***Region 9 Board of Directors Meeting Agenda***

***Thursday, July 27, 2023***

***Silverton Town Hall***

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Board Members** | | |  | **Region 9 Staff** | |
|  | Andrea Phillips | Town of Pagosa Springs |  | X | Brian Rose |
| X | Alex Lanis | San Juan County At-large |  | X | Heather Otter |
| X | Ashleigh Tarkington | Town of Bayfield |  | X | Jenny Stollar |
| X | Bernadette Cuthair | Ute Mt Ute Tribe |  | X | Laura Marchino |
|  | Cassie Alexander | Montezuma County At-Large |  | X | Shak Powers |
|  | Chauncey McCarthy | Town of Rico |  | X | Shirley Jones |
| X | Clyde Church | La Plata County |  | X | Stephani Burditt |
| X | Colleen O’Brien | La Plata County At-Large |  | X | Tiffany Broderson |
| X | Colton Black | Southern Ute Tribe |  | X | Lizzie Heine |
| X | Dan Fernandez | Dolores County At-Large |  |  | Terry Blair Burton |
| X | Dayna Kranker | Town of Silverton |  |  |  |
|  | Drew Sanders | City of Cortez |  | **Guests** | |
|  | Gloria Kaasch-Buerger | Town of Silverton |  | X | Mary Shepherd, SBDC |
| X | Janice Bryan | Town of Mancos |  | X | Helen West, City of Cortez |
| X | Jason Armstrong | Town of Mancos |  | X | Naomi Dobbs, Rep. Boebart |
| X | Jennifer Green | Town of Pagosa Springs |  |  | Helen Kaitch, Hickenlooper |
|  | Jim Candelaria | Montezuma County |  | X | Jennifer Peesco, Crow Canyon |
|  | Justin Osborn | La Plata County At-Large |  | X | Liz Perry, Crow Canyon |
|  | Katie Sickles | Town of Bayfield |  | X | Melissa Mount, FLC |
| X | Kelly Koskie | City of Cortez |  |  |  |
|  | Ken Charles | Town of Dolores |  |  |  |
| X | Leigh Reeves\*  Mark Garcia | Town of Dolores  Town of Ignacio |  |  |  |
| X | Mary Jo Coulehan | Archuleta County At-Large |  |  |  |
|  | Matt Salka | La Plata County |  |  |  |
| X | Kent Lindsay | Montezuma County |  |  |  |
| X | Michala Riley | Town of Ignacio |  |  |  |
| X  X | Nate Peach  Olivier Bosmans\* | Fort Lewis College  City of Durango |  |  |  |
| X | Robert Whitson | La Plata County At-Large |  |  |  |
| X | Shawn Gregory | Montezuma County At-Large |  |  |  |
| X | Steve Garchar | Dolores County |  |  |  |
|  | Todd Weaver | Archuleta County |  |  |  |
| X | Tommy Crosby | City of Durango |  |  |  |
|  | Veronica Medina | Archuleta County |  |  |  |
| X | Willy Tookey | San Juan County |  |  |  |

**Attendance as marked above. \* Indicates elected at this meeting**

# Call Region 9 EDD Quarterly Meeting to Order

# The meeting was called to order at 11:30 am by Willy Tookey, Board Chair.

## Introductions were made and guests were welcomed.

# Amendments to the Agenda

# An amendment was made to G3, making it an action item.

# Under the Executive Director report, Executive Director review was added.

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# Election of Board members

## The Board currently has 25 of 26 board seats filled. There is still a vacancy for the Town of Dove Creek and outreach with staff and the Mayor continues. In the Town of Dolores, Ken Charles is retiring at the end of August, and Mayor Leigh Reeves, who has attended a previous Region 9 Board meeting needs to be formally approved by the Board with the new Manager participating at a later date. Also, the City of Durango has appointed Olivier Bosmans as their representative. Tommy Crosby will remain the Durango alternate. Both Reeves and Bosmans met Laura and received orientation packets. **Ashleigh Tarkington made a motion to approve Leigh Reeves and Olivier Bosman to the Region 9 Board of Directors as presented. Clyde Church seconded, and the motion passed unanimously.**

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# Consent Agenda

## **Board of Director’s Quarterly Board Meeting Minutes from April 28, 2023**

The minutes from the April 2023 Board meeting for approval were in the packet.

## **Executive Committee Meeting Minutes from June 15, 2023**

The minutes from the June Executive Committee meeting for approval were in the packet.

## **Loan Compliance Review for Q3, Q4 and Q1 (2023)**

An audit of loan files has been conducted for the 3rd and 4th quarters of 2022, and the 1st quarter of 2023 and the reports were provided in the packet. A summary letter is included in the Board packet. Internal audits are done on all loan files to make sure Region 9 is meeting all funding source requirements in terms of documentation. Elise Savastano performed the audit in July.

