

## **Minutes, December 18, 2020 Board of Directors Meeting**

Chair Hart

### **Minutes, 4<sup>th</sup> Quarter SCEDD Board of Directors Meeting**

**Call to order** – 10:01 am, Dec 18, 2020

**Attending, from SCEDD Board:** Donald Oswald, Ron Cook, Blaine Arbuthnot, Terry Hart, Tom Grasmick, Jane Fraiser, Dan Centa, Kevin Keilbach, Caroline Trani, Marissa Stoller, Charles Bogle, Danelle Berg, Nina Vetter, Rusty Granzelle

**Attending, SCEDD Staff:** Eric Gubelman, Bob Kennemer, Brent Frazee, Michael Yerman, Miriam Neff

**Minutes Sept 30<sup>th</sup> 2020**

Amend to include attendees who attended and participated, but were missing from roll call.

Tom Grasmick, motion to approve amended Sept 30 Minutes; Blaine Arbuthnot, second; all approved.

### **Financial Reports (Boyd)**

Eric provided the summary of financial reports as Shauna had a family emergency and was unable to attend.

Blaine Arbuthnot, motion to approve financial reports; Ron Cook, second; all approve

### **Presentation of Audit (Boyd)**

Shauna has worked closely with the auditors and will present their report briefly.

Board came to consensus; Audit presentation tabled to March meeting and request the auditors present the report.

### **Recommendation for Individual Coverage Health Reimbursement Arrangement (ICHRA) (Gubelman)**

Executive Director recommends that SCEDD set up an ICHRA and authorize the Executive Director and bookkeeper to implement the plan with PeopleKeep. Full-time salaried employees will be eligible to be reimbursed for up to \$800 per month of insurance premiums and eligible unreimbursed medical expenses such as co-pays, deductibles, vision, and dental. Because of savings on employer portion of payroll taxes, this will have a neutral or positive impact on the SCEDD budget. The funding source for this plan will be a dollar for dollar reduction of a portion, or all of the 28 percent benefit stipend paid to full-time employees. Two employees will be reclassified as hourly employees until they turn 65 in 2021.

Board came to consensus; ICHRA tabled to March meeting to gather further information

### **2021 Budget for General Operations, CARES, and Other Grants (Gubelman)**

Action: After consideration of budget, the board will need to adopt a version of it.

Key Points: 1 – Operating budget will be tight to fit within existing projected funds, given continuing problems collecting county dues. 2 – CARES grant will likely spend a bit more than it takes in this year, but positive balance on January 1 should offset that. 3 – Over the two-year grant period, the budget is on track.

Kevin Keilbach, motion to approve 2021 budget; Rust Granzelle, second; all approve

### **Comprehensive Economic Development Strategy Update (Yerman)**

Where SCEDD is in reaching out to county and municipal governments in our first phase of CEDS development

No Action Required

### **Dates of Meetings in 2021 (Hart)**

Propose March 10, June 9, Sept 8, Dec 8

Danelle Berg, motion to approve meeting dates; Ron Cook, second; all approve

### **Reports (Gubelman, Neff)**

Gubelman reported on CARES Progress Report submitted to EDA

Neff reported on Social Media Metrics

Gubelman provided Executive Director's report

No Action Required

**Other Business**

No new business brought to board's attention

**Board went to executive session at 12:06 pm Dec 18 2021**

Respectfully submitted,

Miriam Neff

Office Manager

## Comprehensive Economic Development Strategy update

Michael Yerman



## Southern Colorado Economic Development District Comprehensive Economic Development Strategy County SWOT and Economic Strategies Meetings

### Update:

The next phase of hosting the County SWOT and Economic Strategies meetings is beginning with Custer County in March with additional 2 meetings being held in each of our other County's April/June. Your regional Disaster Recovery Planner will be contacting your local ED to make arrangements on times, dates, and other logistics surrounding setting up County meetings.

Attached is the logistic CEDS kickoff presentation that has been presented to both the South Central Region, Southeastern Plains, and Chaffee County. Arrangements for this presentation are currently being made with Lake, Fremont, and Pueblo Counties.

In reviewing the attached presentation there are several slides that need a little primer prior to Michael presenting this to the entire board on Wednesday.

First, there are two graphic examples from Wasatch EDD showing how they simplified their County community profiles into simple data graphics. The plan is to replicate this in the SCEDD CEDS and then attach the overall County data sets as an appendix. This should create an easier to use document moving forward as well as give our County EDs a snapshot graphic that can be used on a variety of economic fronts.

Second are a series of SWOT tables. These are the fundamental basis for the first County meetings and will allow us to identify which Strengths, Weaknesses, Opportunities, and Threats apply to each individual County across our diverse region. We broke out an early draft of “Weaknesses” to demonstrate how these tables will be defined and layouts for the eventual CEDS document.

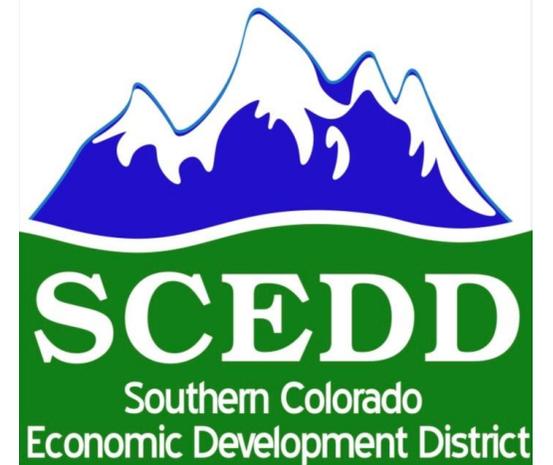
**Request:**

At this time, we ask board members to review the DRAFT SWOT tables to ensure there are no glaring omissions prior to the County CEDS meeting kickoff. Please let either Michael, Brent, Eric, or Bob know if additional ideas to the tables need to be added. Each idea will be defined as in the “CEDS Weakness” example that follows the tables in the presentation. This is still a work in progress. We will continue to refine these tables with input from both our board and through the public process from now till the end of June.

Finally, the “Economic Strategies” table which is envisioned to be the meat of the CEDS will inventively be refined and vetted through the both the public process and discussions with our Board. We look forward to this taking shape over the next few months.

# CEDS Kick Off Logistics Meeting

Helping southern Colorado  
prosper since 1968



# Goals for this meeting

- Determine logistics for your County's 2 upcoming CEDS Meetings
- Schedule Month and Dates April-June
  - Meetings will be 2 hours
- Who and how to invite
  - ED Boards, Elected Officials, Gov. Staff, Public etc.
- How will the meeting take place?
  - Zoom
  - In Person- Schedule room

[Miriam@scedd.com](mailto:Miriam@scedd.com) will be coordinating with local ED to make arrangements and to send out meeting notices



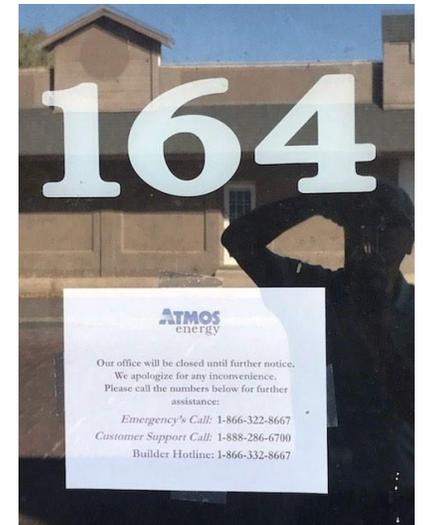
# Goals for the 1<sup>st</sup> CEDS Meeting

- Examine past planning efforts
- Update and Review
  - SWOT
  - Opportunity Zones
  - Economic Clusters
  - Identify additional economic strategies that play on your region's strengths and opportunities
  - Identify economic resiliency projects and policies that address future threats



# Goals for 2<sup>nd</sup> CEDS Meeting

- Review economic strategies and policy lists for each county
- Refine project lists and assign responsibilities for implementation



# SCEDD CEDS Outline of Chapters

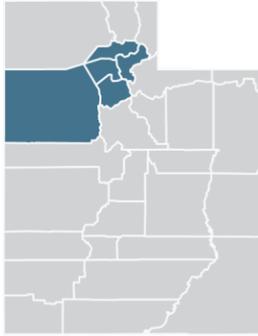


1. Introduction Executive Summary
2. Acknowledgements
3. Public Participation and Stakeholder Input
4. Resiliency Planning and COVID-19 Economic Response
5. SCEDD Regions
  - a. Upper Arkansas
  - b. South-Central
  - c. Eastern Plains
  - d. Pueblo
6. County Profiles
7. Regional Economic Clusters
8. County SWOT Analysis
  - a. Strengthens
  - b. Weakness
  - c. Opportunities
  - d. Threats
9. Economic Implementation Strategies
10. Regional Resiliency Goals

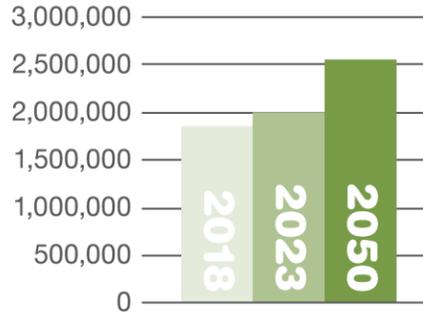
## Appendix

1. County Profile Data
2. Resources, References, and other Plans

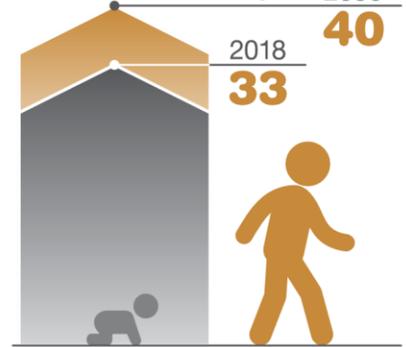
Regional Economic Overview  
Geographic Area



