication among partners who provide employment education including Workforce, WIOA, TANF, and Adult Education.
 - a. **Accomplishments Achieved:** Continued cooperation with Trinidad State Junior College developing work training programs appropriate to the region.
 - b. **Quantifiable Deliverables:**
 - i. TSJC's Dean of Instruction continues to serve as a member of SLVDRG's Executive Board and CEDS Strategy Committee; SLVDRG's Executive Director was named to the Colorado Workforce Development Council in November, 2020. These cross memberships provide opportunities to learn about or implement workforce programs that may benefit the region.

- ii. Working with Colorado Attorney General’s Office to attain authorization of construction skills training at TSJC Valley Campus in Alamosa.
 - c. Continued to work on an integrated jobs program at La Puente Homeless Center for homeless or at-risk workers with the Community Action Agency which was taken in-house by La Puente. This shift was due to programmatic changes/requirement of host entity which the SLVDRG no longer met as it is not a singular social services organization.
 - d. Difficulties Encountered: None.
2. Assist organizations in developmental mechanisms for businesses to meet their need for quality, trained, and skilled workforce.
- a. Accomplishments Achieved: None
 - b. Quantifiable Deliverables: None
 - c. Difficulties Encountered: Identifying specific existing businesses, rather than sectors, with workforce needs.

F. Cultivate Innovation and Technology

1. Promote SLVDRG as the repository for research, demographic information, federal, and state economic development programs for the San Luis Valley.
- a. 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.
 - b. Quantifiable Deliverables:
 - i. Attended annual virtual State Demography Conference.
 - ii. Completed the 2021 San Luis Valley Comprehensive Economic Development Strategy.
 - iii. Responded to over 53 requests from local governments, economic development organizations, individuals, and businesses for demographic and economic data on the region.
 - iv. Compiled annual statistical profile of the region for distribution to local governments, human service organizations, and general public. The statistical profile is also available for download or viewing on the SLVDRG web site.
 - v. Authored numerous new stories related to the regional economy and SLVDRG programs and resources.
 - c. Difficulties Encountered: None encountered.

G. Opportunity Zones

1. Implement and promote the results of the Opportunity Zone Prospectus.
- a. Accomplishments Achieved:
 - i. Continued promotion and marketing of six Opportunity Zones in the San Luis Valley.

- ii. Encouraging applicants for federal grants to use and leverage the location of Opportunity Zones in their service area in their grant applications.
- b. Quantifiable Deliverables:
 - i. Attended and participated meetings and programs focused on marketing and marketing Opportunity Zones.
 - ii. Although there has been very limited interest from investors in SLV Opportunity Zones, there is hope for these to bear fruit.
- c. Difficulties Encountered: Lack of interest among potential financial backers in committing to a region in a rural area that is geographically isolated and has a limited labor pool.

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 2022, at least \$105.8MM in capital investment was made by 489 businesses in the San Luis Valley.
 - The top investments by sector for 2022 were:

i. Agriculture - \$80.3MM	2021= \$56.4MM
ii. Retail Trade – 30.7MM	2021 = no ranking
iii. Real Estate: Rental & Leasing - \$10.4MM	2021 = \$15MM
iv. Construction - \$6.6MM	2021 = \$8.7MM
v. Arts, Entertainment, and Rec. - \$3.2MM	2021 Transportation - 5.2MM 2021 Wholesale 4.1MM
 - Through the Colorado Enterprise Zone Investment Tax Credit, \$2.13MM 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 84 jobs were created as a result of Enterprise Zone-qualified capital investments of \$146,041,935 up from \$105,810,965 made in 2022 which is a HUGE increase in one year for the Valley.
3. Total jobs created or retained as a direct result of SLVDRG activities.
 - A total of over 900 jobs were retained or created through lending by the SLVDRG Business Loan Fund. Fourteen new loans were made for a total of \$3.75MM loaned out to new or existing businesses. This is an all-time record for this loan fund in one year and is the result of massive efforts by the Business Loan Fund Director, Marc Bellantoni. His work deserves calling to attention.

