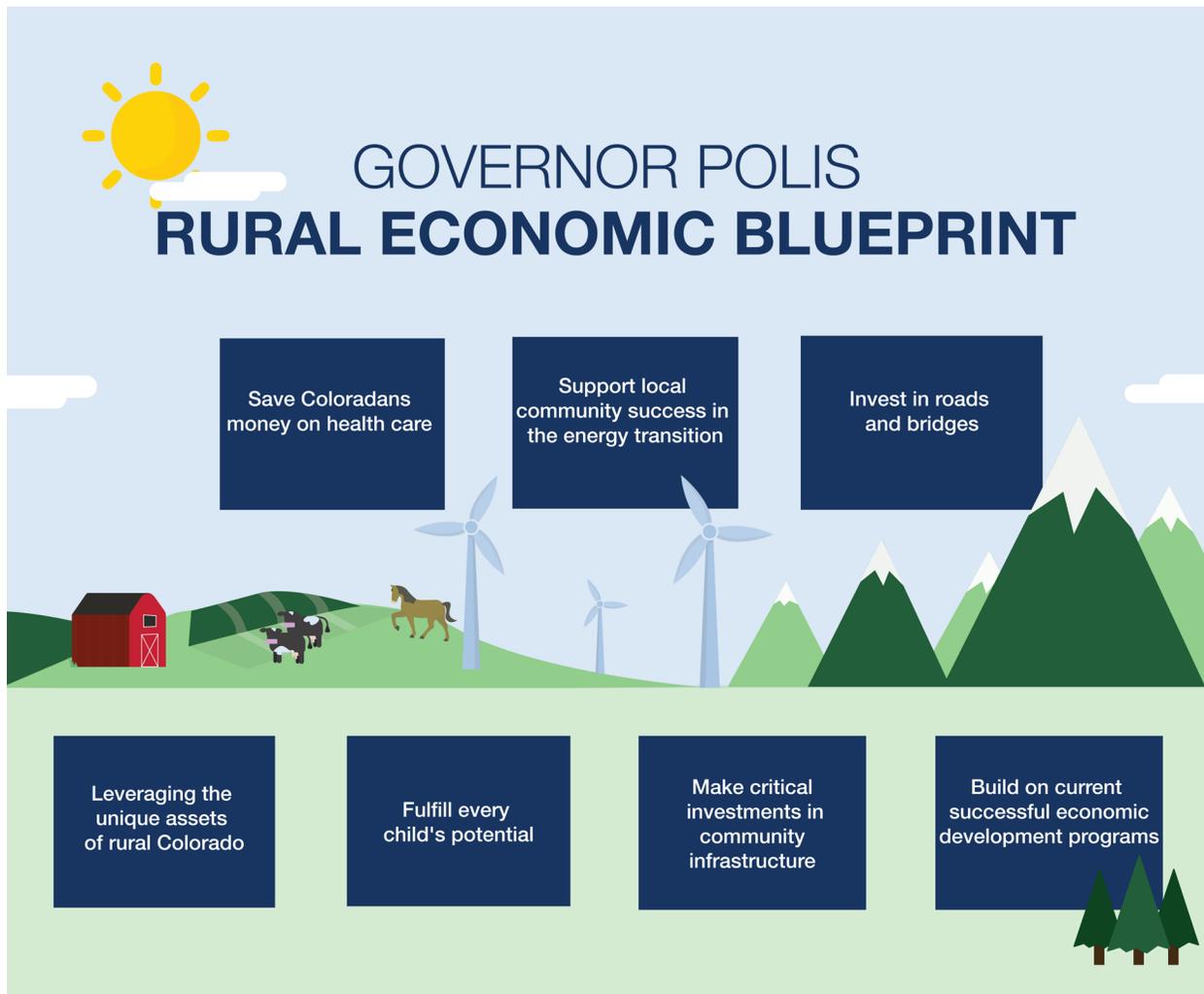


# GOVERNOR POLIS RURAL ECONOMIC BLUEPRINT



## OUR VISION

Governor Polis ran on a bold platform of creating economic opportunity for all Coloradans across our state, and protecting the things that make Colorado the best state in the country to live and play, work and start a business, and raise a family and retire.

This Rural Economic Blueprint is our guide to building a Colorado that works for those in communities outside the Front Range Corridor. The Polis Administration is focused on expanding rural access to broadband services, tackling high health care costs, repairing rural roads and bridges, investing in rural economic development, and supporting our farming and ranching communities by connecting them to new markets to keep their competitive advantage in the 21st century economy. Further, Governor Polis is dedicated to providing kindergarten and early childhood education at no cost to parents and ensuring all Coloradans can benefit from the transition to cheaper and cleaner renewable energy sources. Much has already been done to begin to address these concerns, with credit going to the many leaders across the state. And we want to continue to build on this legacy. Together, we can grow a resilient economy consistent with our Colorado values where every community thrives.