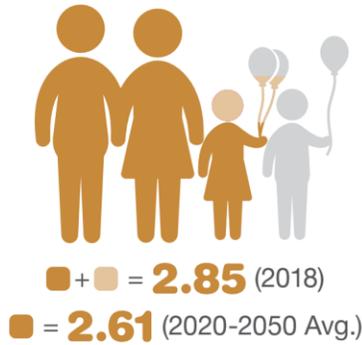
Population



Median Age 2050



Household Size



Median Property Value (MPV) and Housing to Income Ratio (H/IR) (2018)

	Utah	Regional
MPV	<b>\$250K</b>	<b>\$234K</b>
H/I R	<b>3.83</b>	<b>3.26</b>

Monthly Housing Costs (2017)



16

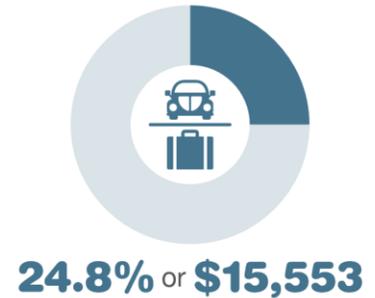
Households per Sq. Mi. (2018)



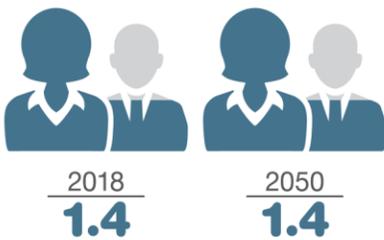
Average Commute Time One Way (2018)



Annual Transportation Costs as a Percent of Income (2018)



Population to Employment Ratio



Median Household Income (2017)



Unemployment (2017)



\*Sources for Regional and County Data: Becker, B. (2019, March 29). Zion's Public Finance Data: Kem C. Gardner Policy Institute 2015-2065 State and County Projections; U.S. Census Bureau; National Association of Realtors; County Assessors Offices; 2013-2017 American Community Survey 5-year Estimates.



Regional Industry

Top Job Producing Industries - 2020-2050		Square Footage Needs Per Industry	
Industry Name	Projected Total Job Increase 2020-2050	Potential Square Feet Per Employee	Potential Square Foot Needs
Construction	80,696	50	4,034,800
Professional and Technical Services	79,741	225	17,941,725
Administrative and Waste Services	61,936	225	13,935,600
State and Local Government	44,660	250	11,165,000
Health	52,183	500	26,091,500
Finance and Insurance	22,489	225	5,060,025
Information	13,172	225	2,963,700
Arts, Entertainment, Recreation	10,454	300	3,136,200
Retail	10,845	500	5,422,500
Federal Government	7,797	300	2,339,100
Wholesale	7,240	700	5,068,000
Manufacturing	5,674	700	3,971,800
Education	5,239	1000	5,239,000
Accommodations and Food	5,344	400	2,137,600
Real Estate	3,173	300	951,900
Agriculture	198		
Farm	-191		
Utilities	-566		
Military	-516		
Mining	-291		
Other services	-412		
Management	-4,357	300	-1,307,100
Transportation and Warehousing	-6,513	500	-3,256,500

*\*Sources for Regional and County Data: Becker, B. (2019, March 29). Zion's Public Finance Data; Kem C. Gardner Policy Institute 2015-2065 State and County Projections; U.S. Census Bureau; National Association of Realtors; County Assessors Offices; 2013-2017 American Community Survey 5-year Estimates.*

**Projected Total Job Increase over all Industry Types for the region**

- **400,000** projected jobs created across the region between 2020-2050
- **Over 90 Million sqft.** of new industry space needed between 2020-2050



## Economic Weaknesses

BACA

BENT

CHAFFEE

CROWLEY

CUSTER

FREMONT

HUERFANO

KIOWA

LAKE

LAS ANIMAS

OTERO

PROWERS

PUEBLO

BROADBAND/INTERNET CONNECTIVITY

HOUSING

ACCESS TO CAPITAL

LABOR PARTICIPATION

SUBSTANCE ABUSE

WATER SECURITY

GRANT WRITING/PROFESSIONAL SERVICE CAPACITY

BRAND POSITIONING AND SELF IMAGE

FOUR YEAR HIGHER EDUCATION ATTAINMENT

AVAILABLE COMMERCIAL/INDUSTRIAL SPACE

AVAILABILITY OF LABOR

HIGH UTILITY COSTS

AVAILABILITY OF CHILD CARE

# OPPORTUNITY INDUSTRIES

EASTERN PLAINS

PUEBLO COUNTY

SOUTH CENTRAL

UPPER ARK

FOOD AND BEVERAGE PROCESSING				
AEROSPACE AND DEFENSE				
CHEMICAL MANUFACTURING				
HEMP				
CONSTRUCTION - RELATED MANUFACTURING				
PROFESSIONAL AND SCIENTIFIC SERVICES				
REGIONAL DISTRIBUTION				
WOOD PROCESSING				
REMOTE WORK				
CRAFT INDUSTRIES				
MUNUFACTURING				
METAL RECYCLING				
SMALL BUSINESS/RETAIL/MAIN STREET				
OUTDOOR RECREATION INDUSTRIES				
OTHER IDEAS?				

# ECONOMIC THREATS

BACA

BENT

CHAFFEE

CROWLEY

CUSTER

FREMONT

HUERFANO

KIOWA

LAKE

LAS ANIMAS

OTERO

PROWERS

PUEBLO

WATER SALES/TRANSFERS

LOSS OF MAJOR INDUSTRY

BROADBAND INADEQUACIES

WORKFORCE HOUSING SHORTAGES

CAPITAL AND FUNDING

GOVERNMENT REGULATION

SUBSTANCE/OPIOID ABUSE/DRUG TRAFFICKING

HAZARDOUS MATERIALS SPILL

CYBER HAZARDS

REGIONAL TRANSPORTATION

FRONT RANGE POPULATION BOOM

CRITICAL INFRASTRUCTURE

ENERGY SUSTAINABILITY

HEALTHCARE

CIVIL UNREST



2022 CEDS 2021 Weaknesses

Like the topography, weaknesses in the SCEDD are varied, although there are several consistencies. Early in the 2021 CEDS process it became clear that there were three primary areas of concern throughout the region: 1) Broadband availability was spotty at best. 2) Attainable housing was already tight and made worse by the pandemic, as the region saw city dwellers escaping to rural areas now able to work from home. 3) A dependable and well-trained workforce is in short supply, making it hard to attract a variety of businesses and leaving shortages in key trades, such as construction. Of course, the Covid Pandemic had a significant impact on the service industry with many restaurants, bars, and performance industries closing, in some cases permanently.

Economic Weaknesses	BACA	BENT	CHAFFEE	CROWLEY	CUSTER	FREMONT	HUERFANO	KIOWA	LAKE	LAS ANIMAS	OTERO	PROWERS	PUEBLO
BROADBAND													
HOUSING													
ACCESS TO CAPITAL													
WORKFORCE													
SUBSTANCE ABUSE													
WATER SECURITY													
GRANT WRITING CAPACITY													
BRAND POSITIONING AND SELF IMAGE													
FOUR YEAR HIGHER EDUCATION ATTAINMENT													
AVAILABILITY OF LABOR													
HIGH UTILITY COSTS													
AVAILABILITY OF CHILD CARE													

**Broadband:**

Much of the SCEDD district is pre broadband or early broadband. Broadband coverage outside cities is extremely spotty and fiber service, the gold standard of broadband, is extremely limited. In the mountainous region, wireless internet in rural areas is the defacto choice where available, and on the eastern plains, a lack of population density intensifies the difficulties in providing private sector solutions. Throughout the region, a lack of planning, financial, and technical expertise add up to a critical lack of capacity for taking advantage of public/private partnerships. One study (Upper Arkansas) recommended creation of a broadband planning entity.

**Eastern Plains (Baca, Bent, Crowley, Custer, Kiowa, Otero, Prowers)**

A 2017 study found that broadband availability reliability were not only spotty in rural areas, but that even in municipal areas there was not consistently high quality broadband availability. Lack of population density means that private sector only initiatives will continue to fall short because of the difficulty of making a business case. There is a lack of capacity for planning, promoting, and funding broadband improvements and there is a shortage of IT professionals in this region. (*Colorado Southeast Region Broadband Strategic Plan, 2017*)

### **Upper Arkansas (Custer, Fremont, Chaffee, Lake)**

As a region, the Upper Arkansas is making more progress to provide rural broadband than most.

One local ED describes broadband there as more of a “challenge” than a “weakness.” Custer County is on the last mile of securing \$2 million in funding for six wireless towers to provide broadband to 80 percent of county addresses. In Chaffee and Lake Counties, Colorado Central

Telecom has been making great strides in providing fixed wireless, especially in

Chaffee, but also in Lake. A 2015 study assessed a critical weakness as a lack of regional planning and suggested a regional broadband planning entity.

