

# COLORADO SPRINGS CHAMBER & EDC STEPS UP EFFORTS TO BRING COMPANIES AND HELP EXISTING COMPANIES EXPAND WITH MOST AGGRESSIVE EFFORTS TO DATE

Opportunity to donate before year-end 2023 and beyond.



The Foundation for Colorado Springs' Future, Inc. (FCSF) is a 501(c)3 **donor-driven fund**, designated in the Enterprise Zone, serving as a charitable foundation for the purposes of growing and diversifying the economy of the greater Colorado Springs, Colorado area and in connection therewith to create and enhance incentives for business to expand, locate and provide job opportunities within the geographic boundaries of El Paso County. FCSF exists to lessen the burdens of government by aiding and assisting the City of Colorado Springs, El Paso County, and the State of Colorado in their efforts to enhance and grow the employee base within the Colorado Springs Metropolitan Area through the recruitment and retention of employers and talent committed to the Pikes Peak community. FCSF's articles of incorporation allow for the following charitable activities:

## HOW TO DONATE



- To accept, hold, invest, reinvest, and administer any gifts, bequests, devices, benefit of trusts, and property of any kind or nature whatsoever, without limitation as to the nature or value thereof and to use, disburse or donate the income or principal thereof for the purposes described above.
- To conduct fund-raising activities of every kind and nature and to solicit donations, gifts, grants, and other financial aid and assistance. **Donations received will go into an account yielding about a 3.5% return.**
- To participate in charitable arrangements of all kinds, including, without limitation, pooled income funds, charitable gift annuities, charitable remainder annuity trusts, and charitable remainder unitrusts, to the fullest extent permitted by law and to act as the trustee, or in any other capacity, with respect to any such arrangement.
- To do everything necessary or incidental to the purposes described above which are within the guidelines of the Colorado Non-Profit Corporation Act, and any other applicable law.

The FCSF becomes the charitable partner organization to complement the economic development efforts of the Colorado Springs Chamber & Economic Development Corporation and other government and non-profit partners, and will focus on initiatives in the following practice and impact areas:

- The proactive business attraction for new primary employers
- Business retention and expansion services for existing primary employers
- Performance-based cash incentive program to aid in the recruitment and retention of targeted primary industries
- Talent attraction, retention, and development to support the needs of new and existing primary employers
- Marketing and branding to support business attraction and expansion and talent attraction and retention
- Business intelligence to support business attraction and expansion and talent attraction and retention
- Real estate solutions for targeted primary industries

The FCSF works in conjunction with the Colorado Springs Chamber of Commerce and Economic Development Corporation to attract, retain and expand companies to and in the region. We need high-quality, shovel-ready sites for commercial and industrial development. However, land banking is not our expertise. Through a partnership with the Pikes Peak Real Estate Foundation, a division of the Pikes Peak Community Foundation, the FCSF is equipped to accept donations of real estate to anchor impactful community economic development projects or fund economic development activity through liquidation that can be used to increase reach and programs.

# COLORADO SPRINGS SUCCESSFUL DEAL CLOSING FUND, LAUNCHED AUGUST 2022



The Colorado Springs Deal Closing Fund (DCF) was launched in August 2022 with an initial investment of \$3,000,000 from the City of Colorado Springs. The DCF was created to incentivize the creation of new high-paying jobs through the location and expansion of primary employers in Colorado Springs (City), Colorado. The program was performance-based, and to be eligible businesses had to create net new full-time permanent jobs in the City and have met certain requirements. The program was open to new businesses and existing businesses growing their employee base.

Businesses could apply for the Chamber & EDC Deal Closing Fund upon invitation after meeting with staff at the Chamber & EDC. Completed applications were reviewed by a three-person committee that consists of the President & CEO of the Colorado Springs Chamber & EDC, the Chief of Staff for the City of Colorado Springs, and a member of the Colorado Springs City Council.

The DCF was designed to focus on projects within the Colorado Springs Chamber & EDC target primary industry sectors (e.g., Aerospace and Defense, Healthcare and Medical Technology, Cybersecurity and Information Technology, Manufacturing) and considered economic impact factors like average annual wage of new jobs, capital investment and headquarters status. It was also designed for emphasis on businesses locating within a designated growth area for the community (e.g., Enterprise Zone, Opportunity Zone, Commercial Aeronautical Zone).

A DCF award could be up to \$5,000 per job created and had to be utilized for the benefit of the company in Colorado Springs, CO (not be for the sole benefit of a parent company outside of the city). Businesses receiving funding awards were required to submit a Job Certification Report at the time of the application approval, and annually thereafter on performance figures to the Deal Closing Fund Committee to ensure job creation and average annual wage goals are met and maintained.