4. Quality of jobs created or retained in terms of wages, occupation, skills, benefits, and other factors.
 - Less expansion of “quality” jobs in 2022 as business investments and growth were very cautious because of tenuous economic conditions due to the COVID-19 pandemic recovery.
5. Amount of private sector investment in the region as a result of CEDS implementation.
 - SLVDRG continues to work closely with the Colorado Mushroom Farm, however the organization recently reported filing of Chapter 11 bankruptcy. This is due solely to the pandemic. Conditions were such that MANY mushroom crops were destroyed because of restaurant and food services supply chain disruptions. The Farm could not come back from this due to substantial losses and the worst possible timing as they were in an expansion and upgrade of equipment and machinery at the time of the shutdown. Colorado Mushroom Farm is one of the region’s largest private employers and loan client of SLVDRG’s Business Loan Fund.
 - Worthy of note is the fact that SLVDRG CFO and Executive Director have worked with outside agencies in lengthy discussions regarding restructuring of debt, possibility of employee buyout, etc. The amount of debt the company is carrying and lack of additional cash injection by the owner(s) makes this impossible at this time though the organization has taken every opportunity to explore alternative options.
6. Notable changes in economic environment of the region attributed to the programs, projects, and activities being carried out.
 - SLVDRG realized a significant increase in capital available to new and existing businesses in 2020, which availability continued through 2021 and into 2022.
 - All \$750,000 of the USDA Intermediary Relending Program (IRP) were disbursed to value-added agricultural projects to First Crop and Formation Ag. Fifteen new jobs are/will be created over the next two years in Rio Grande County as a result. This funding is for value-added agriculture projects to benefit the region.
 - A loan for \$800,000 was disbursed to the San Luis Rio Grande Railroad from Community Development Block Grant funds. The railroad had filed for bankruptcy and this loan kept the railroad running and retained necessary jobs while a buyer could be found. The railroad has since sold. That sale will be final in January and will ensure the continued operation of the railroad and freight movement in the Valley which is key to its economic survival.
 - All \$880,000 of the EDA CARES Act funds were disbursed to businesses affected by the COVID-19 pandemic. These businesses included an electrical business, an appliance store, restaurants, hotels, recreation equipment, an RV park, and a fish farm.
 - Included in the EDA grant is funding for a Disaster Recovery Coordinator to identify economic recovery projects for area enterprises.

- SLVDRG’s work with the Energize Colorado Gap Fund reviewing applications for a loan program for small businesses and non-profits brought needed financial resources to the region during the pandemic. Because of the ability to offer these funds, \$100,000 was disbursed to an art studio, yoga studio and distillery. A minimum of 3 jobs with a hope for 5 jobs to be created over the next year or two based on need.
- The Colorado State Forest Service loan fund was also added to the portfolio of funds available in 2022. This is a statewide program that offers funding to forestry related projects. From this fund three loans were originated in the amount of \$581,000; one was in our region, Got Wood and the other two were outside of the San Luis Valley.
- Agriculture remains the driving economic force in the San Luis Valley, accounting for nearly one-third of the Valley’s base employment, jobs in the Health Services sector have grown significantly as evidenced by SLV Health now employing over 730 people, making it the largest single employer in the region. It is notable to mention that healthcare workers are well over 911 employed persons now in the Valley.

7. Number and types of investments undertaken in the region.

- The SLVDRG Business Loan Fund made 11 new loans to ten business in 2022. Those loans totaled \$931,683 and leveraged \$1,530,235 in private funds, and created or retained 33 FTE jobs. The businesses ranged from a trout farm to an appliance store to a distillery.
- Accomplishments or advancements made in achieving project objectives, and/or successful implementation of strategies and elements listed in the plan of action.
- Lending is the primary tool used by SLVDRG to encourage economic growth and advance our economic strategy for the region. The SLVDRG Business Loan Fund maintains a loan portfolio of \$8.4 million and 56 loans. The SLVDRG BLF is a critical component for funding small businesses as local lending institutions continue to tighten their policies. We continue to work with CHFA using Colorado Credit Reserve program to assist lenders with collateral shortfalls.
- The region continues to “grow” its tourism economy. As the hospitality sector indicated strong growth during the 2022 tourist season. A primary indicator has historically been the number of visitors to Great Sand Dunes National Park and Preserve, which this year, despite the continued pandemic, saw the highest number of visitors in history; over 590,000.
- As an affiliate of the Colorado State Demography Office, the DRG attends trainings and annual meetings in order to keep 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.