# GOVERNOR POLIS RURAL ECONOMIC BLUEPRINT

## OUR PURPOSE

This blueprint seeks to address rural Colorado’s unique opportunities and challenges by building upon innovative and successful policies and programs, and laying out additional efforts to ensure that all Coloradans have the opportunity to thrive by:

1. Leveraging the unique assets of rural Colorado;
2. Saving Coloradans money on health care;
3. Helping fulfill every child’s potential regardless of their zip code;
4. Supporting local commitments to 100 percent renewable energy and a “Just Transition” for traditional energy workers and communities;
5. Connecting Colorado workers to the future economy and making critical investments in community infrastructure;
6. Investing in rural roads and bridges; and
7. Building on current successful rural economic development programs and expanding innovative practices that work.

On average, over the last decade, the state has invested about 14% more per capita in rural counties than Front Range counties. But because rural communities don’t benefit from economies of scale in the same way that Front Range communities do, we must continue to help rural Coloradans succeed.

**On average, over the last decade, the state has invested about 14% more per capita in rural counties**

## OUR PROCESS

This blueprint is the culmination of ten months of engaging with partners and stakeholders across Colorado. In Colorado, we have a legacy of working together to solve problems and getting things done. Over 155 outreach meetings and listening sessions have been held to engage Coloradans by several state agencies, including the Department of Local Affairs (DOLA), Office of Economic Development and International Trade (OEDIT), Department of Labor and Employment (CDLE), Department of Agriculture (CDA), and Department of Transportation (CDOT). There will be more opportunities over the coming years to engage our partners and stakeholders who represent the assets that rural Colorado provides our state. This blueprint represents just the opening salvo of what will be a multi-year process in our work to create a Colorado that works for all.

# OUR POLICIES AND ACTIONS

## LEVERAGING THE UNIQUE ASSETS OF RURAL COLORADO

Agriculture is the lifeblood of our rural economy, and we are committed to helping our farmers and ranchers succeed -- not just today, but well into the future. By promoting a safe and high-quality food supply, protecting consumers, fostering responsible stewardship of the environment and natural resources, and focusing on the future of agriculture, we can help ensure our farmers and ranchers can thrive.

Colorado is also a premier destination for outdoor recreation. We will continue to drive tourism spending in our state by preserving our cherished public lands while promoting compelling and sustainable travel experiences throughout the state. Finally, water and the implementation of the Colorado Water Plan must continue to be a priority for the years to come, especially as climate change continues to threaten rural communities as well as the entire state's water supply.

- **Support the next generation of farmers and ranchers, and create diverse market opportunities.** There are over 38,900 farms and ranches in Colorado, contributing \$40 billion and more than 173,000 jobs to the state's economy. To sustain growth, CDA and OEDIT continue to partner with farmers and ranchers to open new markets for Colorado products. This year, CDA has a goal to increase the annual value of Colorado's organic crop production from \$134 million in sales to \$150 million. Also, we found ways to ensure Colorado agricultural products are competitive, for example by exempting fertilizer from sales and use passage of HB 19-1329 concerning Wholesale Sales Agricultural Fertilizer Tax Exempt, and support expanding co-ops to grow wages, and investing in training and internships for young farmers and ranchers through CDA's Agricultural Workforce Program. We are also partnering with leading state, local, and tribal agencies, as well as industry experts in cultivation, testing, research, processing, finance, and economics, to establish a statewide initiative known as the Colorado Hemp Advancement and Management Plan (CHAMP). CHAMP builds on Colorado's status as the national leader in industrial hemp research, production, and processing.

**There are over 38,900 farms and ranches in Colorado, contributing \$40 billion and more than 173,000 jobs to the state's economy.**

- **Implement the Colorado Water Plan.** The Colorado Water Plan provides a unified vision for how we move forward together to conserve and preserve water and outlines crucial water infrastructure projects for our growing state. Over the last three years, the Colorado Water Conservation

**Over the last three years, the Colorado Water Conservation Board has allocated \$66 million to implement the Plan, and during the 2019 legislative session we secured an additional \$30 million towards these efforts**

Board has allocated \$66 million to implement the Plan, and during the 2019 legislative session we secured an additional \$30 million towards these efforts. The passage of proposition DD creates another revenue stream to support the necessary investments in our water future. We continue to work with stakeholders and our partners in the General Assembly to identify resources to meet the future needs of implementing the Colorado Water Plan.