## Eligibility Parameters

- The DCF operated under eligibility parameters that give priority to companies that meet the following parameters:
- The company had to demonstrate a plan to add over a period of up to three years at least 10 net new full-time permanent jobs in the City that would be maintained for at least seven years from the date of creation.
- The company must actively consider at least one other state or one other Colorado community for the expansion within or relocation to Colorado Springs but outside of El Paso County.
- The annual average wage of the net new jobs had to be at or above the current average annual wage of El Paso County at the time of application, as reported by the Colorado Department of Labor & Employment.
- The company had to demonstrate it was in good financial standing, as evidenced in three years of financial statements and/or pro forma projections.

## Initial Impact of the Deal Closing Fund

Once announced in August 2022, strong interest was immediately received from companies looking at the Colorado Springs area for a new or expanded location. By March 2023, nearly \$3,000,000 was committed across four competitive projects (three expansion, one attraction). These four projects represented 1,292 new jobs with an average annual wage of \$100,125 (167% of El Paso County's average annual wage) and \$1.54B in capital investment. These four projects received full financial review through their successful applications for state incentives managed by the Colorado Office of Economic Development and International Trade (OEDIT). The staff of the Colorado Springs Chamber & EDC anticipates that all \$3,000,000 will be awarded by June 2023.

**Due to the number of economic development wins of 2022, the Foundation for Colorado Springs Future is launching a 2023 campaign to increase economic development activity, research, preparation, and outcomes. They hope to launch a second Deal Closing Fund to incentivize high impact economic development projects soon.**

# THE NEW STRATEGY – ENHANCED ECONOMIC DEVELOPMENT PLAN, LAUNCHED MAY 2023



The Colorado Springs Chamber & EDC has a proposed multi-year strategy for Enhanced Economic Development activity in the following areas:

- Proactive Business Attraction
- Business Retention & Expansion
- Talent Attraction, Retention & Development
- Marketing & Storytelling
- Business Intelligence
- Real Estate Solutions for Targeted Industries
- Additional Initiatives as Identified by Opportunity/Need

In March 2022, the Colorado Springs Chamber & EDC launched Find Your COS, a new suite of talent initiatives designed to provide new tools to help address the talent needs of existing and new businesses in the Colorado Springs region. Staff identified talent as the most persistent and challenging need of companies across industries in the region, and this is supported by data and commentary from the site selection profession. The following programs and tools are either currently available to area businesses or are under development to be available to the business community:

- Hello Colorado Springs Summer Intern Program – Launched in the summer of 2022, Hello Colorado Springs is a summer internship program that encourages young professionals to fall in love with both their company and Colorado Springs. The Hello Colorado Springs program offers social and professional engagements from Speed Networking at the Space Foundation to a Cog Railway ride up Pikes Peak. The Colorado Springs Chamber & EDC has partnered with Colorado College to provide the cohort with safe, affordable housing in downtown Colorado Springs. As of April 2023, 14 companies have reserved spots for 73 interns for the 2023 program. Highlights from the feedback received from 2022 participating interns include:
  - 50% of extended jobs offers have been accepted (several still pending as-of December 2022)
  - 72% of participants responded as “likely” to live in Colorado Springs
  - 78% of participants responded as “very likely” to accept a position in the region
  - 94% of participants responded as interested in staying with their host company
- Connect Colorado Springs Concierge Program – Launched in Fall 2022, Connect Colorado Springs, a concierge program available to support the recruitment efforts of Colorado Springs companies. A local volunteer is matched to the job candidate based on like interests and demographics to share relocation tips, neighborhood information, childcare options, recreation ideas, and possibly an in-person tour catered to their specific questions and needs. Wraparound services include helping the candidates find relationships and activities based on common interests, such as recreation and faith community. As of April 2023, 15 candidates have accessed and experienced the program.
- Talent Resource Inventory – The Talent Resource Inventory is an interactive tool to help companies and individuals navigate talent-related resources. The Resource Inventory launched as a community resource in early 2023. The Talent Resource Inventory, along with recommendations from the Newmark research project described in the next section, will inform future strategy for the talent programming hosted at the Colorado Springs Chamber & EDC by identifying gaps and opportunities to support the hiring and retention needs of businesses in the Pikes Peak region. Donations to the FCSF will fund new initiatives that could be in the following spaces as examples:
  - Additional resources to aid with recruiting qualified candidates
  - “Boomerang” campaign to recruit talent back to the Pikes Peak region (individuals who grew up here, went to college here, etc.)
  - Targeted marketing campaigns or programs to attract, high-quality talent to the region