## **Loan Loss Adjustment**

The loan loss summary sheet for the period ending June 30, 2023, was provided in the packet. This report shows the loan loss by each fund but does not identify individual loan clients. Staff reviews each loan quarterly based on Region 9’s policies and procedures into four categories: doubtful, substandard, satisfactory and watch. (An un-redacted copy of the allowance for loan loss by client is available at the meeting for those who have signed a confidentiality agreement.) The total loan loss allocation for this period increased $34,251 making the total loan loss allowance $428,787. The loan loss is included in the June 30, 2023, financial statements.

Kelly Koskie noted an edit to the Quarterly Board minutes on page 30. Under the City of Cortez, it should read “Cortez is leasing to VERO.” **Mary Jo Coulehan made a motion to approve all items listed in the Consent Agenda as presented. Ashleigh Tarkington seconded, and the motion passed unanimously.**

# Financial Report

## **Approve Financial Statements through June 30, 2023**

The financial statements from October 1, 2022, through June 30, 2023, which include the Statement of Revenues & Expenditures with a Budget Comparison and the Balance Sheet were provided in the packet. The financials reflect what is printed from the Abila Accounting System and was not reformatted by the Comptroller. This was done as a time-saving decision and feedback was requested. The Statement of Revenues & Expenditures shows a year-to-date revenue of $3,165,841, which 98.47% of budget. Total expenditures are $1,595,291, or 60.13% of budget, for a net revenue over expenditures of $1,570,550. This report also contains the year-to-date Budgeted Revenue & Expenditures, prior Year-to-Date actuals, and the percentage used of the total current budget. The Balance Sheet has total assets of $14,749,072, total liabilities of $2,708,034 for net assets of $12,041,038. It was asked if the higher interest rates will impact the future of loan making for Region 9. Yes, there has already been a slowdown and some clients have called to modify their payments. About 15% of the loans are on floating rates but most are fixed. To that end, the funds we have in the bank are now earning a higher interest rate, so it equals out. **Robert Whitson made a motion to approve the Financial Statements through 6/30/23 as presented. Jennie Green seconded, and the motion passed unanimously.**

## **Audit Engagement for next fiscal year**

The requested action is to keep our current auditor, Hinton Burdick, through this process. A formal engagement letter with finalized costs is not yet available. **Mary Jo Coulehan made a motion to approve Hinton Burdick for the 2023, 2024 financial audits as presented. Ashleigh Tarkington seconded, and the motion passed unanimously.**

## **Resolution #23-10 Update Check Signers**

A resolution to update check signers who should be added or removed due to attrition was provided in the packet. In reviewing all bank accounts, staff determined some signature card changes were not implemented. **Robert Whitson made a motion to approve Resolution #23-10 as presented. Clyde Church seconded, and the motion passed unanimously.**

## **Discussion of Aligning SWCCOG and Region 9 fiscal year**

## The Region Board of Directors has had previous discussions about aligning the Region 9 and SWCCOG fiscal year-ends. Initially, the thought was that the SWCCOG fiscal year should remain as the priority, being a government entity, however, both Region 9 and SWCCOG follow government public notices and other requirements already, and the SWCCOG budget is not required to be submitted to DOLA (verified with other COGs in the State). Due to Region 9’s size and financial complexity, it would be easier to move the SWCCOG fiscal year. The Region 9 fiscal year is Oct 1-Sept. 30th and the SWCCOG Fiscal year is Jan. 1 -Dec. 31st. Assuming auditor support and no unforeseen barriers, a fiscal year alignment could start October 1, 2024 and the SWCCOG would have a 9-month audit for Jan- Sept. 2024 and then align with Region 9 fiscal year, otherwise alignment will take place in 2025. A memo was sent prior to the meeting that showed the pros and cons of aligning the reporting years and was reviewed. Other COGs have been outreached to see what is typical and the Denver COG did change their fiscal year to July-June. It was asked if the SWCCOG fiscal year is changed, a new Intergovernmental Agreement will need to be signed and the bylaws updated? Yes. The SWCCOG has its own tax ID number so separate books will need to be kept but could be merged into Region 9’s accounting system for easier presentations of the dual financials. It was asked if the COG is currently listed as a component of Region 9; no, it is two separate audits. The audit is supposed to be submitted 90 days after the fiscal year end. It takes a month to a month and half to close out the yearend books and an extension is always requested. It was asked what staff would prefer; they would like to keep it as it is. It was asked what the auditors thought about the merge; they didn’t say one way or the other. The COG lawyer provided a lot of information and Region 9’s lawyer was more succinct but confirmed the COG lawyer’s advice. It was asked if there are any deadlines coming up for this decision to be made or could we continue talking about this at the next meeting. It was clarified that $40K is the audit cost for Region 9 and $7K for the SWCCOG audit; yes. It was stated that leaving it as it is might be best. Other COGS and EDD’s are one entity, and we are not. There is no desire to get rid of a tax ID. There are certain grants that only governments can apply for. It was suggested to keep looking at it and bring to the next meeting. Having the same fiscal year benefits would be cost efficiency, streamlining, etc. It was suggested to step back and determine if there are more disadvantages to merging the fiscal years than benefits. Staff would like to move the COG books from QuickBooks to Region 9’s accounting system. There might not be a savings to merging the fiscal years because of the added component of a new organization to region 9’s audit. It was asked for staff to get the Auditors opinions on the merge and bring back to the next meeting.