# OUR POLICIES AND ACTIONS

## LEVERAGING THE UNIQUE ASSETS OF RURAL COLORADO (CONTINUED)

- **Expand opportunities to access our outdoors.** The Colorado Outdoor Recreation Industry Office's mission is to inspire industries and communities to thrive in Colorado's great outdoors. Creating state-supported infrastructure for conservation efforts enhances the economic and social impact of outdoor recreation activities, especially in our rural communities. In fact, our budget proposes a ten million dollar investment in state parks infrastructure, and the State Land Board has recently expanded access on their lands. We are working with stakeholders, industry, and the General Assembly to ensure that Colorado remains a leader in outdoor recreation, which provides over 500,000 jobs and \$21 billion in wages and salaries.
- **Promote development of tourism destinations and attraction.** In the Colorado Tourism Office (CTO), Tourism Destination Development works with communities, nonprofit associations and tourism-related businesses to drive economic growth, primarily in rural Colorado. Through the Colorado Rural Academy For Tourism (CRAFT), the CTO provides a suite of training resources to help rural communities position tourism as part of their economic development strategy. Offered on a competitive basis, the CRAFT offerings range from intensive eight-month engagements to 1½-day workshops on specific challenges to 50 hours of one-on-one mentoring. Upon successful completion, CRAFT participants are able to apply for a grant — ranging from \$1,000 to \$10,000 -- to implement their action plan. The CTO also offers matching grants programs to support marketing and tourism development. These grants are available on a competitive basis to communities and nonprofit associations statewide, with dollar matches ranging from one to one to four to one. All of these CTO programs are structured to support communities and associations at any stage of development, whether they are just beginning the work of destination development and promotion or are a mature destination seeking CTO support for a new initiative or offering. The ultimate goal for all of these programs is to strengthen local economies through generation of traveler spending, including tax revenues, while bolstering community pride in Colorado communities. These programs develop new opportunities while support our existing assets, including Colorado heritage and culture, agritourism, state and national parks and monuments, the 26 Historic and Scenic Byways, wildlife, main streets and outdoor recreation and adventure
- **Leverage our public lands to benefit all.** Public lands contribute immensely to the quality of life in Colorado, and they bring a significant amount of economic benefit to the state and its residents. Earlier this year, the state announced its intention to establish Colorado's newest State Park on the lands surrounding Fishers Peak near Trinidad. We will work with several partners, including the town of Trinidad and Las Animas County, to develop this 30-square mile property to provide sustainable recreational access and create a park that will serve as an economic engine for southern Colorado.
- **Invest in Rural Infrastructure through programs partnering with the State government.** The Colorado Fresh Food Financing Fund (CO4F), administered by partner organization Colorado Housing and Finance Authority (CHFA), improves access to healthy food in underserved communities by financing grocery stores and other forms of healthy food retail.

# OUR POLICIES AND ACTIONS

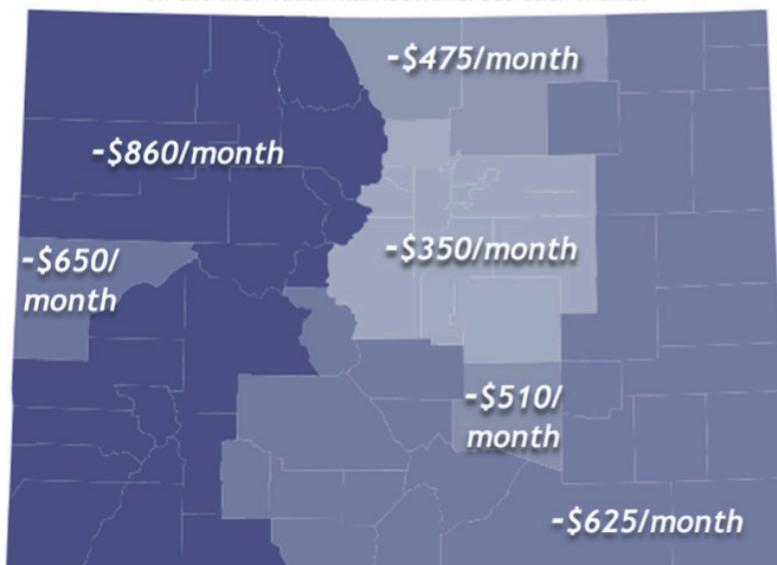
## SAVE COLORADANS MONEY ON HEALTH CARE

High premiums, deductibles, outrageous prescription drug costs, expensive hospital stays, and other out-of-pocket charges make it difficult for people for hardworking Coloradans to get the health care they need. The Polis Administration has an ambitious agenda to reduce health care costs while ensuring access to high-quality care, especially for those in rural areas who suffer from some of the highest health care costs in the nation. Through our office of Saving People Money on Health Care, we are enacting bold policies and delivering real results for Colorado families.

- **Requiring Transparency and Accountability:** One of the reasons Americans pay more than anyone else in the developed world for health care is because of a lack of transparency and accountability in our complicated health care system. In 2019, the state took this head-on and enacted new legislation to tackle surprise out-of-network billing and new transparency requirements for hospitals so that we can identify and address the cost drivers of outrageous hospital bills. In 2020, we are working on new prescription drug price transparency legislation to protect Coloradans from being bilked over critical medicine they need to survive.

