



ECONOMIC DEVELOPMENT
ALLIANCE

ANNUAL REPORT
2020



2020 Letter from the Board Chair:



It is hard to reflect on 2020 in an attempt to summarize the work of the Economic Development Alliance, the executive director, and the program manager and not be completely awestruck. The year began like many others with strategic planning for improvement in various areas in and around La Plata County. We welcomed Michael French as our new Executive Director and Emily Meisner as our Program Manager. These two began with our largest initiative of a sewer feasibility study for La Posta Road that required a public and private partnership between the City of Durango, La Plata County, multiple private businesses, and The Southern Ute Tribe. They also began Process Improvement meetings with key stakeholders in the community to improve our planning and development process. No sooner than these initiatives were moving forward, the COVID-19 pandemic made its presence known, changing every aspect of community, living, learning, and business for La Plata County and requiring the Alliance and its staff to pivot away from “business as usual” and become flexible, patient, persistent while forcing each one of us to think outside the box.

As we tentatively stepped into April, we began to see the beginnings of what would be wave after wave of major social and economic impacts on the community, from the need to shut down businesses and schools in an attempt to avoid overloading our healthcare system. Our investor and board meetings were forced to change from public and in-person to virtual. Our focus then shifted to making sure the community was aware of stimulus and economic recovery programs that were available. Local banks stepped up and fervently began processing Payment Protection Program loans to help local businesses stay afloat during the mandated shutdowns.

Amid economic stress, increasing unemployment rates, and businesses unable to maintain their hold and having to shut their doors for good, the entire nation erupted in protest. Riots began in multiple cities across the nation demanding equal rights for all Americans regardless of race, religion, orientation, creed, or origin. As a unified group, the Alliance stood tall with the belief that all people, all Americans, are equal and should all have the same opportunities, rights, and liberties.

As we turn the corner and enter 2021, we will begin the year with new waves of Payment Protection loans and the pursuit of available grants and stimulus monies to help rebuild our community. We will take steps to try to return to a pre-COVID normal when it is safe to do so, as we continue to focus heavily on the retention and rebuilding of the businesses within the community. We will also continue to foster and grow the improved relationships between the public and private sectors of La Plata County and the surrounding areas. This year was definitely a year of hardships and change but one that I feel the Alliance staff handled with grit and perseverance. We learned a lot about ourselves and the strength of the community we love to call home. This past year has made the Alliance Board and staff truly realize that we are an organization made up of diverse members with a common goal and vision for our community, and we will continue to dedicate our time and energy to making La Plata County a great place to do business.

Jameson D. Bobbin
Board President



2020 Alliance Membership

The Alliance Membership represents the public/private partnership that is driving economic development in our community. It is because of the commitment and support of this membership that the Alliance is able to continue to serve and promote a resilient economy.

Chairman's Circle Members

Alpine Bank
Durango Motor Company
Durango Silverton Narrow Gauge RR
GCC Energy Direct
La Plata Electric Association, Inc
StoneAge, Inc
SUIT Growth Fund Administration
TBK Bank
Worldpay

Public Partners

La Plata County
The City of Durango
The Town of Bayfield
The Town of Ignacio

Alliance Investors

AidtoAll
Bank of Colorado
Bank of the San Juans
Canyon Construction Company
Crossfire, LLC
Durango Business Improvement District
Durango Chamber of Commerce
Durango Insurance Professionals, Inc
Durango School District 9-R
First Southwest Bank
Fort Lewis College
Glacier Club
ImageNet Consulting, LLC
Jaynes Corporation of Colorado
Morehart Murphy Regional Auto Center
Nunn Construction
Open Sky Wilderness Therapy
Peak Food and Beverage
Purgatory Resort
Region 9 Economic Development
SEH, Inc
Southwest AG, Inc
Spine Colorado
Vectra Bank

Associate Members

AlignTec
Alpenglow Properties, LLC
Animas Automotive

Animas Surgical Hospital
Ballantine Communications/Durango Herald
Boys and Girls Club of LPC, Inc.
Cedar Networks
Coca Cola Bottling Company
Desert Sun Coffee Roasters Inc
Durango Area Association of Realtors
Durango Fire Protection
Durango Industrial Development Foundation
Durango Machining Innovations LLC
Durango Parts Source Inc DBA Napa Auto Parts
Farnsworth Group, Inc
Four Corners Community Banks
Four Corners Materials, div. of Oldcastle
Fox Law Group, LLC
Fredrick Zink & Associates
GF Properties Group LLC
Grassburger
JITA Contracting, Inc
Land Title
Meadow Brook Management, LLC
Mercy Regional Medical Center
MUNIREvs/LODGINGREvs
Newbold Chapman & Geyer PC
Pediatric Partners of the Southwest
SCAPE
Ska Fabricating
Steve Gates Architect
Swan Global Investments
Tafoya Barrett and Associates
Tailwind Nutrition
Ted's Rental and Sales
The Payroll Department
The Wells Group
Timber Age Systems, Inc
Turner Investment Corp
Wagner Equipment Co

Friends of the Alliance

Allen & Associates
Alpine Leadership
Animas River Wetland/Waterfall Ranch
Athena Communications, Inc
Axis Health System
Barnes Properties/Elk Run Builders
Carvers Brewing
Charly Minkler
Chinook Medical Gear, Inc
Coldwell Banker
DHM Design