# Business Loan Fund

## **Portfolio & Delinquency Report and New Loans**

The loan portfolio and delinquency report was reviewed and redacted for client confidentiality was provided in the packet. It was asked if the Aging receivables has gotten worse; not really historically range between 4%-7%.

Below is a list of loans closed since the April Board meeting. The portfolio has reached a total of $11,577,786 and delinquencies have increased slightly to 6% of the total portfolio.

* 1. **Southwest Doughnuts $44,000 Montezuma**

The company is a start-up handmade doughnut shop located in Cortez. The company will have 1FTE and 3 PTE employees to start and loan funding was for equipment.

* 1. **Durango Culinary Concepts $95,102 Montezuma**

The former owners of the Boathouse at Electra Lake, which closed during COVID, have found a new location, and are reopening in Mancos as The Boathouse on Grand. The loan was made as gap funding with the Bank of Colorado.

* 1. **AFV, LLC $45,000 La Plata**

The company is relocating to a new commercial kitchen that is larger and has better climate controls. A second serving counter is being opened inside of Dietz Market to help increase revenues as well.

d. **Texas Ty’s Smoke Train BBQ $5,000 La Plata**

### This loan provided working capital for a BBQ food trailer that is open Thurs – Sat in various locations around Bayfield, Durango, and Silverton. There were two jobs created.

### **Meadow Market $200,000 La Plata**

The loan provided financing for equipment and working capital for a new bakery/catering business and for a market that is located near the Edgemont subdivisions in La Plata County.

### **Kustom Diesel Towing $199,000 Montezuma**

### Loan funds helped support the purchase of the property that the Borrower had been operating his business out of (owner occupied commercial real estate). A portion of the funds were used to finance a large boom-arm tow truck in participation with a bank loan.

### **Modstreet $25,000 La Plata**

### The company needed short-term working capital and this loan was provided for a 6-month term. The Borrower was able to deliver a large custom order and should have final payment within 60 days.

### **Barbara Woolsey $10,000 La Plata**

### This funding helped a start-up shaved ice business for an underserved client. Up to $2k in grant funding was offered with the loan through CO Startup Loan Fund.

### **Reflections in Metal $75,000 Montezuma**

### This loan was for expansion of their location in Cortez. A new paint booth, sand blasting booth, shipping, and inventory storage area is being added to accommodate growth through internet sales.

### **Deborah Kelroy Fine Art $15,000 La Plata**

### Deborah is a local artist who has been juried into several shows in the Southwest – primarily Colorado and Arizona. Loan funds are to help with registration fees, travel costs and to build a display booth.

### **9318 Development Ventures, LLC $125,000 San Juan**

### This loan provided capital to complete the construction of an affordable/attainable workforce housing unit in the Anvil Mountain Subdivision, in Silverton as part of a larger project initiative.

### **Jenni Gross dba Soup Palette 60,000 La Plata**

### This loan will help the Borrower expand into wholesale food products by packaging her dressings and condiments including a pesto mayonnaise. She continues to do event catering and online orders for pickup.

## **Loan Production Spreadsheet**

The spreadsheet tracking loan activity was provided in the packet. It includes loans approved and closed as compared to Region 9’s monthly goals. For Fiscal Year 2023, loan production was budgeted at $250,000 per month but have been tracking production based on a stretch goal of $300,000 per month. Over 9 months, ending 6/30/2023, we have closed $2,402,515 in new loans for an average of $266,946/mo. We have received approvals for $3,187,125 in new loans in the same period for an average of $354,125/mo. Loan approvals, through 6/30/23, are ahead of budget but loan closings are slightly behind our stretch goal. Loan production has been steady since the beginning of 2023 but lagged in the 4th quarter of 2022 due to rapid interest rate increase environment. Brian predicts that the interest rate may rise another quarter point and then flatten out. The Loan Committee has adjusted the max interest rate at Prime currently, as opposed to the typical Prime +2. It was asked if interest rates are negotiated after closing; No, that discussion happens earlier. However, the staff is willing to work with clients to lower rates as needed.