### **South Central (Huerfano and Las Animas)**

Broadband services in the region are inadequate – especially outside of population centers. Low population density, economic factors, and geography of the region make achieving broadband development objectives difficult. There is a lack of capacity to plan, promote, and manage broadband projects, and consultants recommended in 2017 that public sector investment and public sector led collaboration between various broadband development efforts is the best way to overcome barriers to development. (*South Central Council of Governments Regional Broadband Strategic Plan, 2017*)

### **Pueblo County**

Pueblo West and most of the area outside of the city of Pueblo lack reliable access to broadband. A study funded by San Isabel Electric Cooperative also showed that in addition to a lack of technology, some residents are ambivalent about supporting broadband expenditures based upon concerns that the economic development that broadband enables may negatively impact a rural lifestyle. In terms of the geographic and population affected by a lack of availability of broadband, Pueblo County is in better shape than the South Central and Eastern Plains regions.

### **Housing:**

Attainable housing is significant concern throughout the SCEDD region. In some cases, housing availability, in general, is a problem. Although there was a brief drop in real estate sales at the beginning of the Covid 19 pandemic in early 2020, that changed rapidly as the populace quickly learned they could work remotely. This is especially true with four the counties located closest to the mountains. Real estate sales are now at record highs in those areas. Lack of rental properties is another major housing concern. Many counties find that service industry workers and even professionals such as teachers, police, and firefighters cannot find affordable property to rent or buy. On the Eastern Plains, housing stock has deteriorated due to a lack of economic activity.

### **Eastern Plains (Baca, Bent, Crowley, Custer, Kiowa, Otero, Prowers)**

While the population and number of households throughout the region has increased slightly and is expected to increase, the number of housing units has declined over the past few decades. Employers cite a lack of decent and available housing units as a barrier to finding and keeping employees. The housing stock throughout the region is aging, and the condition of units in most communities is a growing concern. Many units are vacant, abandoned, or are in disrepair. Rentals are often affordable, but unsafe and undesirable.

Removing these units is a high priority throughout the region, as is rehabilitation and preservation of much of the remaining housing stock. There is a lack of market rate rental stock available and attractive to new residents. The sales market suffers from low appraisals and a lack of units with modern amenities and without the need for major rehabilitation. Prices are too low for production

homebuilders to earn a profit, and homebuyers cannot build units that appraise for the cost of development.

### **Upper Arkansas (Custer, Fremont, Chaffee, Lake)**

Affordability is a major problem in this region. The Upper Arkansas Council of Governments offers a number of programs that address some of the financial side effects, including a home loan improvement program, Section 8 Rental and Home Ownership assistance, housing counseling and education, and direct loans through the USDA.

### **South Central (Huerfano and Las Animas)**

Housing is a significant challenge, and this is true across all of the communities. The challenge seems to be most acute in the middle-tier, which is a barrier to both talent attraction and talent retention. It is especially challenging when trying to attract more professional-level labor, such as engineers, doctors, etc.

### **Pueblo County**

The City of Pueblo has several census tracts of dilapidated owner-occupied and rental housing in neighborhoods wracked by poverty. In other parts of the community, in Pueblo West, and rural Pueblo County, there is a shortage of available housing .

### **Access to Capital:**

**NOTE: This section does not break down the weaknesses by county as this set of weaknesses are pervasive throughout the region.**

The SCEDD region has material weaknesses in business and entrepreneur access to capital. It is particularly ill-prepared to meet the financing needs of tech and intellectual property startups, with additional holes in ability to help mature companies pivot or grow, or handling commercial loans of between \$1 and \$5 million.

A healthy economic ecosystem provides access to capital for business and industry at all stages of development (seed capital, venture funding, private equity) and in types of capital (equity and debt). The weaknesses in the SCEDD region are a lack of access to equity capital and a limited range of options in debt capital. On the equity side: Early-stage entrepreneurs need access to seed funds, often organized as angel investor funds and networks. Follow on funding often comes from venture capital funds. Businesses who need to pivot or position themselves for growth often need private equity firms. In the SCEDD region, there are no seed funds, venture funds, or private equity funds available housed within the region. Entrepreneurs within the SCEDD region DO have access to funds centered on the front range, in a statewide venture capital fund, and investment groups located on the western slope.

Cash economic INCENTIVES are available for certain types of business located in Pueblo County through PEDCO, and these incentives are funded through a city sales and use tax. In late 2020, an angel syndicate (Southern Colorado Angels) was launched, focusing initially on Pueblo, Fremont, and El Paso Counties. Southern Colorado Innovation Link (SCIL) is an accelerator program for tech and intellectual property startups. They prepare entrepreneurs to become “pitch ready,” but they have to send most of their clients out of the area for equity investors.

On the debt side, the SCEDD region has a nice mix of commercial banking and non-profit Revolving Loan Funds, which are adequate for many, but not all, projects that require some type of conventional commercial loans SBA and USDA guarantees are available to create credit enhancements for commercial loans. That said, the SBA 504 program is not available from a provider within the SCEDD region. This is a

material weakness because the bank/revolving loan program model does not work as well for commercial loans above \$1 million with real estate involved.

### **Workforce:**

Most of the SCEDD region lacks a skilled and reliable workforce. From service workers such as waitstaff, building contractors, to manufacturing, and more there are shortages, often accompanied by a high turnover. The busy summer tourist season is especially challenged in finding reliable help, who can work the entire season. Even recruiting professionals such as police/sheriff's deputies, middle managers, medical staff, and tech. workers is a constant challenge. Once again, attainable housing plays an important role in solving this problem. As previously stated, the SCEDD service area is huge. The closest population centers are far enough away, which makes commuting to work in SE Colorado time consuming, costly, if not prohibitive.

**Eastern Plains (Baca, Bent, Crowley, Custer, Kiowa, Otero, Prowers) Upper Arkansas (Custer, Fremont, Chaffee, Lake) South Central (Huerfano and Las Animas) Pueblo County**

### **Substance Abuse:**

As with much of the country, the negative impacts of the opioid crisis have been and are still present in parts of the SCEDD region. Additional problems with methamphetamines, alcohol, and other substances contribute to this problem. Lack of professional treatment facilities and trained workers compound the situation. Of course, substance abuse often leads to crime, homelessness, and high dropout rates. Illegal marijuana grows, drug manufacturing facilities, and "coke houses" impact quality of life and stress resources. In turn, these issues can give communities a "black eye" making them less appealing to businesses looking to relocate.

**Eastern Plains (Baca, Bent, Crowley, Custer, Kiowa, Otero, Prowers) Upper Arkansas (Custer, Fremont, Chaffee, Lake) South Central (Huerfano and Las Animas)**

"Drug issues are a significant challenge throughout the region and are perceived to be one of the root causes of homelessness and poverty in communities. It is also a challenge in the workforce as it relates to employers with mandatory drug testing, such as the schools, hospitals, manufacturers and other large employers. There is a perception that a certain segment of the population is dependent on social services and entitlements as a byproduct of this." (*San Isabel Electric Association Economic Development Strategic Plan, 2020*)

**Pueblo County**

### **Water Security:**

As with most of the arid west, Colorado is experiencing severe drought. All 13 counties in the SCEDD service region are in moderate to exceptional drought. Lack of water impacts agriculture the most, but it can also negatively affect overall economic growth and well-being. Additionally, out of basin water transfers and sales to growing front range cities removes water from farms and ranches. Recreation and tourism are also affected as reduced snowpack impacts everything from mountain skiing to hunting and fishing. Obviously, adequate, and reliable water supplies are needed for housing developments and businesses alike. Area water districts and other agencies are reviewing the need for additional water storage projects. Domestic water restrictions are now a normal part of every summer in most of SCEDD's communities.

**Eastern Plains (Baca, Bent, Crowley, Custer, Kiowa, Otero, Prowers) Upper Arkansas (Custer, Fremont, Chaffee, Lake) South Central (Huerfano and Las Animas) Pueblo County**

### **Grant writing capacity**

Rural Capacity for applying to Grants, Planning, and Implementing Projects:

Pueblo and a handful of other SCEDD counties have at least adequate abilities to address the above items. However, there is clearly a shortage, in most of the SCEDD region, of skilled individuals who have a good grasp on how to find, apply for, and properly manage grant funding. The situation is the same with planning and project implementation and management. At least half of the SCEDD counties are relatively poor and have small populations. They can scarcely afford paid planners, ED directors, etc. The current SCEDD team can address and/or assist with most of these issues. However, a more comprehensive and ongoing solution is needed.

**Eastern Plains (Baca, Bent, Crowley, Custer, Kiowa, Otero, Prowers) Upper Arkansas (Custer, Fremont, Chaffee, Lake) South Central (Huerfano and Las Animas) Pueblo County**

### **Brand Positioning and Self-image:**

The 13 counties that comprise the SCEDD region make up a huge land mass approximating around one fifth of the state of Colorado. The area is mostly rural and agricultural with small towns and cities scattered throughout. Diverse natural and scenic beauty are the norm from semiarid prairies/grasslands, canyons/mesas, to national forests with snowcapped peaks. In many ways the sheer size of the area and the diversity of the communities and their terrain make it difficult to categorize the region. By drainage, the SCEDD region is best conceived of as the Upper and lower Arkansas River Drainage. The two sections are different as night and day.

Adding to this “identity crisis” is the fact that the Colorado Tourism Office or CTO recently restructured/redefined/and renamed the various tourism regions of the state. Pueblo, Fremont, and Chaffee Counties are now grouped with *Pike’s Peak Wonders*. Most of Huerfano County is now part of *The Mystic San Luis Valley* yet it is not geographically located in the valley. The remaining SCEDD region is known as *Canyons and Plains*. As an economic district SCEDD not only has to contend with the above concepts and perceptions, but it needs to take a serious look at branding and self-image. Perhaps the biggest challenge is for the region to best define its economic similarities, strengths, commonalities, and offerings.