- In cooperation with human service non-profit organizations in the region, SLVDRG acts as the coordinating agency of the San Luis Valley Regional Broadband Collaborative with the goal of identifying potential broadband projects and initiatives that would improve broadband accessibility to underserved communities in the San Luis Valley. Inequity is being identified as are underserved areas called out for future accessibility improvements. The project has recognized the need for a carrier neutral location on the west side of the Valley and is exploring potential cost, benefit, and timeline to complete. The Organization is optimistic of an upcoming project from this work. Economic impacts will benefit telehealth, education on all levels, farming and retail to name a few.

Section VII: Schedule

CEDS Goal Objective Strategy	Priority	Timeline	Stakeholders	1004
<p>A. Build a Business Friendly Environment</p> <p>1. Improve redundancy, reliability & resources utilization of electrical & gas transmission</p> <p>a. Support planning & development by energy providers to improve energy distribution & redundancy</p> <p>b. Assess regional renewable energy resources.</p> <p>2. Inventory brownfields locations in the San Luis Valley.</p> <p>a. Seek grant funding for mapping of brownfields sites.</p> <p>b. Create loan fund to address needs of sites.</p>	<p>Medium</p> <p>Low</p> <p>Low</p> <p>Low</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	<p>SLVDRG*, Xcel, SLVREC, Tri-State, PUC, Counties, Municipalities</p> <p>SLVDRG*, Xcel, SLVREC, Counties</p> <p>SLVDRG*</p> <p>SLVDRG*</p>	<p>Energy transmission improvements proposed by energy providers.</p> <p>Assessment done following commitment from local governments & energy companies.</p> <p>Survey of available funding sources.</p> <p>Assess loan needs following mapping.</p>

<p>3. Improve the San Luis Valley regional highway network.</p> <p>a. Continue coordination of regional transportation planning through San Luis Valley Transportation Planning Region.</p> <p>b. Provide input to next regional transportation plan.</p> <p>4. Develop affordable workforce housing.</p> <p>a. Support community initiated housing studies.</p> <p>b. Use federal Opportunity Zones to attract private investment in housing.</p>	<p>Medium</p> <p>High</p> <p>Medium</p> <p>Medium</p>	<p>Ongoing</p> <p>Complete</p> <p>Ongoing</p> <p>Ongoing</p>	<p>SLVDRG*, CDOT</p> <p>SLVDRG*</p> <p>SLVDRG*, Municipalities, Counties</p> <p>SLVDRG*</p>	<p>Coordination of SLV TPR meetings held & information shared.</p> <p>Plan approved by SLV TPR & Colorado Transportation Commission.</p> <p>Housing study completed.</p> <p>Investments made.</p>
<p>5. Improve & develop transit & mobility services in the region.</p> <p>a. Continue convening San Luis Valley Regional Transit Council.</p> <p>b. Implement SLV Transit Action Plan.</p> <p>6. Continue broadband deployment.</p> <p>a. Support current broadband deployment by San Luis Valley REC.</p>	<p>Medium</p> <p>Medium</p> <p>Medium</p>	<p>Complete</p> <p>Complete</p> <p>Ongoing</p>	<p>SLVDRG*</p> <p>SLVDRG*</p> <p>SLVDRG*, SLVREC</p>	<p>Transit Council now coordinated by Chaffee Shuttle. Many action items completed. Transit Council now coordinated by Chaffee Shuttle.</p> <p>Deployment underway.</p>
<p>B. Retain, Grow & Recruit Companies</p> <p>1. Market state & local programs that assess local business.</p> <p>a. Continue to administer Colorado Enterprise Zone Tax Credit program.</p>	<p>High</p>	<p>Ongoing</p>	<p>SLVDRG*</p>	<p>Amount of credits, jobs created/retained & amount contributed.</p>