### Plummeting Monthly Premiums

Reinsurance will save Coloradans who are enrolled on the individual market hundreds each month



*As a result of reinsurance, Coloradans will see their monthly health insurance premiums plummet across the State. An average family of four using the individual market will save **between \$350 and \$860 each month** on health insurance.*

Source: Colorado Office of Saving People Money on Healthcare:  
<https://docs.google.com/document/d/1eBbrBlqjLTV3HuOa3sbspk02C6y7hS19Xq59hX1A11/edit#>

- **Establish a Colorado Reinsurance Program.** We enacted a bipartisan reinsurance program through the passage of HB 19-1168, lowering premiums for hundreds of thousands of Coloradans in the individual insurance market. Premiums will go down by an average of more than 20 percent in 2020 for people who buy their insurance on the individual market, and the greatest savings will be in rural and mountainous areas of our state. We are working with the General Assembly to find the resources to continue the reinsurance program and ensure it can work sufficiently for Coloradans.

# OUR POLICIES AND ACTIONS

## SAVE COLORADANS MONEY ON HEALTH CARE (CONTINUED)

- **Expand health care alliance model.** The Peak Health Alliance in Summit County is a group of individuals and employers who banded together to negotiate directly for lower health care costs from hospitals, leading to double-digit reductions in insurance premiums (39 to 47 percent for 2020 when coupled with the reinsurance program). We believe that a consumer purchasing alliance model can work in communities across our state, especially in rural areas, and are already supporting its replication in Grand County, and counties in the Southwest corner of our state.
- **Create a state public option for health coverage.** By providing a state public option for health insurance, we can lower costs and give consumers more choice when it comes to selecting a health plan care option that works for them. There are many counties with only one insurance carrier -- all of which are rural counties. A state option is critical in rural Colorado where fewer options often lead to higher costs for consumers.
- **Increase the value of primary care.** Through the passage of HB 19-1233, the Primary Care Collaborative is changing how we invest in primary care. Through the engagement of stakeholders, including those from rural communities, the Collaborative will increase the state's investment in high-value primary care services. Ultimately, this will improve health outcomes and lead to early intervention that will reduce the need for higher-cost hospital and specialty care. DOLA's financial assistance grants improve rural residents access to primary health care by lowering the local cash match requirement for health care related capital projects.
- **Expand access to behavioral health care.** High cost is a primary barrier to Coloradans getting the mental and behavioral health care they need. New legislation this year (HB 19-1269) will ensure that individuals receive the same level of access to mental health and substance abuse care as they do to physical health care. Furthermore, for the first time ever, Colorado's Medicaid program will cover inpatient and residential substance use disorder treatments in July 2020. On a broader scale, our Behavioral Health Task Force is working to find ways to increase access, affordability, and ease of use in our mental health system as well as to reduce stigma associated with mental health and substance abuse. This addresses a vital need in rural Colorado, where mental health issues and substance use are pressing concerns.

# OUR POLICIES AND ACTIONS

## HELP FULFILL EVERY CHILD'S POTENTIAL REGARDLESS OF THEIR ZIP CODE

Every Colorado child deserves a quality education, no matter where they are in our state. The state is committed to supporting rural education systems -- including community based organizations that provide internship and apprenticeship opportunities -- so that local communities have the resources needed to educate their students and to meet their unique needs.

- **Implement full-day kindergarten.** Many school districts in rural areas already provided free full-day kindergarten to their students, which meant they had to pull funding from other key priorities like class size reduction and teacher pay to make up for the other half day that the state did not fund. With the state now providing dollars to fully fund kindergarten, \$100 million is freed up in school districts' coffers to pay for additional priorities.
- **Increase high-quality child care programs and expand universal preschool.** The Governor is committed to making universal pre-school a reality for all four-year-olds in Colorado. As a first step, fully funding full-day kindergarten freed up an additional 5,100 preschool slots, from which rural students and school districts will benefit. The administration is focused on finding a sustainable funding source that can expand access to high-quality preschool for all children. In addition, we are committed to addressing "child care deserts" where there are not enough slots in high-quality child care programs to meet current needs -- a challenge that impacts many rural areas. The administration's goal is to increase the number of children in high-quality care from 64,341 to 81,090 across the state through targeted investments.
- **Address teacher shortages.** Rural areas often face challenges in recruiting and retaining educators. To address this challenge, we helped to expand loan forgiveness for educators so that they can afford to live in the communities they serve. We are also focused on championing strategies to assist in the development of affordable teacher housing that can help attract and retain educators in rural areas.
- **Support rural teachers and parents.** Rural school districts do not benefit from economies of scale, and need a higher amount of funding per child to ensure they can provide all of the necessary services and opportunities for their children. We fought for \$100 million in additional funds for public schools, and will continue to fight to ensure schools in rural communities have the resources they need to thrive. Also, targeted funding for Boards of Cooperative Educational Services (BOCES), which largely operate in rural areas, helps rural school districts collaborate to find innovative solutions to addressing their most pressing challenges, including recruiting and retaining educational staff.
- **Ensure rural educators have a voice.** Too often, education policy is created to fit the Front Range. To ensure rural educators, school leaders, and parents have a voice in policy making, the Commissioner of Education regularly consults the Commissioner's Rural Cabinet, which meets quarterly to discuss important issues affecting rural communities, including how to improve outreach and align grant opportunities to ensure rural school districts can benefit.
- **Increase arts education opportunities in rural schools.** Rural areas often face challenges in funding arts instruction for students during the school day. Colorado Arts Program (CAP) provides grants to provide opportunities for students to participate in community arts projects and productions, with a priority given to schools in rural areas.