1. **Region 9 Tax Lien Sale Proposal**

A proposal outlining a new investment opportunity for Region 9 through participation in the annual tax lien sale held by each county was provided in the packet. The program idea was discussed with the Executive Committee with the recommendation to prepare the program for consideration by the full Board. Staff is requesting up to $15,000 from revolved loan fund for an initial investment into the program be allocated in the 2023-2024 fiscal year budget. The funds will be invested into tax lien properties in each county in the region, assuming there are properties that meet the investment criteria as outlined in the program. When these investments are repaid, the funds will be revolved for future investments. This investment program will drive additional interest income for Region 9 above current rates, and it has the long-term potential of acquiring properties that could be used for either business attraction/retention efforts or for increasing supply of affordable/attainable housing. The interest rate on these investments would be Prime +9%. Only about 4% of these investments end up in a deed exchange but the interest is a worthwhile endeavor. The cash in our bank account is earning 5%. This would be another opportunity to get Region 9 to be sustainable. Laura’s outlook is that the deeded land could be provided at cost to organizations that would provide affordable housing like Habitat for Humanity. The intention isn’t to flip the properties for profit but to help the communities with housing or commercial spaces. It was mentioned that this could be a good opportunity and Region 9 has the background to do it. It was asked what about the existing liens on the properties like a bank lien or a performance lien; The tax lien supersedes any lender lien on the property so after the 4th year their claims get wiped out. Commercial properties could be riskier, but the bank could also pay us off to get the property. It was asked if the taxes aren’t paid would the property not go through foreclosure; yes, but you buy the property for the cost of the tax lien, and we would earn interest for however many months we paid the taxes. It was asked if the interest earned would cover the cost of employee time commitments. This first year is more of a test run to see if it would be a viable program in the future. It is worth exploring but maybe assess the time it takes to assess the properties to see the cost value verse time. Brian thinks these properties are either blighted or land that has been forgotten through the generations. Brian will do some research from the last year to determine what has been available. It was asked what happens if there are other fees attached to the property; HOA fees were considered at this time but will be looked into more. It was suggested that HOA’s may forgive the fees just to get the property to make money again. It was mentioned that it shouldn’t take a lot of time to do drive by especially with the amount of Board members around the area. It was stated this is an easy and low investment risk for the organization. It was asked if there has been other investment vehicle to earn a steadier rate of return. It was noted that sewer lines are also a way to obtain properties. It was noted too that $15K isn’t a big risk and trying it for a year. **Clyde Church made a motion to approve the implementation of the Region 9 Tax Lien Sale Investment fund with an initial contribution of $15,000 from the revolving loan fund for investments at the 2023 tax lien sale as presented. Olivier Bosmans seconded, and the motion passed unanimously.**

# Executive Director Report

### **Confirm membership dues for 2024**

### A spreadsheet showing the proposed Region 9 annual dues amount divided among all 17 governmental jurisdictions by population was provided in the packet. Region 9 dues were raised last fiscal year due to the integration of the SWCCOG. SWCCOG members saw a reduction in the total amount contributed to both organizations and non-COG members saw an increase. Staff reduced the amount of support by $5K through 2024. More information can be provided to member governments, but the Board is asked to approve the proposed amount so that governments can include it in their 2024 budgets. It was asked to amend the Southern Ute population as the number noted is inaccurate. Please send that to Laura for amendment.It was asked to see the number of last year’s dues per entity; yes, that will be distributed. **Kelly Koskie made a motion to approve the 2024 Dues amounts as presented. Clyde Church seconded, and the motion passed unanimously.**

## **Strategic Plan Update**

The draft updated Strategic Plan was provided in the packet. The draft includes all edits and suggestions from the Board’s April Strategic Planning session. Heather reviewed the highlights and changes. This plan will go through 2026. It was asked if staff wanted updates from each county; staff will bring updates about items like the CDAPS, etc. The Strategic Plan will be brought to the Board twice a year with updates. **Robert Whitson made a motion to approve the Strategic Plan as presented. Colton Black seconded, and the motion passed unanimously.**

3. **Staffing Update**

Heather Peterson left her position with Region 9 in early July after 6 months as Office Manager. Laura and Brian conducted an exit interview that will be shared with the Executive Committee as applicable. Interviews have occurred for her replacement. An offer was made and accepted by Lizzie Heine. She will be starting in September with some training dates in August. Also, Region 9’s Community Grant Writer will be taking maternity leave in September and October. Grant editing and research will be put on hold and staff will manage other tasks in the interim.

1. **Executive Director Evaluation**

Every three years a 360 evaluation is conducted, and this is that year. Please return your evaluation to Willy Tookey, Board Chair. The evaluation will be sent out in email after the Board meeting.

1. **Funding and Navigator Update**

Region 9 did not receive the $66M NTIA broadband funding and will be working with our communities as applicable to continue to bring in middle mile infrastructure. Since the April BOD meeting, Region 9, through our Grant Navigator, has applied for the CHFA Direct Effect Grant ($13K) and the Colorado Broadband Office Technical Assistance Grant for Region 9. The TA grant was funded. A CEDS implementation grant for SWORD and Region 9 was submitted for $40K. Assistance to four nonprofits in the region for grant editing also occurred and a request for a 2-year Economic Development Fellow was denied. Region 9 also explored applying for a national EDA Build to Scale grant in partnership with SCAPE and other rural accelerators, but ultimately felt the project was not competitive.

In June, the SW Rural Philanthropy Days Conference occurred in Southwest Colorado. Tiffany served as the Co-Chair and over 350 people attended, including nonprofits, local government representatives, and statewide and local funders.

There are several grants that will be closed out before the September Board meeting. The DOLA SWCCOG funding for the Carrier Neutral Location for $500K; and the DOLA grant that funded training for CDL drivers. Our CDBG #8 contract closes July 31st and CDBG #9 was recently approved for $870K to be submitted to the State. This contract is administered by La Plata County. The congressionally dedicated funding for $150K will close out at the end of September. Region 9 found out that the SWCCOG received a $350K FTA grant (applied for in Dec. 2021) to develop a digital Mobility Hub to connect area transit providers, and Laura and Shak have been meeting with the various partners to learn more about the grant requirements, match @(80K) and whether we can complete the project.