<p>b. Continue to provide gap financing through San Luis Valley Business Loan Fund.</p>	High	Ongoing	SLVDRG*	Number of loans & jobs created/retained.
<p>c. Support San Luis Valley Small Business Development Center.</p>	High	Ongoing	SLVDRG*, OEDIT	Clients served by SBDC.
<p>2. Market state & local programs that assist local business.</p>				
<p>a. Continue to provide demographic & other data services to local government, businesses & non-profits.</p>	Medium	Ongoing	SLVDRG*, DOLA, OEDIT (Rural Jumpstart Program)	Number of inquiries & responses.
<p>3. Develop alliances with southern Colorado regional markets.</p>				
<p>a. Foster leadership role in CARO.</p>	Medium	Ongoing	SLVDRG*, CARO	Participation & leadership in CARO.
<p>4. Develop basic business information, which could include regulations, assistance, marketing, incentives, & access to capital.</p>				
<p>a. Support & promote San Luis Valley SBDC business education curriculum.</p>	Medium	Ongoing	SLVDRG*, SLVSBDC	Number of clients served by SCDC.
<p>b. Implement federal Opportunity Zone prospectus.</p>	Medium	Ongoing	SLVDRG*	Number of projects proposed.
<p>5. Focus on businesses that diversify the economy and provide lasting community benefits.</p>				
<p>a. Seek & support businesses that develop infrastructure for hemp, forestry and value added agriculture.</p>	High	Ongoing	SLVDRG*, CDA, USDA	Contacts initiated & requests for assistance.
<p>6. Create development sites that are easily marketed, ready to be developed, & located on appropriate development websites.</p>				

<p>a. Inventory potential development sites & assess potential for shovel-ready designation.</p>	<p>Low</p>	<p>Ongoing</p>	<p>SLVDRG*</p>	<p>Economic development organizations initiated inventory.</p>
<p>7. Assist agricultural businesses that incorporate locally-grown products into value-added products.</p>				
<p>a. Assess value-added agriculture opportunities.</p>	<p>High</p>	<p>2021-23</p>		<p>Completion of assessment.</p>
<p>b. Cooperate with Adams St. Univ. Value-Added Ag Sector Partnership.</p>	<p>Low</p>	<p>Ongoing</p>		<p>Completed</p>
<p>8. Advance alternative energy opportunities throughout the region.</p>				
<p>a. Support expansion of current renewable energy projects.</p>	<p>Medium</p>	<p>Ongoing</p>	<p>SLVDRG*</p>	<p>Responses to requests for support.</p>
<p>b. Assess region's renewable energy assets & potential for development.</p>	<p>Low</p>	<p>Ongoing</p>	<p>SLVDRG*</p>	<p>Funding source identified.</p>
<p>C. Increase Access to Capital</p>				
<p>1. Bridge the gap for businesses to eventually qualify for bank financing & prepare them for traditional bank relationships.</p>				
<p>a. Provide lending through San Luis Valley Business Loan Fund, state or federal loan programs including USDA IRP and Forest Service loan fund.</p>	<p>High</p>	<p>Ongoing</p>	<p>SLVDRG*, OEDIT, EDA, USDA,</p>	<p>Loans & jobs created/retained.</p>
<p>b. Continue cooperation & participation with area lenders on business loans.</p>	<p>High</p>	<p>Ongoing</p>	<p>SLVDRG*</p>	<p>Loans with lender participation.</p>
<p>2. Provide risk mitigation for local lenders.</p>				
<p>a. Utilize government loan guarantee programs.</p>	<p>Medium</p>	<p>Ongoing</p>	<p>SLVDRG*, OEDIT, SBA, CHFA</p>	<p>Number of loans.</p>