# RESEARCH

## How are we poised for success?

In Fall 2022, the Colorado Springs Chamber & EDC successfully raised \$125,000 from investors to fund a comprehensive research project that will inform future steps of the strategy. The project was completed by Newmark, a world-renowned real estate and site selection consulting firm, in partnership with the Colorado Springs Chamber & EDC. The project concluded with deep analysis and strategic recommendations in the following areas:

- Targeted Industry Analysis/Cluster Study – Newmark looked at the existing targeted industry clusters identified with prior research in 2017 and reassessed their merits considering qualitative and quantitative information to develop a cohesive picture of the Colorado Springs MSA (El Paso & Teller Counties) economy as it is today and where we concentrate economic development efforts in the future. Those updated targets include three primary areas of focus: Aerospace & Defense, Software Development & Cybersecurity, Semiconductor Suppliers, and three secondary areas of focus: Advanced Manufacturing in Hardware and Springs, Advanced Manufacturing in Medical Equipment and Supplies and Finance and Insurance.
- Workforce Cluster Analysis – The Newmark team conducted a labor needs analysis to identify skill deficiencies that can be addressed through medium- and long-term initiatives. They identified gaps and outlined educational and training programs to meet the labor needs of the region as well as provided guidance to align training programs with identified target industries.
- Peer Region Competitive Analysis – The Newmark team compared 3-4 competitive peer geographies for business environment comparison and evaluation. The Colorado Springs MSA and the competitive peer geographies were assessed based on general critical location factors that are important to industry as they make location decisions; generally grouped into workforce, operating environment, operating costs, incentives, and quality of life. The sources and methodologies for gathering and defining the data reflected the types of processes used by site selection consulting professionals.





## RECRUIT

### Who will be on our list?

Upon receipt of outcomes and recommendations from the Newmark research, we launched an Economic Development fundraising campaign to bring the business titans of our region together to help enhanced business attraction efforts with targets that reflect the newly affirmed industry clusters and emerging industry clusters, as well as any specific recommendations for industry trade shows, conferences, or geographical markets. The campaign goals are to raise awareness, dollars, and new supporters to fund more aggressive and successful economic development attraction and expansion efforts. The Economic Development Titans Council will help lead and drive our efforts.



## DEALS

### Where will they go?

Beginning in Q3 2023 and through the lens of the newly affirmed targeted industry clusters and emerging industry clusters, a site readiness program is planned with an evaluation of existing properties to match to attraction and expansion projects. The goal of the site readiness program is to establish a healthy inventory of well-located, development-ready sites and to accelerate private-sector investment in industrial and commercial projects. For identified properties that meet eligibility criteria for development-ready assistance, funds could be used to help address one or more of the following areas:

- Site Preparation – site concept plans (feasibility and planning, concept-level master planning-including utility access), site market studies (broker consultation, market analysis, development of marketing materials), site acquisition and related tasks (costs, title analysis, surveying, legal fees)
- Predevelopment and Permitting – engineering documents, review of planning, zoning, and regulatory issues, site-specific studies (traffic, historic resources, rare species, etc.)
- Pro-forma Development
- Due Diligence Activities –Phase I environmental review, existing conditions analysis

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**The FCSF must secure funds of \$1 million annually to launch the aggressive efforts outlined above.**





# DREAM

## Next visions

The region needs to dream big, devise data-driven plans and initiatives, and execute quickly to compete for talent, business investment, and jobs. The FCSF and the Colorado Springs Chamber & EDC is currently researching and developing a variety of ideas, including:

- An enhanced entrepreneurial ecosystem
- Business accelerator programs designed for specific groups, such as women-owned businesses and/or BIPOC-owned businesses (Black, Indigenous, and people of color)
- Research and retool the external marketing efforts to attract businesses and talent to the region. The external perceptions of Colorado Springs would be benchmarked in 2023, followed by a three-year campaign to increase national awareness in targeted geographic areas and company decision-makers and improve Front Range perceptions of Colorado Springs. A second perception study would occur to evaluate campaign success and adjust efforts accordingly.



The Foundation for Colorado Springs Future, Inc. is directed by a local 5-member board of directors from the community, committed to economic growth in the Pikes Peak region. Inquiries are to be directed to the ex-officio to the board.



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Norwood Development



**Johnna Reeder Kleymeyer**  
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Join us in shaping our community's vibrancy.  
Invest in the **Foundation for Colorado Springs' Future.**

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