**Eastern Plains (Baca, Bent, Crowley, Custer, Kiowa, Otero, Prowers) Upper Arkansas (Custer, Fremont, Chaffee, Lake) South Central (Huerfano and Las Animas) Pueblo County**



# Comprehensive Economic Development Strategy County Project Application

Complete this form for each project that will be included into the CEDS within your County. If multiple projects are listed in another plan or budget document that can be used instead of this form.

## 1. Project Information

<p><b><u>A. Applicant Information</u></b></p> <p>Location of Project (County, and Municipal Entity): _____</p> <p>Project Address or Location: _____</p> <p>Project Lead, government, or Agency: _____</p> <p>Contact Name, Phone, and Email Address for Project: _____</p> <p>Current State of Project Stage: _____ (Concept, Planning, Policy Recommendation or Strategy, Pre-construction/engineering, Construction, rehab, revitalization, reinvestment)</p> <p><b><u>B. Project Data</u></b></p> <p>Probable Project Cost: _____ (If a cost estimate has not been prepared, please leave blank)</p> <p>Potential Funding Sources including Local Matching Funds: _____ _____</p> <p>Project Summary Description: _____ _____</p>
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

## 2. Economic Sector/Type (Check-off as appropriate)

- Broadband
- Disaster Recover/Preparation/Mitigation
- Recreation
- Business Development
- Infrastructure
- Transportation
- Health Care/Public Health
- Housing
- Downtown Redevelopment
- Opportunity Zone
- Agriculture/Ranching
- Mining
- Oil or Gas,
- Electric
- Renewable Energy
- Airport
- Education Other: \_\_\_\_\_

# County project sheet



Email completed forms to region

- Upper Arkansas (Lake, Chaffee, [michael@scedd.com](mailto:michael@scedd.com))
- South-central (Custer, Huerfano [bob@scedd.com](mailto:bob@scedd.com))
- Eastern plains (Baca, Prowers, B K iowa) – [brent@scedd.com](mailto:brent@scedd.com)
- Pueblo county – [eric@scedd.com](mailto:eric@scedd.com)

**Financial Reports**

Shauna Boyd

**Presentation of Audit**

Jennifer Pitzer, MGPM, PC



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McPherson, Goodrich, Paolucci & Mihelich, PC

Tax/Consulting/Audit

Certified Public Accountants

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# SOUTHERN COLORADO ECONOMIC DEVELOPMENT DISTRICT, INC.

Board of Directors and Management  
Southern Colorado Economic Development District  
Pueblo, CO

In planning and performing our audit of the financial statements of Southern Colorado Economic Development District ( SCEDD) as of and for the year ended December 31, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered SCEDD's internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of SCEDD's internal control. Accordingly, we do not express an opinion on the effectiveness of SCEDD's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified deficiencies in internal control that we consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies in SCEDD's internal control to be significant deficiencies:

- SCEDD's internally prepared financial statements reflected revenue earned in the subsequent year. As a result of the application of audit procedures, we noted an overstatement of cash of \$17,500 and an overstatement of EDA grant revenue of \$17,500. The existence of this condition was due in large measure to failure to close out the accounting year in QuickBooks which allowed a deposit to be posted to the prior year.

The accompanying notes are an integral part of these financial statements.

SOUTHERN COLORADO ECONOMIC DEVELOPMENT DISTRICT, INC.

2023 -1-

This communication is intended solely for the information and use of management, the Board of Directors, and others within SCEDD, and is not intended to be and should not be used by anyone other than these specified parties.

*McPherson, Goodwin, Poulos & Mitchell, P.C.*

November 5, 2020

2024 -2-



503 N. Main St., Suite 740  
Pueblo, CO 81003-3131  
719.543.0516  
719.544.2849 Fax  
www.cpapueblo.com

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McPherson, Goodrich, Paolucci & Mihelich, PC  
Tax/Consulting/Audit Certified Public Accountants

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November 5, 2020

To the Board of Directors  
Southern Colorado Economic Development District

We have audited the financial statements of Southern Colorado Economic Development District (SCEDD), for the year ended December 31, 2019, and have issued our report thereon dated November 5, 2020. Professional standards require that we provide you with information about our responsibilities under general accepted auditing standards and, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter dated June 4, 2020. Professional standards also require that we communicate to you the following information related to our audit.

## **2025 Significant Audit Findings**

### Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. As described in Note 1, SCEDD changed accounting policies related to contributions received and contributions made by adopting FASB Accounting Standards Update (ASU) No. 2018-08, Not-for-Profit Entities (Topic 958) - Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made, in 2019. SCEDD also changed accounting policies related to revenue recognition by adopting FASB Accounting Standards Update (ASU) No. 2014-09, Revenue Contracts with Customers (Topic 606). We noted no transactions entered into by SCEDD during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

The accompanying notes are an integral part of these financial statements.

## SOUTHERN COLORADO ECONOMIC DEVELOPMENT DISTRICT, INC.

Management's estimate of the allowance for loan losses is based on the amount management considers uncollectible. We evaluated the key factors and assumptions used to develop the allowance for loan losses in determining that it's reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of subsequent events in Note I to the financial statements. This footnote describes the economic uncertainties arising from the spread of the COVID-19 coronavirus on future operations of SCEDD.

The financial statement disclosures are neutral, consistent and clear.

### Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. As a result of audit procedures performed, we proposed, and management accepted material adjustments resulting in a reduction of net income and net assets totaling \$27,896.

### Disagreements with management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 5, 2020.

### Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to SCEDD's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as SCEDD's auditors. However, these

The accompanying notes are an integral part of these financial statements.

SOUTHERN COLORADO ECONOMIC DEVELOPMENT DISTRICT, INC.

discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of Board of Directors and management of the Southern Colorado Economic Development District and is not intended to be and should not be used by anyone other than these specified parties.

*McPherson, Goodrich, Paulsen & Michelich, PC*  
SOUTHERN COLORADO ECONOMIC DEVELOPMENT DISTRICT, INC.

FINANCIAL STATEMENTS

WITH

INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2019 AND 2018

The accompanying notes are an integral part of these financial statements.

# SOUTHERN COLORADO ECONOMIC DEVELOPMENT DISTRICT, INC.

## 2026 CONTENTS

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS -	
Statements of Financial Position	3
Statements of Activity	4
Statements of Cash Flows	5
Statement of Functional Expenses, December 31, 2019	6
Statement of Functional Expenses, December 31, 2018	7
Notes to Financial Statements	8

### STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2019 AND 2018

#### ASSETS

Cash and cash equivalents	\$ 202,396	\$ 162,194
Restricted cash	139,508	106,958
Accounts receivable (net of allowance of \$10,770 and \$0)	21,534	25,236
IRP notes receivable (net of allowance of \$143,537 and \$143,537)	372,482	386,475
Accrued interest	3,057	1,365
Capital assets, net	1,439	<u>-</u>

#### LIABILITIES AND NET ASSETS

##### LIABILITIES

Accounts payable	140	\$ 155
Accrued expenses	783	160

The accompanying notes are an integral part of these financial statements.

SOUTHERN COLORADO ECONOMIC DEVELOPMENT DISTRICT, INC.

Pueblo County RLF notes payable	51,474	51	2019
		,474	2018
IRP notes payable	502,455	<u>520,699</u>	
	<hr/>	<hr/>	
TOTAL ASSETS	\$ 740,416	<u>\$ 682,228</u>	
	<hr/>		
	<hr/>		
	<hr/>		
TOTAL LIABILITIES	554,852	<u>572,488</u>	
	<hr/>		
TOTAL NET ASSETS	185,564	<u>109,740</u>	
	<hr/>		
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 740,416</u>	<u>\$ 682,228</u>	

-3-

NET ASSETS

Without donor restrictions	173,131	109,740	
With donor restrictions	12,433		<hr/>

The accompanying notes are an integral part of these financial statements.

ECONOMIC DEVELOPMENT DISTRICT, INC.  
SOUTHERN COLORADO

STATEMENTS OF ACTIVITIES  
YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
Revenues and other support -		
Federal grant	\$ 74,328	\$ 35,000
Grants, other	40,000	
Membership dues	70,150	70,150
Contribution from SCEDD Company		66,425
Other revenue	2,052	4,266
Loan processing fees	445	1,220
<b>TOTAL REVENUES</b>	<b>186,975</b>	<b>177,061</b>
Net assets released from restrictions	7,451	1,691,373
<b>TOTAL REVENUES AND OTHER SUPPORT</b>	<b><u>194,426</u></b>	<b>1,868,434</b>
Expenses -		
Program Expenses	109,812	1,75
General & Administrative	21,223	1,6,745
<b>TOTAL EXPENSES</b>	<b><u>131,035</u></b>	
<b>INCREASE IN NET ASSETS</b>		
<b>WITHOUT DONOR RESTRICTIONS</b>	<b>63,391</b>	<b>96,523</b>
<b>NET ASSETS WITH DONOR RESTRICTIONS</b>		
Interest income	19,884	24,780
Net assets released from restrictions	<u>(7,451)</u>	<u>(1,691,373)</u>
	<u>131,035</u>	<u>1,771,911</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>		
<b>WITH DONOR RESTRICTIONS</b>	<b><u>12,433</u></b>	<b><u>(1,666,593)</u></b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>75,824</b>	<b>(1,570,070)</b>
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<b><u>109,740</u></b>	<b><u>1,679,810</u></b>
<b>NET ASSETS AT END OF YEAR</b>	<b><u>\$ 185,564</u></b>	<b><u>\$ 109,740</u></b>