It was asked how the CDL program worked out. The positives were that a group of stakeholders were reinvigorated and created an asset map. Eclipse DOT, a former SCAPE company, was used to help get people certified. The Mancos School District is now working with Eclipse DOT to train 18-year-olds who want to be drivers. The Roadrunner Transit Director is now working with Eclipse DOT. Region 9’s role going forward will be to look for additional funding. It was stated that training CDL drivers has been an issue and for such a small amount of funds this has had a huge impact. It was asked if the call with NTIA would allow Representative Boebart could listen in on that meeting. It was mentioned that this grant is so important for the region and an update from that meeting would be appreciated.

# Program Reports

## **Enterprise Zone**

## Update - Montezuma Heritage Museum received local approval at April’s BOD meeting and has been approved by the State as a EZ Contribution Project. It was asked if there is any cost to Region 9 for administering the EZ program. The state provides about $20K of admin and Region 9 charges a 3% admin fee on all donations that is capped for large donations. This program used to be an income generator for Region 9, but this year, the hope is to breakeven.

### Resolution #23-08 - San Juan Development Association

The application for the San Juan Development Association to be submitted as a potential EZ Contribution Project was provided in the packet. They have a current project which is expiring at the end of the year. This new project will focus on affordable housing efforts. This is the county level Economic Development group. They are hoping to continue to match grants and continue to support housing growth in Silverton. The project is in an Enhanced Enterprise Zone which provides additional tax incentives to donors. The current project is expiring. **Robert Whitson made a motion to approve Resolution #23-08 pending finalization of the application draft and a government letter of support. Ashleigh Tarkington seconded, and the motion passed unanimously.**

### **Resolution #23-09 – Crow Canyon**

The application for the Crow Canyon to be submitted as a potential EZ Contribution Project for job training and tourism was provided in the packet. Crow Canyon has been a previous EZ Project recipient, and Liz Perry presented the program to train archeologists to support the workforce. Certified archeologists are required to be at all ground breakings due to the vastness of archeological sites in the area. It was asked how the money will be determined to be just for training since there are a lot of fundraising events. About half the activities relate to research and training. **Ashleigh Tarkington made a motion to approve Resolution #23-09 pending any application edits. Alex Lanis seconded, and the motion passed unanimously.**

### **Resolution #23-11 Fort Lewis College Foundation’s Nursing Collaborative**

### A Contribution Project application to support the development and launch of a four-year nursing degree program at Fort Lewis College with the first graduation co-hort expected in May 2027 was provided in the packet. Melissa Mount, Vice President for Institutional Advancement CEO of the Fort Lewis College Foundation presented. This program will be introduced this fall and will focus on rural and Native healthcare. This is a collaboration with CU Anschutz. The campaign is for program and operational support. It was asked what the program accreditation timeline was; CU Anschutz provides the accreditation. It was noted that the partnership is a great fit and will benefit our area. **Kent Lindsay made a motion to approve Resolution #23-11 as presented. Ashleigh Tarkington seconded, and the motion passed unanimously.**

### **Resolution #23-12 Fort Lewis College Sky Pavilion and Cultural Garden**

### A second application for Fort Lewis College to construct a Sky Pavilion and Cultural Garden to serve as a gathering space and outdoor event location was provided in the packet. Melissa Mount presented on this project also. This would be a 2-acre parcel between the Southwest Studies and the Concert Hall. The cultural garden will allow for the growing of Native plants and herbs used in traditional medicines. **Dan Fernandez made a motion to approve Resolution #23-12 pending any needed edits. Ashleigh Tarkington seconded, and the motion passed unanimously.**

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## **Regional Projects**

### A detailed report with photos and highlights of activities since the last board meeting was included in the packet.

### Broadband

#### NTIA – Did not receive grant, regrouping and reprioritizing.

#### Regional Broadband Roadmap completed and distributed.

#### CBO – Broadband for All Summit was a success.

#### La Plata Carrier Neutral Location (CNL) – construction is underway (see included photos)

#### Speed Testing software (Opti Map) - Region 9 staff and broadband team leads were trained to use and have deployed the newly acquired software.

#### Broadband Ready Communities – Continuing to work towards certifying regional jurisdictions.

#### SCAN system audit – Contract has been executed and audit has begun on SCAN fiber.

#### Capital Project Funding (CPF) – Archuleta, Dolores, La Plata, and Montezuma working with Internet Service Providers to apply.