**Increase the number of children in high-quality care from 64,341 to 81,090 across the state through targeted investments.**

# OUR POLICIES AND ACTIONS

## SUPPORT LOCAL COMMITMENTS TO 100 PERCENT RENEWABLE ENERGY AND A JUST TRANSITION FOR TRADITIONAL ENERGY WORKERS AND COMMUNITIES

Getting to 100 percent renewable energy by 2040 is a top goal of the Polis Administration. This will help Colorado stay on the cutting edge of a growing industry, and will allow our state to develop new technologies, create new jobs, and reap the benefits of a renewable energy economy in every corner of our state. Furthermore, it will reduce the harmful effects of air pollution and climate change, which hurt farmers, ranchers and our outdoor recreation industry and leave rural areas more susceptible to natural disasters like wildfires and floods. Working hand-in-hand with rural communities is critical in getting this transition right and making it work for everyone.

- **Renewable / Clean Energy Challenge.** The administration is offering matching grants for infrastructure projects and associated efforts that move communities towards cheaper and cleaner sources of renewable energy and greater energy conservation. The Renewable/Clean Energy Challenge was launched to support local government, special districts and school districts efforts to help achieve our statewide goal of 100 percent renewable energy generation by 2040.
- **Assist in planning and implementation on community clean energy goals.** Local communities continue to show leadership in adopting ambitious goals and creating plans to achieve them. The Colorado Energy Office (CEO) will be providing technical assistance to local governments to connect them with resources, identify effective strategies and implement plans to achieve their goals.
- **Ensure communities are supported through transitions.** As the price of renewable energy becomes cheaper, the industry-led transition to solar, wind, and other renewable energy sources will only accelerate. The administration established the Just Transition Office to align and deliver programming and funding to communities and workers impacted by this changing energy economy, in addition to disproportionately impacted communities who have borne the costs of pollution in energy production. The state is developing a growing number of programs and support mechanisms to ensure that workers are treated fairly, that no community is left behind, and that Colorado continues to lead the nation in creating a sustainable renewable energy economy.
- **Partner with producers on complex climate issues.** Climate change is one of the biggest challenges facing farmers and ranchers -- especially as it impacts water scarcity. In addition to reducing harmful emissions that create a hotter, drier climate, energy efficiency measures and renewable energy technologies are effective strategies to make Colorado's agriculture producers more economically competitive and sustainable. CDA is also developing a voluntary, incentive-based soil health initiative to help farmers and ranchers build drought resilience, improve water quality, sequester carbon, and reduce erosion. CDA and CEO support and will build on this good work by connecting producers to financial and technical assistance and education so farmers and ranchers can continue to protect themselves from the adverse effects of climate change.
- **Enhance the utilization of the Colorado Resilience Office (CRO).** Through institutional resilience practices and principles, the Colorado Resiliency Playbook will help State agencies plan for disaster and maintain a sense of urgency throughout the recovery process after a disaster occurs. CRO practices will inspire and enable integration of resilience into the daily business and culture.

# OUR POLICIES AND ACTIONS

## CONNECT COLORADO WORKERS TO THE FUTURE ECONOMY AND MAKE CRITICAL INVESTMENTS IN COMMUNITY INFRASTRUCTURE

Colorado's economy is the envy of the nation. But to ensure that our success benefits everyone in our state, we must prepare workers for the jobs of the future. In addition, improving rural infrastructure is critical to increasing economic opportunities. Automation, the high cost of education, and a shifting need for skills are just a few of the challenges our workforce faces. This Administration is developing effective strategies to combat these challenges and ensure rural Coloradans, school districts, and employers are prepared for the future of work.