The accompanying notes are an integral part of these financial

-4-

STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2019 AND 2018

## CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets		
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	2019	2018
Bad debt		
Transfer of Pueblo County RLF notes receivable	<u>          </u>	<u>          </u>
Change in assets and liabilities		
Accounts receivable IRP notes receivable		
Prepaid expenses		
Accrued interest receivable		
Accounts payable		
Accrued expenses	(16,835)	63,233
Accrued interest payable	13,993	12,846
		190
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(1,692)	
CASH FLOWS FROM INVESTING ACTIVITIES		(5,146)
Purchase of equipment	25	<u>(514)</u>
	598	<u>          </u>
NET CASH (USED) BY INVESTING ACTIVITIES	\$ 75,824	\$(1,57
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on capital lease	41 1	58
	20,537	
Payments on notes payable		1,055,906
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	<u>92 846</u>	<u>(444.848)</u>
NET INCREASE (DECREASE) IN CASH	<u>(1,850)</u>	<u>-</u>
CASH AND RESTRICTED CASH AT BEGINNING OF YEAR	<u>(1,850)</u>	<u>-</u>
CASH AND RESTRICTED CASH AT END OF YEAR	<u>(1.850)</u>	<u>-</u>
Displayed as:		
Cash and cash equivalents	-	(4, 1 58)
Restricted cash	<u>(18,244)</u>	<u>(37,880)</u>
	<u>(a-&amp;244_)</u>	<u>—14203B)</u>
SUPPLEMENTAL DATA	72,752	(486,886)

Interest paid

The accompanying notes are an integral part of these financial statements.



SOUTHERN COLORADO ECONOMIC  
DEVELOPMENT DISTRICT, INC.

Payroll taxes	2,116	235		2,351
Employee benefits	627	70	-	697
Professional fees	902	14,294		15,196
Rent	6,583	67	-	6,650
Occupancy	2,427	25	-	2,452
Office supplies	270	30	-	300
Dues & subscriptions	2,000		-	2,000
Interest	5,891			5,891
Transfer of PCCDC Loans				
Other	628	72		700

STATEMENT OF FUNCTIONAL  
EXPENSES YEAR ENDED DECEMBER  
31, 2018

				<u>\$ 1,771,911</u>
		<u>12</u>	-	<u>100</u>
TOTAL EXPENSES	<u>\$ 1,755,166</u>	<u>\$ 16,745</u>	\$	

The accompanying notes are an integral part of these financial statements.

-

Nature of Activities - Southern Colorado Economic Development District, Inc. (SCEDD) is a nonprofit corporation whose purpose is to gather, maintain, and make available information concerning the resources available in southern Colorado which enhance the economic development potential of the area. SCEDD is governed by its Board of Directors which consists of representatives from each of its member cities and counties. Primary funding sources are federal economic development grants, revenues earned from loan servicing fees, and membership dues,

Basis of Accounting and Presentation— The financial statements of SCEDD have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles as they apply to notfor-profit organizations.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual results could differ from those estimates.

Receivables and Credit Policies — Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. SCEDD provides for losses on accounts receivable using the allowance method. The allowance is based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectible. At December 31, 2019 and 2018, the allowance for uncollectible accounts is \$10,770 and \$0, respectively.

Notes Receivable — Notes receivable are carried at unpaid principal balances, less an allowance for loan losses. The allowance for loan losses is increased by charges to income and decreased by charge-offs (net of recoveries). Management's periodic evaluation of the adequacy of the allowance is based on the District's past loan experience, specific impaired loans, adverse situations that may affect the borrower's ability to repay, estimated value of any underlying collateral, and current economic conditions. Loans are considered impaired if scheduled principal or interest payments are not anticipated to be collected in accordance with the contractual terms. The District's practice is to charge off any loan or portion of a loan when the loan is determined by management to be uncollectible due to the borrower's failure to meet repayment terms, the borrower's deteriorating or deteriorated financial condition, the value of the underlying collateral, or for other reasons.

Loans are placed on nonaccrual status when management believes, after considering economic conditions, business conditions, and collection efforts that the loans are impaired or collection of interest is doubtful. Uncollected interest previously accrued is charged off or an allowance is established by a charge to interest income. Interest income on nonaccrual loans is recognized only to the extent cash payments are received.

Property. and Equipment — SCEDD capitalizes all expenditures for property and equipment totaling \$500 or more. Lesser amounts are expensed. Purchased property and equipment are recorded at cost while donations of property and equipment are recorded as contributions at their estimated fair value. SCEDD follows the policy of capitalizing interest as a component of the cost of property and equipment constructed for its own use. During the years ended December 31, 2019 and 2018, no amount of interest was capitalized as part of construction in progress. Depreciation expense was \$411 and \$58 for 2019 and 2018, respectively, and was computed using the straight-line method over the estimated useful lives of the related assets as follows:

Furniture and Equipment

3-5 years

(Cone d.)

Financial Statement Presentation — If applicable, SCEDD reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

Revenue and Revenue Recognition - Loan processing fees are recognized as revenue when earned over the term of the related loan. Federal grant revenue is recognized as revenue when earned. Grant award payments are received quarterly on an advance payment basis and amounts not earned are included in deferred revenue. Contributions are recognized when cash, securities, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Changes in Accounting Principle- In May 2014, the Financial Accounting Standards Board (FASB) issued ASU 2014-09, Revenue Contracts with Customers (Topic 606), which replaces numerous requirements in U.S. GAAP, including industry-specific requirements, and provides companies with single revenue recognition model for recognizing revenue from contracts with customers. The core principle of the new standard is that a company should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. During the year ended December 31, 2019, management implemented ASU 2014-09. The implementation of the ASU had no effect on the financial statements.

In June 2018, the Financial Accounting Standards Board (FASB) issued ASU 2018-08, Not-for-Profit Entities (Topic 958) — Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made, which provides clarity related to determination of contributions, including conditional contributions, and exchange transactions. During the year ended December 31, 2019, management implemented ASU 201808. The implementation had no effect on the financial statements.

Cash and Cash Equivalents— For purposes of the statements of cash flows, SCEDD considers all highly liquid investments with an initial maturity of three months or less when purchased to be cash equivalents.

Restricted Cash— Separate bank accounts are kept for the collection of and repayment of IRP loans as required by the loan agreements.

Accounts Receivable — Accounts receivable are stated at the amount management expects to collect from outstanding balances. If necessary, management provides for probable uncollectible amounts through a provision for bad debt expense and a valuation allowance.

Employee Benefits — SCEDD maintains a simplified employee defined contribution plan for its employees that have completed one year of employment. SCEDD contributes 6% of the employee's gross pay to the plan. Contributions to the plan totaled \$0 and \$1,171 during 2019 and 2018, respectively.

Functional Allocation of Expenses — The costs of providing programs and activities have been summarized on a functional basis in the statement of activities and the statement of functional expenses. Accordingly, certain costs have been allocated among the program and supporting services benefited based on time records, utilization of facilities, and management's estimates.

Income Taxes — SCEDD is organized as a Colorado nonprofit corporation and has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(a) as an organization described in IRC Section 501(c)(3),

qualifies for the charitable contribution deduction under IRC Sections 170(b)(1)(A)(vi) and (viii), and has been determined not to be a private foundation under IRC Sections 509(a)(a) and (3), respectively. SCEDD is annually required to file a Return of Organization Exempt from Income Taxes (Form 990) with the IRS. In addition, SCEDD is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. We do not believe that SCEDD has any unrelated business income. SCEDD believes that it has appropriate support for any tax position taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

Net Assets — Net assets, revenues, gains and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions — Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from assets without donor restrictions, net assets for subsequent year's expenses.

Net Assets With Donor Restrictions — Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that the resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

## 2027 NOTE B - LIQUIDITY AND AVAILABILITY

As of December 31, 2019, financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, scheduled principal payments on debt, were as follows:

Financial assets:

Cash and cash equivalents	\$202,396
Restricted cash	139,508
Accounts receivable	21,534
IRP notes receivable	372,482
Accrued interest	3,057
	738,977

Less amounts not available to be used within one year:

Restricted cash	(139,508)	IRP notes receivable	(372,482)
Accrued interest			β:gsn

Total financial assets and liquidity resources available within one year

22,930

The District receives an EDA grant that helps cover salaries and the District also charges member counties dues based on their population. Part of the money held for IRP loans can be used for general operating expenses as long as an annual budget is submitted to the USDA for their approval.

## C CASH AND CASH EQUIVALANTS AND RESTRICTED CASH

Cash and cash equivalents at December 31, 2019 and 2018 are summarized as follows:

	<u>2019</u>	<u>2018</u>
Cash on hand	\$ 108	108
Demand deposits	202,288	269,044
Demand deposits, restricted	139,508	106,958
	<u>\$34,744</u>	
	<u>\$269,152</u>	

As of December 31, 2019 and 2018, all demand deposits were covered by FDIC.

### 2028 NOTE D - NOTES RECEIVABLE

Notes receivable represent funds advanced to various businesses within the twelve counties that make up SCEDD. The loans accrue interest at rates ranging from 4.25% to 5.00% and they are generally unsecured or collateralized by equipment and real estate.