### Housing

#### Attended Colorado Mountain Housing Conference

#### Facilitated a tour of Region 9 for the Division of Housing/CHFA

#### Ute Mountain Ute Housing and Master Planning continues. Region 9 is administering the grant.

#### Continued to work with DOH/CHFA regarding Proposition 123 Baselines

#### City of Cortez – Housing Needs Assessment and Housing Policy Steering Committee.

#### Began working with the Town of Dove Creek regarding the Big Canyon Water Pipeline project.

### Transportation

* Continuing to work with the Town of Rico and Montezuma County to address the transit needs of Rico Senior citizens.
* Continue to facilitate the Southwest Transportation Planning Region (SWTPR) and Regional Transit Coordinating Council (RTC)
* Mobility Hub landing page has launched and SWCCOG received funding to implement it.

It was asked if the CDOT’s easement fees are being pursued; Matt Salka is requesting a legislative reprieve to make it a onetime payment and not an annual fee. It was noted that the rules and legislation have been to incentivize development, but the rural area provides a higher cost to get last mile connectivity. It was asked if the Dove Creek Water project has found a coordinator, they are working with Jones and Demills.

## **Economic Development**

### **SWORD Council**

### Region 9 has been facilitating monthly SWORD meetings and applied for funds to help with contractor implementation support as this effort requires additional staff time and resources. Health Management Associates (HMA) presented a summary of the final feasibility report with recommendations to SWORD during the July meeting. The consultants will submit the final written report to Region 9 EDD by the end of July. It will be posted on Region 9 EDD's website on the SWORD page. High level recommendations for prioritization based on the findings were: 1) Start with the Mercy ER and their capacity for bump out, 2) Map the SUD prevention, treatment, and recovery ecosystem, 3) Establish care compacts where needed and possible first and add them as the build out at DeNier happens, 4) Work across counties in the region to develop funding strategy/ campaign, 5) Build out DeNier in a phased approach. SWORD will now begin working through the findings and recommendations in the report to develop priorities for funding. Region 9 EDD is continuing to draw down the congressionally dedicated funding received for the study and is on schedule to fully expend the grant. It was mentioned that Axis is looking to occupy the Mercury Building has that been discussed; yes, Axis has been at the table, and they will be a partner. The plan is to consolidate their Durango services into a single building.

### **Economic Development Updates**

### Region 9 EDD co-hosted with Tommy Crosby (City of Durango) to bring economic development staff and grant writers from across the region to participate in the quarterly Eco Devo Meet Up on July 14th in Durango. Themes for the event were Arts and Culture and Workforce Housing through public private partnerships. The Executive Director of the Durango Creative District highlighted the organization’s role and impact in the community including the Artist / lodgers’ tax grant program. The group split into teams for a treasure hunt that featured stops along the Creative District Asset Map. The afternoon included a tour of the Animas Park Overlook Townhomes and discussions with the public and private entities who partnered to make this project a reality. The discussion highlight was two of the Phase I homeowners sharing their homebuying journey.

### **San Juan Development Association (SJDA)**

### The organization is hiring for the role of Community Project and Sustainability Coordinator to work with Beth Kremer. This person will be responsible for advancing several priority projects identified in the 2022 Silverton Master Plan and creating and implementing a financial sustainability model for SJDA.

### **Dolores County Development Corporation (DCDC)**

### The DCDC Board decided to adjust its business meeting schedule from monthly to quarterly, add a consent agenda, and incorporate time on the agenda for addressing strategic goals and grant opportunities. Region 9 EDD’s Community Grant Writer will participate in these meetings to provide subject matter expertise as needed. Region 9 staff also met with their CSU intern to assist in his economic development work.

### **La Plata Economic Development Alliance (Alliance)**

### The Alliance Annual Summit will be held on September 20th at the Sky Ute Casino Resort in Ignacio. The event is titled Leading With Heart. The Alliance and FLC were recently awarded the Opportunity Now seed grant totaling $1.25M over three years. The objective of the workforce development grant is to address skill gaps that are inhibiting hire and upward mobility within industries that have economic impact in our five-county region. The strategy of the grant is to create micro certifications that are developed around skills identified by their advisory board and are built specifically for industry. These certifications are not for credit or part of a formal institutional program but rather built by industry for industry. The grant scope includes developing two certifications per year for three years totaling six micro certifications. Most of these certifications will be focused on soft skills like leadership development, which was the initial input from an industry committee involved in the application. The Alliance is in the process of creating a formal advisory board that will kick off in August.

### **Pagosa** **Springs Community Development Corporation (CDC)**

### The CDC is participating on and spearheading several projects:

### Workforce Development: The CDC is supporting workforce development efforts through partnering with local businesses and schools and providing grant funding. The CDC was recently awarded more than one workforce grant including $50k from Colorado NOW. To date, they’ve helped place 47 interns with local businesses and helped reimburse employers for student interns at $3500 per student. Industry partnership increased to 37 up from 19 last year.

### Broadband: The CDC is the pass-through organization for a $2M EIAF grant. DOLA will fund almost $900K. The CNL building has been placed across from the Parelli entrance. They have been working on a lease with LPEA for 30 years. All broadband assets belong to the Town and the County. They are working on a four-way agreement for infrastructure between Hwy 151 to Pagosa and into Three Springs. The attorney general has lent 2 staffers to work on this agreement. The Town of Pagosa will absorb a $66k, unbudgeted expense conduit placement from HWY 85 to first street. The CDC is part of the effort to utilize the region’s mapping software that will be able to locate every household that has fiber and those that do not. It will also show hot spots. The CDC is building relationships with all of the ISPs serving Archuleta County communities and working to get them into areas that they cannot get into currently. The CDC was awarded an EDO grant of $33k and has received the funding. The funds will be used to continue the workforce development program for people interested in broadband-related jobs.

