
XI. CEDS COOPERATION WITH COLORADO DEVELOPMENT PRIORITIES

A. Planning Coordination

As an addendum to the CEDS Action Plan, the new EDA guidelines require that “The CEDS must also contain a section that discusses the methodology for cooperating and integrating the CEDS with a State’s economic development priorities.” Relevant material to CEDS planning from other government-sponsored or supported plans, and consistency of the CEDS with applicable State and local workforce investment strategies, were addressed as part of our analysis in Section VI. This also described the State’s economic and related priorities as reflected in the Governor’s *Colorado Promise*.

In order not to duplicate the previous work, we will focus attention in this section on examples of our cooperation with State agencies and departments involved directly in economic development, or related at various levels to CEDS planning and implementation. These examples will reflect the working relationships which are in place, and methods being used to ensure that priorities at the State level are being recognized in the CEDS planning and integrated to the extent feasible within a coordinated plan of action.

B. Colorado Office of Economic Development and International Trade

1. Finance Division of OEDIT

For many years the OEDIT has represented a major economic development partner by providing a source of funding, reviewing potential strategies to advance projects, advising on technical and compliance issues, and providing access and participation at the highest levels of State Government. Frequent meetings with various OEDIT directors and staff enables us to keep informed on priorities and the status of programs, present requests for assistance, discuss CEDS initiatives and implementation, and identify potentials for partnership funding with EDA on projects of mutual interest or priority.

OEDIT administers CDBG funding for non-entitlement areas in rural Colorado which provide re-capitalization grants for the Business Loan Fund program and infrastructure grants and loans for projects with economic significance. As a sub-recipient of CDBG funds through Rio Grande County, the SLVDRG manages the day-to-day operations of the BLF which require frequent contacts with OEDIT staff to share financial analysis on loan applications, obtain clearance on compliance issues, and submit drawdowns and reports. OEDIT also provides updates on program priorities and plans at semi-annual meetings of the State’s BLF Administrators. Large funding requests, and requests for program modifications, are reviewed by a Financial Review Committee to determine consistency with department priorities as a part of the decision process.

For the State's Enterprise Zone program, periodic reviews are also conducted to determine performance, compliance with tax laws, and consistency with State priorities in program use. The Enterprise Zone reflects a long-standing State priority in providing state tax incentives for business location and expansion in non-residential areas of the State meeting unemployment, low per capita income, lower assessed valuation, and lagging population growth. To encourage investment in community projects serving some economic development purpose in the zone areas, the contributions made by donors are also eligible for tax benefits. All six San Luis Valley counties also have Enhanced Rural Enterprise Zone designation, which offers additional incentives.

2. Business Development Representative

OEDIT's BDR position for the South Central Region of the State ensures that the OEDIT program resources are reaching their intended targets, new resources are being introduced at the local level, and assistance is provided where needed to advance OEDIT priorities. The BDR also participates as a member of the extended CEDS Strategy Committee, and plays a critical role in presenting funding requests from the region to the OEDIT, including those generated in part by the CEDS planning process.

To pick a few examples, the Action Plan includes the CSP Feasibility Study and the Targeted Industry Study which address State priorities for renewable energy and new industry expansion. Both are scheduled to receive funding participation support from OEDIT, and exemplify the level of cooperation and program integration which is taking place.

Community Assessments are also conducted by the BDR with participation of a team including the SLVDRG, DOLA Regional Manager, and other agencies to identify problems and opportunities for development, report findings, and follow up on the progress being made. This represents another example of cooperation and integrated work projects, and a Business Retention and Expansion program is also being encouraged by the BDR as a cooperative effort.

C. Colorado Department of Local Affairs

1. Regional Manager

We are also relying on a close and long-standing partnership with the DOLA Regional Manager on projects requiring Energy Impact Assistance funding and other DOLA resources, and which cover a broader range of assistance for infrastructure improvements in addition to a mutual interest in economic development. Discussions with the Regional Manager in the early planning stages of a project enables us to integrate resources in a cooperative way in order to identify appropriate funding sources; define work steps and partnership roles; and implement delegated work roles. In the past this has led to the establishment of a region wide E-911 Authority; development of the Rio Grande Hospital; the CSP Feasibility Study; and many other successful efforts.

2. DOLA Technical Assistance Grant

In addition to our EDA Planning Grant, a Technical Assistance Grant from DOLA provides a key element in our staffing budget which allows us to carry out a slightly different spectrum of program activities and projects, many of which were identified in the CEDS planning process. Our partnership with the Regional Manager plays an essential role in the formulation of a scope of work which responds to the State's priorities, and in reviews of the grant requests.

D. Governor's Office of Energy

To advance the solar and other renewable energy projects, we will also need to explore funding support and develop stronger ties with the GOE, which represents a relatively new connection for us at the State level. The GOE represents the implementation arm of the Governor's policies on renewable energy, and we anticipate an increasing level of involvement and opportunity to achieve a closer match of our regional priorities with the GOE as the CSP and other renewable projects come on line.

The Governor and State Legislature established a "Renewable Portfolio Standard" for renewable resources to represent 20% of all energy use in the State by 2020. This will also require building transmission capacity for renewable production, for which the Governor appointed a Clean Energy Development Authority. A presentation by GOE officials at the 2007 Annual Demography Meeting also mentioned new opportunities coming into the State for manufacturing thin-film photovoltaic panels.

E. Colorado Department of Transportation

1. San Luis Valley Transportation Planning Region

Our assistance to the San Luis Valley Regional Planning Commission and CDOT in carrying out their planning mission for the San Luis Valley TPR gives us the opportunity to provide information on CEDS planning as it relates to transportation planning; provide input on needs for road and safety improvements as they may affect CEDS projects; and convey and seek resolution on various transportation issues and concerns. For example, the intersection or other improvements needed to address heavy truck or job commuter traffic anticipated with development of one of our CEDS prospects can be discussed ahead of time in order for planning and funding priorities to be put in place.

2. CDOT Transit Unit

We believe that public transit services, which have only seen a weak beginning in our region, have an important role to play in the CEDS Action Plan to provide affordable transportation to job commuters; enable prospective jobholders, college students, and trainees who may not have vehicles to access job, education, or training

opportunities; provide a convenient service to the general public for doctor visits, social services, banking, and shopping; and increase mobility in general within and across the region. This also works hand-in-hand with workforce development, and would also result in reduced carbon emissions; reduced traffic and parking congestion; more income available for other necessities or shopping; and the ability to mobilize a greater number of persons into the labor force to fill the jobs being developed. Transit services for rural areas are also highlighted in the Governor's *Colorado Promise*.

While some circulator and regional routes for job commuters and the public were initiated by Alamosa Bus as a private company, they cannot be sustainable without subsidies under the Federal Transit Act. Unfortunately, the FTA requires a high (\$1-for-1\$) local operating match which is difficult to meet, and the State currently offers no solutions for transit other than assistance on a 20% match for FTA vehicles.

With the prospect of a Regional Transit Authority or similar financing and governance structure being formed to run transit, we applied for and were awarded 2008-2009 funds contingent on the results of a detailed Coordinated Transit Services Plan which is just being started. The study will be completed at the end of April 2008, and may offer some solutions which are not apparent now. If adequate interest in transit and funding support on the part of local governments, human service providers, and benefiting private businesses is not identified, the opportunity to apply for FTA funds will not be available again until 2009.