The following is a summary of notes receivable at December 31 :

	<u>2019</u>	<u>2018</u>
Loans receivable	\$ 516,019	\$ 530,019
Less allowance for loan losses	(143,537)	(143,537)
	<u>\$ 372,482</u>	<u>\$ 386,472</u>

### NOTE E - PROPERTY AND EQUIPMENT

Property and equipment at December 31, is summarized as follows:

	<u>2019</u>	<u>2018</u>
Furniture	523	523
Equipment	4,967	4,967
Accumulated depreciation	(4,051)	(3,600)
Net property and equipment	<u>\$ -</u>	<u>\$ -</u>

### NOTE F - ACCRUED COMPENSATED ABSENCES

Employees are entitled to vacation benefits as outlined by Company policy. There are no accrued vacation benefits as of December 31, 2019 and 2018.

### 2029 G NET ASSETS WITH DONOR RESTRICTIONS

Time and purpose restricted assets are available from the following sources at December 31 :

	<u>2019</u>	<u>2018</u>
IRP Loan Fund_		
Cash	\$139,508	\$ 106,958
Notes receivable	372,482	386,473
Accrued interest receivable	3,057	
Less note payable to IRP	(502,455)	(520,699)
Less accrued interest payable	<u>(159)</u>	
Total IRP Loan Fund	12,433	<u>(25,901)</u>
	Reclass from without donor restriction	25,901
Total IRP Loan Fund	<u>\$ -</u>	<u>\$ 12,433</u>

NOTE H - NOTES PAYABLE

Notes payable at December 31, are summarized as follows:

	<u>2019</u>	<u>2018</u>
\$557,186 unsecured note with United States Department of Agriculture; interest rate of 1 %; interest only payments from inception to December 15, 2016, after December 2016, annual principal payments of \$18,424 plus interest due through December 2034	\$502,455	520,699
\$ 100,000 unsecured note with Pueblo County Revolving Loan Fund; interest rate of 1 %; annual principal payments of \$ 10,558 due through December 2023	51,474	51,474
Less current maturities	<u>8,202</u>	<u>(28,177)</u>
Long-term portion	<u>515,117</u>	<u>543,999</u>

Following are maturities of this obligation:

<u>Year ended December 31,</u>	
2020	\$ 38,800
2021	29,040
2022	29,300
2023	29,800
2024	19,300
Thereafter	<u>407,500</u>
	<u>553,999</u>

**To**

## 1 SUBSEQUENT EVENTS

SCEDD has evaluated its December 31, 2019, financial statements for subsequent events through November 5, 2020, the date in which the financial statements were available to be issued. As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which are likely to negatively impact the revenues and support of SCEDD, including the collection of membership dues and notes receivable. While this situation is expected to be temporary, the related financial impact and duration cannot be reasonably estimated at this time. Through the date of SCEDD's evaluation, a negative impact from COVID-19 has not been experienced, however, economic uncertainties remain.



**Allegiance Coal grant agreement**

Eric Gubelman



### **Agreement for Professional Grant Writing Services**

- I. This is an agreement between Allegiance Coal Limited (Client) and Southern Colorado Economic Development District (Contractor).
  
- II. *Scope of Services:* Contractor agrees to provide the following services for Client:
  1. Prepare a grant proposal on behalf of Las Animas County to the U.S. Department of Commerce's Economic Development Administration (EDA) Public Works and Economic Adjustment Grant Program seeking an estimated \$3 million in funding for a publicly-owned rail spur in Las Animas County
    - i Work with Client to interpret grant guidelines and gather material and information necessary for a strong proposal.
    - ii Work on Client's behalf with Las Animas County to get the county's commitment to (1) sponsor the grant and (2) retain Contractor to administer the grant from grant funds if it is received. Contractor will serve as project liaison with Las Animas County.
    - iii Serve as project liaison with EDA's Denver Regional Office.
    - iv Provide project information to Client's environmental (NEPA) consultant as needed.
    - v Write and submit grant proposal, and such proposal shall be mutually satisfactory to Client and Las Animas County.
    - vi Attend meetings and telephone consultations as necessary to accomplish the required work.
  
- III. *Compensation:* Client agrees to compensate Contractor \$33,000 for the rail spur proposal in installments according to Exhibit A. Client shall pay Contractor for reasonable travel expenses incurred in the delivery of the project. Amounts due shall be paid to Contractor within 15 days of receipt of invoice.

- IV. *Independent Contractor:* Contractor acknowledges that services rendered under this agreement shall be performed as an independent contractor. Contractor is responsible for the payment of all federal, state and local income taxes related to fees for service. Client agrees that Contractor may subcontract a portion of this project within the agreed upon scope of work and Contractor shall be responsible for paying such subcontractor(s).
  
- V. *Confidentiality:* Both parties agree to adhere to generally accepted confidentiality practices and to provide each other with their best efforts in fulfillment of this contract. Contractor agrees not to disclose private information about the Client. "Private information" does not include information available in the public domain.
  
- VI. *Guarantees:* Contractor shall perform all duties requested and agreed to by both parties and shall submit work in good faith. However, the Contractor does *not* imply or promise any guarantee that the grant proposals will be funded. Payment is due even if Client does not submit proposal or receive a grant.
  
- VII. This contract may be renegotiated or terminated with 14 days' written notice at the request of either party.

<p>Contractor: <b>Southern Colorado Economic Development District</b></p> <p>Address: 121 West City Center Drive Suite 200, Room B Pueblo CO 81003 Phone: 719-545-8680</p>	<p>Client: <b>Allegiance Coal Limited</b></p> <p>Suite 107, 209 Pitt Street Sydney, Australia 2000  +61 2 9233 5579</p>
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------

Signature: \_\_\_\_\_  
\_\_\_\_\_

Signature: \_\_\_\_\_  
\_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Exhibit A**

<b>Milestone</b>	<b>Percentage of Fee Due</b>	<b>Amount Due</b>
<b>Project: EDA Grant – Public Rail Spur</b>		
Execution of agreement	10%	\$3,300
Project Scope Complete	10%	\$3,300
County resolution passed to sponsor grant	25%	\$8,250
First Grant Draft Delivered	25%	\$8,250
Final Grant Draft Submitted	25%	\$8,250
EDA decision on grant	5%	\$1,650



Response to information/document request Allegiance Coal

Confirm alignment with CEDS SCEDD Define region  
benefitted and

any special needs SCEDD

Las Animas County  
Allegiance Coal

Tri-party meeting SCEDD

Identify all beneficiaries and participation SCEDD  
Allegiance Coal secure their

Las Animas County

Meet with Trent Thompson SCEDD

Draft project summary for

communications SCEDD

Reach out to legislators for Las Animas County

support SCEDD

Las Animas County

Secure regional support SCEDD

Proposal Development SCEDD

Provide draft proposal to

Allegiance and County SCEDD

Review draft and provide Allegiance Coal

comments to SCEDD Las Animas County Finalize proposal  
SCEDD

Submit proposal on grants.gov Las Animas County Investment review

committee EDA Denver

Request for due diligence documents to Allegiance Coal

SCEDD Response with due diligence

documents Allegiance Coal

IRC recommendation / funding

**Exhibit B**

		May																			
Task	Responsible	28-Apr	29-Apr	30-Apr	3-May	4-May	5-May	6-May	7-May	10-May	11-May	12-May	13-May	14-May	17-May	18-May	19-May	20-May	21-May	24-May	
Information/document request to Allegiance Coal	SCEDD																				
Investment review committee	EDA Denver																				
Request for due diligence documents to Allegiance Coal	SCEDD																				
Response with due diligence documents	Allegiance Coal																				
IRC recommendation / funding decision	EDA Denver																				

Response to information/document request Allegiance Coal

Confirm alignment with CEDS SCEDD Define region benefitted and





**Request to begin work on EDA grant in support of seed capital Angel group in SCEDD  
region and Colorado Springs**

Eric Gubelman

Mark Madic (Southern Colorado Innovation Link)

# OUR ACCESS TO CAPITAL ECOSPHERE



# HAS STRENGTHS AND WEAKNESSES:

## **Debt:**

Commercial Lending

Revolving Loan Funds

Loan guarantees (SBA and  
USDA)

SBA 504

## **Equity:**

Seed funding (Angel  
syndicates and Angel  
Funds)

Venture Capital

Private equity funding



## WHO IS WILLING TO TAKE THE RISK TO PROVIDE SEED CAPITAL?

ACCREDITED INVESTORS: \$1M  
NET  
WORTH OR \$200K ANNUAL  
INCOME

Angel Investors (think Broadway!) can invest individually or

they can pool their knowledge (**Angel Syndicates**) and / or their money (**Angel Funds**) to fund startups.



These are often, but not always, in scalable companies that have a tech focus or involve intellectual property.

The key is potential for high growth because these are risky investments that require a high rate of return.

2030 WE ARE IN AN EQUITY DESERT

FOR STARTUPS (SEED CAPITAL),  
FOLLOW UP FUNDING (VENTURE  
CAPITAL), AND COMPANIES  
THAT  
NEED TO PIVOT OR GROW  
(PRIVATE EQUITY)

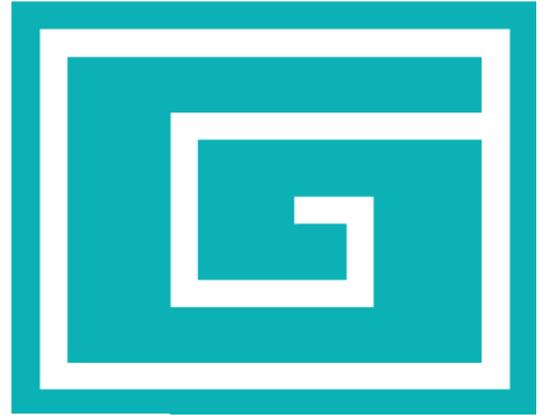
Boulder, Ft. Collins, Colorado Springs and the western slope are miles ahead of southern Colorado.