### Workforce Housing: Initial discussions are being had between employers, banks, Town, County, CDC, and developers around workforce housing. Deed restrictions are being explored. Reduction in fees has been discussed with the County. The CDC is working on filing for a baseline on Prop 123 to be able to participate. The Town and the County have both expressed interest in this. This would require them to increase the workforce housing by 3% each year for 3 years.

### **Montezuma County Economic Development (MCED)**

### Montezuma County Economic Development was awarded a $26k EDO Grant which will be used for developing a community prospectus in conjunction with a website including SEO and professional photography and videography for highlighting community assets.

### Montezuma County Commissioners allocated funds to provide clean up opportunities for residents living in the unincorporated part of the county. This proved successful for incentivizing residents to do spring cleanup around their property but also allowed the economic development coordinator to meet residents in person and engage in conversations that helped build good will.

### MCED is working to promote and enhance the Montezuma County Fairgrounds as a multi-use, community friendly venue. MCED was awarded a $10k grant from the LORE Foundation to create a gathering space for people with emergent businesses to connect and display their products and services at the Montezuma County Fairgrounds. This creative idea has already had a positive impact on several entrepreneurs who were looking for ways to get their name and product in front of customers and for a couple food vendors who were able to gain access to much needed commercial kitchen space.

### Work continues on implementing the Resiliency Roadmaps and Montezuma Community Collective projects and the Town of Mancos and City of Cortez economic development partners as well.

### **Adjourn**

### The Region 9 meeting adjourned at 2:05pm.

### ***SWCCOG Board of Directors Meeting Agenda***

# Call the meeting to order

# The meeting was called to order at 2:06 pm by Jenny Green Board Chair.

# Consent Agenda

# Resolution #23-01 SWCCOG Check Signers

With Andrea Phillips leaving the Town of Pagosa Springs, staff requested the SWCCOG check signers be updated. The requested action is to remove Andrea Phillips and add Mark Garcia as a check signer on the SWCCOG accounts.

# SWCCOG Audit Engagement

This item was added to the consent agenda of the SWCCOG to ensure that there is concurrence from the SWCCOG organizational perspective with using the same auditor for both SWCCOG and Region 9.

**Willy Tookey made a motion to approve Resolution #23-01 and SWCCOG audit engagement affirmation as part of consent agenda. Clyde Church seconded, and the motion passed unanimously.**

# Update on SWCCOG audit

# Region 9 staff has been working with our auditors on the 2022 audit. Due to changes in auditors, staff, and bookkeeping procedures, this has progressed slowly.

# SWCCOG Financial Statements

# With the transition of accounting programs, staff and new auditors, there has been some difficulty in determining beginning balances for 2022. The budget will be brought to the September Board meeting for approval. Several updates were provided. The P&L income shows an unknown category and without that the net income would be a loss; yes, that is correct. Shirley explained the issues she has with QuickBooks and their undeposited funds loophole. The only staff activity going through COG are staff time for Broadband, Housing, and Transportation. Going forward the financials will include a Budget to Actual report. It was asked to explain what the other consulting fees include and that the SWCCOG has usually run as a deficit and without Region 9 support it would be a significant deficit. The Region 9 support is in addition to the membership dues for the year. Other Consulting and Grant Expense are the includes All Hazards. Other Consulting line item is high because it is the end of the quarter and the invoices have been sent but not paid yet. In theory, if we are just running grants through it, the balances should zero each other out. There is also a report that show all the grant programs listed out so you can see how each grant is being expended. It was asked to have that breakdown. Willy Tookey made a motion to approve the financials as presented. Clyde Church seconded, and the motion passed unanimously. It was asked if the dark fiber leases are being renegotiated. We are invoicing the current ISP’s and the contracts are outdated. The government’s need to sign their contracts before the ISPs can sign. The Draft contracts went to the IT departments. It was asked about the split, that was finalized at the last meeting as a 50/50 split instead of a 75/25 split.

# Other Business

# Next Meeting is Thursday, September 28, 2023.

# Round Robins

# Durango- Finished financial reports. About $100 million in fund balance. A new City Attorney was hired. There are about 2,000 housing units in various phases of design and construction and working on developments in Three Springs and La Posta Road. There are increases in the prices of construction due to COVID and inflation. The Finance team finished the audit and will finalize the sales tax revenue which will help with the budgeting for next year. There is a posting for a Finance Director and Park & Rec Director. Work continues on the annexation of Durango Mesa Park and new trails will open this fall. The land swap with the Durango Fire Department and the City to occupy the old 9R admin building. The Lodgers Tax and Arts & Culture has funded 77 projects and provided over 1 million in funding. Check out the West Slop Startup Week.