- **Expand broadband to rural households and schools.** The state is committed to expanding broadband in rural Colorado to help students, workers, families, and small businesses stay connected and prepare for the future economy. The Broadband Deployment Board, overseen by the Broadband Fund at the Colorado Department of Regulatory Agencies (DORA), was created to implement and administer the deployment of broadband service in unserved areas of the state by awarding grants from the Broadband Fund. The board has committed over \$19 million dollars since 2016 for funding the last mile infrastructure projects across the state. DOLA has committed \$5 million per year for the next five years to facilitate the completion of the “middle mile” infrastructure, which will increase Internet access to every rural household. Currently, 86 percent of rural households have access to basic broadband, and we have a goal to increase that to 92 percent by June 2020 and 100 percent by 2024.
- **Stimulate sustainable affordable housing development.** The state has worked to create a steady supply of sustainable affordable housing in rural Colorado. The Homeowner Modification Tax Credit helps those with illnesses, impairments, or disabilities to retrofit their residences for greater accessibility and independence through a \$5,000 credit. Also, the Housing Stakeholder Engagement Sessions informed the development and release of the Affordable Housing Guide for Local Officials, to encourage advocacy and partnerships regarding the needs of affordability in housing. In addition, through continued partnerships with local housing providers and CHFA, we can increase the supply of affordable homeownership and the development and preservation of affordable rental housing. Recently, Colorado did away with a wasteful tax break for big box retailers and used the savings to invest millions into affordable housing; we will continue to look for creative solutions to fund affordable housing across the state.
- **Prepare Colorado for the Future of Work.** The Future of Work Executive Order established an Office of Future of Work at the Colorado Department of Labor and Employment (CDLE) to ensure that Colorado's economy is resilient and works for everyone. This newly established office will work in partnership with the Office of Just Transition, to help prepare each of our local communities for the many ways that work and the economy are changing. This means connecting employees with diverse, in-demand, and growth industries, helping them access opportunities to re-train and re-skill, and attracting businesses in these key industries to select Colorado as their new home.

# OUR POLICIES AND ACTIONS

## CONNECT COLORADO WORKERS TO THE FUTURE ECONOMY AND MAKE CRITICAL INVESTMENTS IN COMMUNITY INFRASTRUCTURE (CONTINUED)

- **Increase opportunities through the Rural Workforce Consortium.** Through the Colorado Rural Workforce Consortium, we can continue connecting Coloradans to training, coaching, and job placements. Each will strengthen the workforce in rural areas of the state, increase self-sufficiency, meet the skills requirements of employers, and enhance productivity in local communities.
- **Expand early care and education options.** We know that child care and early childhood education can be budget-busters for hardworking Colorado families trying to make ends meet. Leaders of state agencies, such as CDHS, CDLE, DOLA, and OEDIT, are prioritizing an expansion of high-quality child care options throughout Colorado's rural areas, recognizing this is a central component of a strong workforce and economic development, aligned closely with our goal of expanding quality early childhood education to all four-year-olds. By expanding provider professional development, educational, and training opportunities, promoting career pathway programs at local workforce centers, marketing fiscal incentives, and coordinating with small businesses on courses on how to start up new child care centers, we can give families more options and save them money.

# OUR POLICIES AND ACTIONS

## INVEST IN RURAL ROADS AND BRIDGES

Like clean air and water, a reliable and safe transportation network is the lifeblood of local economies around Colorado. Rural roads, highways, and bridges connect and carry goods, people, and ideas that make us have the best economy in the Country. The administration is committed to ensuring that these transportation assets are safe, reliable, and uncongested. Through our conversations, we have learned that some of the things on which most Coloradans agree are that road conditions and safety need to be addressed, growth and congestion are impacting quality of life, and lack of travel options is an issue.

- **Improve rural roads and highways.** A recent study indicated that Colorado has some of the worst rural roads and highways in the country. To remain competitive, we must find new and sustainable ways to ensure that we properly fund transportation improvement projects. That is why CDOT and the Colorado Transportation Commission have set aside \$110 million each year for the next three years for rural pavement resurfacing, and why CDOT continues its investments in guard rails, signage, and other safety features on rural roads and highways.
- **Reduce wildlife-vehicle collisions.** Colorado's natural environment and numerous native wildlife species contribute greatly to our economy and enhance Coloradans' quality of life. But Colorado's wondrous wildlife also poses a significant safety risk: every year, 4,000 wildlife-vehicle collisions are reported to law enforcement. In addition to conserving big game migration corridors and seasonal habitats for big game, we are taking action to keep individuals safe on our roads from wildlife collisions. Governor Polis recently issued an Executive Order to establish wildlife corridors for safe passage of wildlife across rural roads and highways. Through partnerships, technology, and collaborative funding efforts, there are emerging opportunities for Colorado to further support big game migration and keep Colorado drivers safe.
- **Collaborate with local communities on a 10 year strategic transportation plan.** The development of the statewide and regional transportation plans starts with conversations with local government officials which served to identify initial transportation mobility, safety and asset management problem areas for the purpose of developing a 10-Year strategic pipeline of projects. This project pipeline will be inclusive of all modes of transportation, and is informed by a data-driven needs assessment along with public and stakeholder input.