**Rockies Venture Club**

Connecting & Educating Investors & Entrepreneurs

WSA

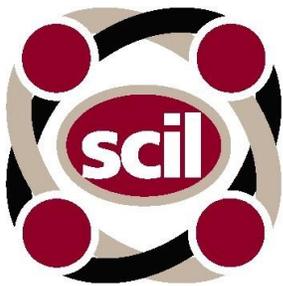






BEFORE YOU FOCUS ON THE  
MONEY,

YOU FIRST NEED TO FOCUS ON  
THE ENTREPRENEUR



**southern colorado  
innovation link**

From idea to innovation, SCIL illuminates the pathway for aspiring entrepreneurs, innovators, inventors, makers, and creatives to create real-world impact.

They are an EDA funded program within Pueblo Community College. We work closely with them.

**SCIL HAS BEEN  
IDENTIFYING**



# southern colorado innovation link

## REGIONAL ENTREPRENEURS AND TRAINING THEM TO BE "PITCH-READY."

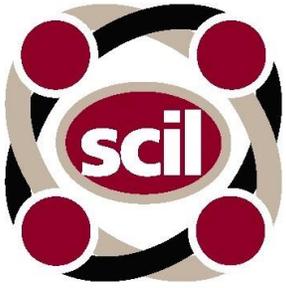


TANKMATEZ.COM



INNOVATIVE FISH TANK ACCESSORIES

## SCIL HAS HELPED LAUNCHED AN ANGEL GROUP TO ORGANIZE



**southern colorado  
innovation link**

**INVESTORS TO HELP WITH  
SEED FUNDING OUR  
ENTREPRENEURS.**

**SoCo  
ANGELS**

SoCo Angels is focused on serving the Southern Colorado Angel Community. With members in Colorado Springs, Pueblo, Fremont County and beyond



2031 **EDA HAS TWO GRANT**

**PROGRAMS THAT**

**PROVIDE**

**THREE YEARS OF FUNDS**

**FOR OPERATIONAL**

**SUPPORT.**



1. Build to Scale capital challenge grant: National decision, 50 percent match, tight deadline.

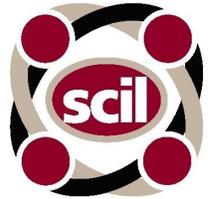
2. America Recovers grant: Regional decision, lower match, rolling deadline



**southern colorado  
innovation link**

**PROVIDING OPERATIONAL  
SUPPORT FOR SOCO ANGELS  
TO  
EXPAND CAPITAL  
DEPLOYMENT  
WITHIN SCEDD REGION AND  
EL PASO COUNTY**

**SOCO  
ANGELS**



**southern colorado  
innovation link**

**SCEDD AND SCIL BENEFIT FROM THIS CO-APPLICATION AS WELL:**

**SCEDD**—1. ACTS AS FISCAL AGENT AND GRANT ADMINISTRATOR 2. SEAT ON SOCO BOARD 3. SYNERGISTIC WITH POSSIBLE FUTURE GOALS IN SBA 504, REVOLVING LOAN FUNDS, AND PRIVATE EQUITY. 4. NO FINANCIAL RISK

**SCIL**—1. GIVES ACCELERATOR GRADS A LOCAL SOURCE OF SEED CAPITAL 2. POTENTIAL FEES FOR INVESTOR AND ENTREPRENEUR EDUCATION 3. POSITIONS SCIL TO BE STRONG GRANT APPLICANT FOR EXPANSION

**THE GOALS: JUMP START  
AN**



**ANGEL SYNDICATE,  
CATALYZE  
WEALTHY INVESTORS FOR  
STARTUP FUNDS, AND  
IMPROVE THE ENTREPRENEUR  
ECOSYSTEM**

**THE ASK:**

Action recommended: Motion to authorize staff to begin work on an EDA grant to fund technical assistance for Broadband support. Further, staff will work under the advice and direction of a committee composed of \_\_\_\_\_, and that the board shall be kept informed and that no grant shall be submitted without final approval by a majority of the board.

## **Reports**

Social Media – Miriam Neff

Executive Director “What is Going On” emails – Eric Gubelman

Postponement of two items held over from December meeting – Eric Gubelman

January and February Newsletters

## Social Media Report

Prepared by Miriam Neff

SCEDD is continuing to use social media as a significant piece of our public facing communications strategy. After feedback from the board in December and further staff level conversations, we've backed off on trying to grow an Instagram presence while continuing to grow our presence on Facebook and LinkedIn. To briefly review for the new board members joining SCEDD today, in December I wrote that I recognize that many government and business leaders throughout the SCEDD region are unused to using social media as a way to engage consumers and developing businesses. However, social media is fast becoming a crucial communications tool, particularly for small and start-up businesses that have limited marketing dollars and want to get the most bang for their buck. In addition to social media being a cost effective way to use limited marketing dollars, these are the platforms people turn to for their first glimpse at a place they are considering vacationing in or relocating to. Having a robust, consistent social media presence allows SCEDD to promote the economic possibilities in south eastern Colorado.

Most of what I put onto SCEDD's social media platforms is "reposts." These are articles relevant to economic development in the SCEDD region, that I see in regional or state newspapers. I generally use a link to the article, quote a short paragraph from the article, and include the photos or other graphics included in the original piece. This makes clear that I did not write the piece but highlights what communities in our district are talking about and thinking about. I also use LinkedIn and Facebook to promote classes that SBDC is teaching and to promote classes and information coming out of the state Office of Economic Development and International Trade (OEDIT) in Denver.

SCEDD's CARES Act grant includes funds for social media activity. We have used these funds to purchase regional newspaper subscriptions, rebuild the scedd.com website, purchase access to the survey builder SurveyMonkey, email mailer ConstantContact, and a media scheduling program called Hootsuite. Hootsuite allows me to plan social media posts in advance across all three platforms we use, as well as track comments and other ways users interact with our posts. Although we've decided to back away from a no-cost experiment on Instagram, we are using ConstantContact more than expected. This platform allows us to host all of our contact information in one place, create emails, distribute newsletters, and create social media ads.

LinkedIn - LinkedIn tends to focus on business, government, and corporate in its user profiles. It's more of a professional networking site than a social gathering place. As a reminder for new board members, it's important to know that when I got admin privileges to the SCEDD LinkedIn page, we had 17 followers. As of today, the SCEDD page has 108 followers, with 31 joining since I reported to the board in December. Fully 75% of followers are from the Pueblo area. To compare, the Colorado Department of Labor has over fourteen thousand followers, the Colorado Office of Economic Development and International Trade has over eight thousand followers, and the SBDC has 369 followers. Because I can see the reach that the state level offices have, I strongly believe that social

media is currently a small part of our public communication but an increasingly significant one. Our best performing day over the past three months was Feb 25, when 3 posts went onto this platform that were looked at by fifty-seven people. That day's reposts were from the Huerfano World Journal ("Highway of Legends named a Scenic Byway" and "Trinidad's Housing Shortage") and from the La Junta Tribune Democrat ("Pueblo's IndieDwell rolling out first Colorado homes for its hometown and La Junta").

LinkedIn Page: <https://www.linkedin.com/company/35624151>

Facebook - For those unfamiliar with social media platforms, Facebook tends to be a personal platform, with a relatively high number of artists and creatives/makers using it. When I was given admin privileges, there were 47 people who had liked the page and see posts from SCEDD regularly. Today, we have 70 followers, demonstrating my point above that Facebook is far more "social" and less about professional business connections, in the way that LinkedIn is. However, Facebook is widely used and many of SCEDD's member counties and economic development organizations use Facebook for public communication, so this is an important platform for us to grow. One of the interesting analytics I'm able to see in Facebook is how people found the SCEDD facebook page, whether from other Facebook pages or from Google searches. Starting in January, the SCEDD page began getting visitors from people who started with a Google search and clicked on the social media link. This is really significant, as it points to people having enough awareness of economic development in this region to do a keyword search that led to our digital presence.

Our best performing post on Facebook went up this week. It's a paid "boost" to promote the last two weeks that the Economic Strategy Survey is available to complete. This is basically an advertisement that Facebook's algorithms insert into the newsfeed of targeted users. The ad was targeted at people ages 25 to 60, who live in SCEDD counties. In two days, that post has been seen by 138 people who do not usually see SCEDD material. The post asks for 10 minutes of the user's time to complete the survey. This is the same document the board approved in September, asking for public input on a variety of issues and concerns related to economic development in southern Colorado. If you haven't taken the opportunity to complete the survey yourself, please do so at the link below. [Southern Colorado Economic Development District Survey \(surveymonkey.com\)](#)

Facebook page: [Southern Colorado Economic Development District | Facebook](#)

I've added several new pieces to the website at [www.scedd.com](http://www.scedd.com) over the past three months, including a promotion of SoCo Strong, which is using a digital marketplace to support small businesses throughout the eastern plains counties. It's an impressive collaboration of economic development offices and an excellent model of how to use the internet to promote local small businesses.

Fri 1/22/2021 2:43 PM

To: sausmus@bacacountyco.gov; rbutler@bacacountyco.gov; Sammie George  
<sammie.george@ber Cc: Michael; Bob; Miriam; Brent; Eric Gubelman

Here is your weekly email briefing. Let me know if you find this useful or too much.