# Ignacio- The Rock Creek housing project kicks off soon. Working with the Tribe on getting fiber installed throughout the town. The paving between Bayfield and Durango will reach Goddard and it’s very exciting.

# San Juan County- Sales tax is below last year due to the backcountry being closed longer than normal but the year should end well. The EPA has been active doing construction at the repository site where the sludge that was created from the spill at the water treatment plant. The Silverton Single Track Society help a ceremony for the Baker’s Park on Boulder Mountain to construct the trails up there. The 40th anniversary of the Great Rocky Mountain Brass Band Festival will be August 11-13. Last year housing construction was heavy and that has slowed down a bit, but it is still busy. The Fourth of July was amazing. The Summer Sounds concerts in the park continues to grow each month. Also awarded a grant for sidewalks on Blair Street. There are a couple of new businesses in town and a newly renovated building.

# Silverton- There are a variety of housing projects happening and the annex of Anvil continues. The Town held their retreat and 5 seats out of 7 are up for re-election. The Board has been cohesive in the last two years. Received a Brownfield grant for environmental assessments and rehabilitation. Code rewrite grant was received to align with the Master Plan. Energizing Community award to work on energy resiliency. Need to work on wastewater treatment plan and are working with the EPA to secure bi-partisan funding. About to finish the facility on Blair street to welcome train visitors and be a community space. Working with SJDA to secure municipal level funding for housing authority.

# Montezuma County- Budgeting has started early since the State’s instability creates instability for the County. A Brownfields project was completed at M&M and Love’s has moved in. Three major solar projects have been completed and started working last month. The County received funds for solar at the Fairgrounds. Also, this is County Fair week. Construction continues. The County and CDHP filed a lawsuit against Ironwood, and they are being fined until their slash pile is removed. They are still planning to move product, but it has been very slow and there is a lot of material to move.

# Southern Ute Indian Tribe- The Rock Creek Housing project and additional projects moving forward to add units at the Quichas Hills apartments and some homes in Tranquila Court subdivision, both being managed through the Growth Fund. Looking to create an Economic Development Corporation to focus on reservation development. Final phases of the CEDS update and is due to the EPA at the end of September. The Demystifying Entrepreneurship workshops August 11-12 at the Sky Ute Casino.

# Cortez- Lots of projects on the community and economic development front and grants on the horizon. Received a Brownfield assessment grant for the Southside of town. Working on affordable and workforce housing. Very pleased with the house bill was passed to accelerate water loan payments. Montezuma Avenue is getting fiber and the project should be completed in 12 months. Received a Raise grant for $850,000 for a feasibility study and technical assistance to eventually reroute truck traffic off Main Street to revitalize the downtown. Starting the budget process to be approved in September.

# Boebert Rep- the Western Water Accelerator Payment Act passed committee. Six amendments were passed related to veteran’s health and mental health related issues. A PACT Act meeting will be held at the La Plata County Fairgrounds.

# Pagosa Springs- Andrea Phillips left her position and Greg Schulte will be the interim Town Manager. CDOT completed the McCabe culvert project. Sales tax is a little lower than last year but lodging tax is declining significantly. Adjustments were made for vacation rentals and moratoriums were created. There have been two lightening strike fires. Hosted Club 20’s first week of their policy meetings. Working with the SBDC to host QuickBooks classes and one on one consultations and transferring from desktop to online, and Business designation workshop. The CDC is doing a letter of intent for infrastructure funding for a 100 deed restricted units. Carrier Neutral Location is in progress. The County received a grant to build a Transit Center near Wells Fargo. Workforce development has hired a convener, Chad Wheelus, to help the five counties to identify the industries that need the most workforce development.

# Bayfield- Annexed over 300 acres into the town and 3 housing developments are in progress. Received a grant for Cinnamon Heights and still need gap funding to complete the project. Received bi-partisan support for traffic light project. Five council member seats are open. Looking to get a head of the lodger’s tax with 600 units coming and Sales tax increase to help with Park conceptual plan.

# FLC- Excited about the Opportunity Now grant for upscaling the workforce. There is a new Provost and Dean of Arts & Sciences. The new nursing program is launching. There are some new hires in the School of Business to address some popular majors. The Health and Science Building is complete, and the hope is enrollment will grow.

# La Plata- Revenues are about the same as last year. Sales Tax is up for the year. Staffing issues continue with 33 open positions. There is an excess of wood mulch at the Bayfield landfill. Bring your truck and take some FREE mulch. The State is considering creating a Mulch Day to help with the fire mitigation remains but hasn’t passed the legislature yet. Fire mitigation projects are ongoing to help with controlled burns in the fall. The county purchased vehicles for Ignacio Library received Dewy the mobile library and the Durango Mountain Fire and Rescue received a mental health transport ambulance. $5 million in reserve for outpatient or transitional housing. Lost a grant with CDOT for $105 million to expand Hwy 160 east of Elmore’s Corner. Looking at a wildlife migration grant. The “Bridge to somewhere” should be open in 6-8 months.

# Adjourn

# The meeting adjourned at 3:17 pm.

# Minutes Submitted by Stephani Burditt