**CDOT and the Colorado Transportation Commission have set aside \$110 million each year for the next three years for rural pavement resurfacing**

# OUR POLICIES AND ACTIONS

## PROGRAMS AND EXPANDING INNOVATIVE PRACTICES THAT WORK

The Administration is addressing the current needs of rural communities in the state by actively meeting them where they are. There are over 200 programs that exist already to help rural communities, from education to housing, health care, and employment and business start-up and expansion opportunities. Click here for a non-exhaustive list of Colorado programs that serve our rural communities. We will work with various partners and the General Assembly to enhance their functions and scale them to meet the needs of communities

**Enhance business support through grants and technical assistance. Several state programs provide grants and technical assistance to Coloradans who own or operate businesses.**

- **Rural Technical Assistance Programs (RTAP) are technical and implementation assistance** initiatives designed to enhance rural economic development across the state in areas such as co-working, creative industries, film, and outdoor recreation. Colorado Creative Industries incubated six creative communities through RTAP Creativity Lab to attract and retain creative sector businesses. *In August 2019, 18 rural communities were announced as recipients for this year's RTAP awards.*
- **The Employee Ownership Network** is a statewide initiative to promote employee ownership of businesses so workers can benefit when their employer does well.
- **Advanced Industries** offers funding grants for those working in sectors such as clean technology, health technology, and bioscience.
- **The Small Business Development Center (SBDC) Network** is dedicated to helping existing and new businesses grow and prosper in rural Colorado by providing free and confidential consulting and no-or-low-cost training programs. In the last year, the SBDC Network has produced 311 business starts, \$99 million in capital formation, \$73 million in contracts obtained and 5,400 jobs created or retained. There are 15 centers across the state, with nine in rural Colorado, including a brand new rural center in Salida. We look forward to engaging the General Assembly to identify new resources that can enhance this important program.
- **The Colorado MicroLoans program** provides capital to borrowers who are not served by traditional lending sources. To date, 85 percent of the loans from this program went to rural borrowers.
- **StartUp Colorado** is promoting rural entrepreneurial ecosystems for five years through a unique partnership between the Economic Development Commission and other funders, connecting rural communities with front-range assets including training and mentors.
- **The State's Opportunity Zones program** works with rural communities to take advantage of the federal tax incentive for investors to invest in low-income urban and rural communities through the favorable treatment of reinvested capital gains and forgiveness of tax on new capital gains. Already this incentive has supported much-needed housing in Fort Morgan, a new hotel in Colo-

**In the last year, the SBDC Network has produced 311 business starts, \$99 million in capital formation, \$73 million in contracts obtained and 5,400 jobs created**

# OUR POLICIES AND ACTIONS

## BUILDING ON CURRENT SUCCESSFUL RURAL ECONOMIC DEVELOPMENT PROGRAMS AND EXPANDING INNOVATIVE PRACTICES THAT WORK (CONTINUED)

- The Arts in Society program is a grant program fostering cross-sector work by supporting the integration of arts and culture into multiple disciplines critical to the health and well-being of Coloradans. The Colorado Creative Industries (CCI) and a cohort of Colorado funders' program provides grants of \$10,000 to \$50,000 to individuals and organizations for projects utilizing arts to promote social justice and community welfare. CCI contributes \$100,000 annually to this program.
- The Colorado Creates Grant provides financial support for non-profit arts and cultural organizations to produce arts and cultural activities. Efforts are made to ensure increased investment in rural communities. Approximately 40 percent of annual funding of \$1.3 million is distributed to rural communities.
- The Colorado Rural Academy for Tourism (CRAFT) offers training programs and implementation funding for rural communities on how to incorporate tourism into a local economic development strategy. By focusing on agritourism, cultural, heritage, outdoor adventure and sustainable tourism, CRAFT empowers rural destination partners to develop and promote tourism assets, to educate the public on Colorado's assets, and to preserve historical sites, natural attractions and local culture.
- Rural Economic Development Initiative (REDI) is a financial and technical assistance grant of \$750,000 administered by DOLA that aids rural communities to plan, develop and implement economic transition plans.

Support business growth in rural Colorado. Several programs provide incentives to Coloradans who own or operate businesses. *Together, these funding and incentive programs equal about \$26 million for rural communities. Continuing to further enhance these incentives will better serve rural Coloradans.*

- **The location-neutral employment incentive**, a new program created under the Polis Administration provides a state income tax credit and a per-job cash grant to businesses that create new jobs in rural Colorado.
- **The Job Growth Incentive Tax Credit** is a performance-based tax credit that provides a state income tax credit to businesses creating net new jobs.
- **The Enterprise Zone Tax Credit Program** is one of the State's key economic development programs supporting Colorado's rural communities. The program provides state income tax credits that encourage businesses to locate and expand in areas with high unemployment, low per capita income, or slow population growth. In fiscal year 2019 more than 3,400 rural businesses earned almost \$19M in tax credits. The incentives encouraged businesses to invest almost \$562M in equipment and about \$2.8M in employee training. Tax credits supported more than 1,400 net new jobs and new employer's to provide qualified health plans to more than 150 new employees.