--Eric

### Social media (Miriam)

Miriam has been monitoring the performance of the January newsletter via ConstantContact. Over the week after sending, we had a 53% open rate, which is double the average nationally for government agencies and services (25.9%). I also posted a "sign up for newsletter" form to FB. Promotion of website secostrong, featuring a small business directory for the eastern plains counties. Preparing text and graphics for the scedd.com website to promote SeCo Strong.

### IRP loans

Brent is assuming the duties of loan servicing for our four outstanding loans. To date the level of servicing has been to record the checks and calculate the portion going to principal and interest. SCEDD has neglected active oversight, including securing updated financials. One of the loans, while current, has had its collateral impaired. The last week is the start of more active management of our miniportfolio and by the March board meeting our goal is to have current information from all borrowers and to provide an overview for you.

### Grant writing and technical assistance

Last week, we introduced the concept of tiered SCEDD memberships (county, municipality, private sector, non-profit) and the idea that consulting (private sector), grant writing, and planning services) would be available for differing rates. This year is a transition year underwritten by the CARES grant, which will expire in June of 2022. Part of staff thinking on sustainability is that we must (1) provide more value, and (2) receive revenue for that value. The dues-paying by the county and the planning grant from EDA will NOT sustain SCEDD at anything other than barebones services. Michael and I continue to flesh out what constitutes membership and what the value proposition is to be a member of SCEDD in addition to broad stroke technical assistance.

New to this discussion this week is that we are discovering a niche for business consulting that goes beyond the scope of what an SBDC might want to tackle. We have been collaborating with the PCC SBDC on a division of labor with a client who is putting together a \$2 million project and needs a full-blown feasibility study that would involve being a quarterback and working with lenders, securing planning grants, and assisting with the capital stack. We have made a proposal to provide a suite of services to a business for \$75 an hour with the possibility of doing grant administration as well.

<https://outlook.office.com/mail/deeplink?popoutv2=1&version=20210301002.02>

1/1

 Reply all   Delete  Junk  Block 

on... 2.5.21

Fri 2/5/2021 3:34 PM

To: 'Roy Elliott' <roy@crowleycounty.net>; blaine@crowleycounty.net; Charles Bogle <ccecondevc@crowleycounty.net>  
Cc: Bob; Miriam; Michael; Brent

#### Website and newsletter

Just a reminder that [www.scedd.com](http://www.scedd.com) is a live website that we are updating, so check it out. In the last week, Miriam Neff added a pdf and infographic about the CEDS process. We also added a shout out to [SeCo Strong](#) on the front page of the site. If you have suggestions for content, drop an email to [miriam@scedd.com](mailto:miriam@scedd.com).

Also, we are working on our February newsletter, which is our external-facing update of all things SCEDD. If you have suggested topics you would like to see covered, let us know. Target publication this month is February 19, as I will be taking some vacation time next week (though still checking email and participating in an Executive Committee meeting next Wednesday. Topic for the Exec Committee is reviewing nominations for SCEDD officers.)

#### Eastern Plains

Here are some bullet points from Brent to update you about his work this week:

This past week has been spent in meetings with Kiowa County (Great Plains Reservoirs), Crowley County CEDS Presentation and other ED projects discussion),

- Colorado Municipal Water Impact Task Force (issues around water and drought), EDCC (Economic Council of Colorado on state funding for Economic Development Organizations), CRO COVID Recovery Peer Exchange and the local Economic Developer's group.
- I have also spent one to one time with most of the ED people in my regions via telephone as well as conversing with regional public health directors and other informational resources to receive reliable feedback on the COVID-19 situation in the area and testing and vaccination efforts progress. According to information available and feedback received the COVID vaccination and containment levels in my region are very favorable.
- Effort is continuing as far as making inroads into obtaining a Community Facilities grant award to help fund the Kiowa County Bus Barn project as well as a potential Bent County project.
- Several attempts to contact the region's DOLA representative have gone unanswered to date.
- Also, a fair amount of time is being spent heightening awareness on the subject(s) of water, drought and the Ark Basin Roundtable as those have been identified as critical regional concern for purpose of CEDS.
- Review of loan files also continues.

<https://outlook.office.com/mail/deeplink?popoutv2=1&version=20210301002.02>

1/1

on 2.22.21

Mon 2/22/2021 2:39 PM

To: sausmus@bacacountyco.gov; rbutler@bacacountyco.gov; Sammie George <sammie.george@ber  
Cc: Miriam; Michael; Bob; Brent

The bulk of this report concerns the CEDS status. Below is our report that is going out on the newsletter the next day or two, but I wanted to alert you to a curveball the EDA through us in meetings last week. Our approved CARES grant had a timeline for the CEDS to be complete in December. We aimed for that date to make sure we included new census data.

Alas...



...

There has been an EDA region-wide determination that September is the deadline, so we effectively lost three months of planning time. In the information below, Michael glides over the reality that we are going to be shifting into high gear.

The other thing that is not apparent from the information below, but that I wanted to clue you into (also in upcoming newsletter) is that we are enmeshing ourselves into the One Pueblo initiative, which is doing planning that is in many ways a substitute for the Pueblo portion of the CEDS document.

Executive Committee report--The Executive Committee met this month to consider Board officer nominations. The recommended slate is:

Chair--Terry Hart  
Vice Chair--Donald Oswald  
Secretary--Rusty Granzella  
Treasurer--Jane Fraser

Rusty had been nominated for Chair, but declined. Jane was nominated for Treasurer, and Caroline Trani agreed to step down as Secretary because the committee wanted to keep Upper Arkansas representation the committee, and Rusty was willing to serve in that role--moving over from Treasurer to Secretary. The committee thought that keeping Treasurer seat in the Pueblo area would facilitate check signing.

At the upcoming board meeting, the opening of the meeting will be to accept any additional nominations from the floor, and if so, there will be a brief election. New officers will then be seated.

New board members--watch your email for a query of your availability for an hour-long Zoom call to orient you to your new position. We hope to offer the orientation twice.

**March 5, 2021**

To: Board

From: Eric Gubelman

**Re: Postponement of two items held over from December 2020 board meeting**

When we learned from the EDA that our CEDS was now due at the end of September, we accelerated into a higher gear. Two items that we were planning to bring to the board in the March meeting were, as a result, pushed to the side a bit:

1. ICHRA discussion: A proposal to put a portion of salary into tax-free status was postponed because the board desired more information. That research has not been completed.
2. We had planned to bring a proposed policy on grant writing and planning fees to the board. After talking this over extensively with Michael Yerman, some of our original ideas to present may miss the target and we are taking some more time to think through. As a matter of interest, however, our team is scheduled to receive six hours of grant writing training on April 10 and April 24.



# SoCo Prospers

*We help Southern Colorado prosper*



## Where do we go from here?

*By Eric Gubelman  
Executive Director*

SCEDD has been helping southern Colorado plan economic development since 1968. Right now we are in the thick of updating the Comprehensive Economic Development Strategy (CEDS). This serves as a blueprint - a five year plan, really - for the thirteen counties in our region.

In economic development, first plan your work. then you have to work your plan.

The many local Economic Development organizations in the region are on the front lines of that effort and SCEDD is there after the planning process to help. Over the next five years, we hope to take a more active role in helping execute the plan.

Past CEDS have identified some common issues for the region. During the CEDS process, we will be asking an important question: "how can we help?"

**Broadband** - We know that without widespread broadband deployment, there will not be much economic progress in a post-COVID world. Ubiquitous access to speeds of 100 MBps are going to be needed. No less than three regional strategic plans were undertaken in 2017. Those studies need to be updated and we need to push forward as quickly as possible for reliable, affordable broadband internet access.

*(Story Continues on pg 2)*

### IN THIS ISSUE

EXECUTIVE DIRECTOR  
OVERVIEW

A LOOK AT THE CEDS

CEDS SURVEY

RURAL THEATER  
INITIATIVE AWARDS

CUSTER COUNTY  
BROADBAND UPDATE

MIRIAM NEFF, EDITOR



# SoCo Prospers

*We help Southern Colorado prosper*



*Photo by Miriam Neff  
Pueblo Convention Center*

## **Pueblo on the move in small cities ranking; One Pueblo looking for a prosperous post-COVID future**

*By Eric Gubelman, Executive Director*

When I moved to Pueblo, I was given two pieces of advice. One was to never mention Columbus Day. The other was to remember that everyone is related to everyone else. I'll leave the former aside today, though as a historian I have always enjoyed a good debate.

The idea of Pueblo as a small town may surprise those who live in the rural areas of the SCEDD region. We are thirteen counties, one of the biggest Economic Development Districts in the country. There are four economic sub-regions--the Upper Arkansas, South Central, the Eastern Plains--and Pueblo County. Pueblo is the small city hub of diverse--and vast--southern Colorado. Want to start a fight in Pueblo? Here's what you say: "Colorado Springs is the center of gravity in southern Colorado."

Pueblo is the Rodney Dangerfield of small cities, scrapping for identity and attention and putting itself forward--and the SCEDD region--as communities of choice where the cost of housing, and starting a business, and living the Colorado good life are more affordable.

*(Overview, Continues on pg 2)*

### IN THIS ISSUE

EXECUTIVE DIRECTOR OVERVIEW

DROUGHT PLANNING

SPOTLIGHT ON ARTS ORGANIZATIONS

CEDS UPDATE AND TIMELINE

MEET THE NEW 2021 BOARD OF DIRECTORS

MIRIAM NEFF, EDITOR