<p>3. Improve access to capital for agriculture.</p> <p>a. Investigate need for additional ag lending source, with potential development of a revolving loan fund for agricultural projects.</p>	Low	Ongoing	SLVDRG*, USDA, EDA, OEDIT	Completion of need analysis.
<p>D. Create & Maintain a Stronger San Luis Valley/Colorado Brand</p> <p>1. Grow outdoor recreation infrastructure & promote outdoor recreational opportunities.</p> <p>a. Continue support of San Luis Valley Great Outdoors (SLV GO!) in developing trails & outdoor recreation opportunities, as well as fostering the growth of outdoor recreation businesses, with community partners, conservation organizations and the State of Colorado.</p> <p>2. Promote tourism for the San Luis Valley that highlights the uniqueness & authenticity of each county.</p> <p>a. Support San Luis Valley visitor industry groups in marketing & promotion of region as a tourist destination.</p> <p>b. Support communities initiating downtown revitalization efforts that encourage tourist visits.</p> <p>3. Develop a strategy to emphasize hospitality and customer service with front line employees.</p> <p>a. Utilize San Luis Valley SBDC education curriculum to train hospitality employees.</p>	High	Ongoing	SLVDRG, SLV GO!*	Visitors to region & tax revenues.
	Low	Ongoing	SLVDRG*, ACVB, CTO	Assistance provided.
	Low	Ongoing	SLVDRG*, Municipalities	Downtown projects initiated & requests for assistance.
	Low	Ongoing	SLVDRG*, SLVSBDC	Trainings provided.
<p>E. Educate & Train the Workforce</p>				

<p>1. Determine workforce needs of region businesses.</p> <p>a. Survey businesses to assess workforce needs.</p>	Low	Ongoing	SLVDRG*	Survey completed.
<p>2. Develop strategies to support worker transition from education into the workforce.</p> <p>a. Develop a "Career Pathways" program for core academic, technical, & employability skills.</p>	Low	Ongoing	SLVDRG*, TJC, ASU, Workforce	Program developed.
<p>3. Develop strategies to assist all businesses to meet their need for quality, trained, & skilled workforce.</p> <p>a. Develop a business services program through Colorado Workforce Centers.</p>	Low	Ongoing	SLVDRG*, Workforce	Program developed.
<p>4. Ensure that the workforce needs of the ag sector & farm workers are met.</p> <p>a. Institute Common Career Technical Core standards to define what students should know & be able to do.</p>	Low	Ongoing	SLVDRG*, TSJC, ASU, Workforce	Standards implemented.
<p>5. Develop additional educational opportunities for the healthcare industry.</p> <p>a. Create curriculum & training facilities to meet needs of healthcare workforce.</p>	Low	Ongoing	SLVDRG*, TSJC, SLV Health, ASU, Workforce	Curriculum created & facilities provided.
<p>6. Collaborate with secondary and post-secondary education to address workforce needs.</p> <p>a. Enhance concurrent enrollment with colleges & high schools for technical education.</p>	Low	Ongoing	SLVDRG, TSJC*	Enrollment numbers.
<p>b. Open TJC satellite campus in Rio Grande County for technical skills.</p>	Low	Ongoing	SLVDRG, TSJC*	Campus opened.

<p>F. Cultivate Innovation & Technology</p> <p>1. Promote SLVDRG as the repository for research, demographics, & federal & state economic development programs for the San Luis Valley.</p> <p>a. Continue to produce annual statistical profile of the region.</p> <p>b. Respond to requests for economic & demographic information from individuals, businesses, non-profits, local & state government.</p>	<p>Medium</p> <p>High</p>	<p>Annually</p> <p>Ongoing</p>	<p>SLVDRG*</p> <p>SLVDRG*</p>	<p>Profile compiled.</p> <p>Number of responses to inquiries.</p>
<p>* Denotes lead organization for task.</p>				