# OUR POLICIES AND ACTIONS

## BUILDING ON CURRENT SUCCESSFUL RURAL ECONOMIC DEVELOPMENT PROGRAMS AND EXPANDING INNOVATIVE PRACTICES THAT WORK (CONTINUED)

- **Rural Jump Start** is a program that offers State tax relief to employers and employees of businesses for up to four years in JumpStart Zones. This program supports employers and employees at companies that are advancing and diversifying the rural economy, in industries like software and manufacturing.
- **Career Advancement Grants** for creative entrepreneurs are available through Colorado Creative Industries (CCI). CCI has provided funding for writers, photographers, visual artists, and musicians, choreographers, fashion designers, culinary artists, and performing artists in rural communities.
- **Space to Create** provides permanently affordable live/workspace, commercial and community space in rural communities for creative sector workers to position Colorado as the nation's leader in community-led economic transformation in rural areas. This inter-agency work is led by Colorado Creative Industries in the OEDIT and is a partnership with DOLA, History Colorado, and private foundations to develop nine projects in each region of the state through a competitive application process. Projects are in planning and development phases in Trinidad, Ridgway, Paonia and Grand Lake.
- **Cash Collateral Support Program** brings OEDIT together with CHFA to support business lending with loan enhancement mechanisms. These provide greater access to capital for small and medium-sized businesses operating in Colorado that are experiencing difficulty securing credit due to collateral shortfalls. The Cash Collateral Support program uses small amounts of public resources to encourage private lender financing. The program provides a deposit of cash as collateral for a business loan or credit facility when a business cannot meet the lender's collateral requirements.
- **State-certified creative districts** serve as hubs of community and economic activity thereby enhancing the area as an appealing place to live, work and attract business. 14 of the state's 23-certified creative districts are in rural communities. This nationally-recognized creative placemaking initiative offers support for community-led economic development efforts.
- **Expand state operations in rural communities** to better serve the entire state. The Office of Economic Development and International Trade (OEDIT) recently moved their Rural Development team out of Denver and into three rural communities. The Division of Insurance (DOI) opened insurance testing areas into seven rural communities to expand access to insurance agents. The Department of Human Services (CDHS) increased call center jobs at their rural location.
- **Improve regulatory processes to enable businesses to thrive.** The Office of Economic Development and International Trade (OEDIT) will work with The Pew Charitable Trusts and the National Governors Association (NGA) to identify regulatory constraints and opportunities for clean energy practices in the related cannabis and outdoor recreation industries. This program will help identify ways to administer regulations more efficiently to reduce compliance costs all while continuing to safeguard public health and safety.

## OUR POLICIES AND ACTIONS

### BUILDING ON CURRENT SUCCESSFUL RURAL ECONOMIC DEVELOPMENT PROGRAMS AND EXPANDING INNOVATIVE PRACTICES THAT WORK (CONTINUED)

Revitalize rural downtown areas to attract business growth. The downtown areas of our rural and frontier cities and towns aren't just hallmarks of our state's unique Western character -- they can be revitalized and restored as the vibrant centers of commerce they have been through Colorado's history. The Mainstreet Program is a nationally recognized program that offers support for community-led downtown revitalization through a provided customizable framework. Our continued focus on this program can see us bring new businesses to Colorado. Additionally, the Colorado Main Street Revitalization Act encourages the preservation and rehabilitation of historic commercial structures with the goal of economic revitalization; beginning January 1st of 2020, the tax credit rate for rehabilitating commercial buildings in rural communities will increase by 10 percent as compared to the credit for buildings located in non-rural communities.

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# GOVERNOR POLIS RURAL ECONOMIC BLUEPRINT

## OPPORTUNITIES

Looking forward, we are working with Coloradans, stakeholders, industry, and the General Assembly to create new opportunities for rural Coloradans. Some of the areas where we hope to find partnership in the future include:

- Expanding opportunities to access our outdoors and ensure that Colorado remains a leader in outdoor recreation;
- Identifying additional resources that can be set aside to meet the needs of implementing the Colorado Water Plan;
- Leveraging current public lands and promoting strategies that prepare us for the deployment of renewable energy;
- Targeting investments that will increase the number of children in high-quality child care from 64,341 to 81,090 across the state;
- Addressing teacher shortages and retention;
- Continuing our efforts to identify other mechanisms to save Coloradans money on health care;
- Ensuring Coloradans have equal access to affordable, fast, and reliable broadband service;
- Identifying additional resources to improve rural roads and highways; and
- Building on economic development programs that serve rural communities.
- Leveraging existing resources to support workforce housing needs and livability in rural communities.

## THE FUTURE

The Rural Economic Blueprint calls upon the state to address the unique needs of rural Colorado, and to shape a bright future for Coloradans in every corner of our state. Governor Polis is dedicated to growing opportunity and keeping rural Colorado affordable by implementing practices that meet people where they are and address some of their most pressing needs. Together, we can build a Colorado for all, no matter who you are or where you live in our beautiful state.