Durango Land and Homes
Durango Education Foundation
Durango Mountain Realty
Durango Space, LLC
Durango Wood Company
Eben Harrell
Ecosphere Environmental Services
Elect Jack Turner
Express Employment Professionals
Fastsigns | Durango TV
FastTrack Communications, Inc
FCI Constructors
Feeney Architect
Four Corners Eye Clinic
Goff Engineering & Surveying, Inc
HDS Freight Services
Home Builders Association of SW CO
HomesFund
Ignacio Chamber of Commerce
Imagesmith Photo
Local First
Lucky Services
Marsha Porter Norton
Mountain Mesa, Inc
Oxford Financial Planners
Pueblo Community College Southwest
Rochester Hotel and Leland House
Sachs Construction, LLC
Souder, Miller & Associates
Southwest Land Services, Inc
Steamworks, El Moro Tavern, & Birds
Teckedin
Terry Peterson CFO Services, LLC
The Durango Network
The Durango Wordsmith
Think Network Technologies
Title Durango, LLC
Trails 2000
Visit Durango



COVID Response and Recovery



Task Force

The Alliance spent the better part of 2020 focused on enabling the greater business community to respond and reopen as quickly and safely as possible. The efforts are ongoing and will last until we return to full capacity for all business sectors in our county. The Alliance, along with several other organizations, immediately formed the La Plata Economic Recovery Task Force when businesses were shut down in late March of 2020. The Task Force grew to have representation from public health, regional and local government, healthcare, economic development organizations, and education.

“The La Plata County Economic Development Alliance continues to play an integral role in supporting local business through its leadership on the La Plata County Economic Recovery Task Force. The Alliance spearheaded the Task Force’s webinars that assisted many local businesses in obtaining PPP grants. Without the Alliance, La Plata County would not have been the fourth county in the state to receive approval to implement the 5 Star State Certification Program. Both Mike and Emily have put in countless hours to help our local businesses survive the pandemic.”

- Tim Walsworth, Executive Director of BID



PPP

A large focus in the early stages of recovery was stimulus funds. It was critical to creating awareness for as many qualifying organizations in our community to properly apply for funds and understand the forgiveness terms. Due to the focused effort by the Alliance and our partners, we outperformed neighboring counties and were able to realize \$115M in grants to 1,646 entities that covered 16,896 jobs which are 52% of the county’s workforce.

“The La Plata County Economic Development Alliance provided accurate and timely funding information as well as much-needed insight to business members during the COVID-19 pandemic. The information and resources they provided had a significant impact on the operations and survival of our business and for our 22 employees at our Durango and Bayfield locations. La Plata County business owners are extremely fortunate to have an enthusiastic proponent on their side, providing much-needed support to local businesses.”

-Paul and Bunny Holguin. Owners, NAPA AUTO PARTS



CARES ACT Funding

Throughout the year, several platforms were used to distribute CARES Act funds that made their way to the State or local government for distribution. Each time the grants had unique requirements with tight deadlines. It was critical to use our platform to reach as many people as possible and assist entities when needed.

“Throughout the year, the Alliance took key roles in distributing information, developing a COVID Playbook, and hosting virtual sessions. Their commitment to helping their members and businesses understand the complexities of funding opportunities was instrumental in keeping doors open. Emily Meisner’s organizational capabilities and a “get it done” attitude served well during time-sensitive deadlines.”

-Jack Llewellyn, Executive Director, Durango Chamber of Commerce



Re-Opening

The path to reopen has been fluid and oftentimes confusing due to State Executive Orders that take time to adjust to specific categories and sectors. The Alliance had to become versed in all of the State Orders, assist specific entities with potential variances if needed, and back-channel to the Governor's office.

“Looking retrospectively to the past year, I don't think that anyone could have imagined the challenges that we would all face. For those of us leading businesses, the decisions that we all had to navigate were unprecedented from any other time in history. Nearly instantly at the onset of pandemic shutdowns, the Economic Development Alliance reached out to us to see how they could be of help. Not only did they want to do anything in their ability to help us and other businesses find practical reopening plans, but they also provided much-needed enthusiasm and optimism in a difficult time. The Economic Development Alliance's contacts stretch near and far. Our network of communication and collaboration grew instantly, with the Alliance always staying front and center to provide leadership and a center point for the reopening plans of the entire community. Their leadership is much appreciated.”

-Jeff Johnson and Mike May, Durango & Silverton Narrow Gauge Railroad



5-Star Certification

The largest variance to date that has impacted a single sector is the State 5-Star Program. The Alliance, along with the Durango Chamber of Commerce, BID, and the Colorado Restaurant Association Durango Chapter, initiated the application to the State and formed the Administrative Team required to implement the program. La Plata County was the fourth county in the State to receive this certification and has had over 55 businesses be certified.

“The staff, management, and guests of Purgatory Resort are very thankful for the efforts of many local business support organizations, including the La Plata County Economic Development Alliance, to champion the 5-Star Certified Business Variance Program. Without the 5-Star Program, resort guests would be limited to outdoor dining and takeout services only from our many food and beverage outlets located in the Resort Village and on-mountain. It would be next to impossible to succeed on our own as business operators during these challenging times without the leadership of organizations like the Alliance.”

-Dave Rathbun, General Manager, Purgatory Resort

We would like to thank the following banks for funding the 5-Star Initiative for inspectors, administration, and operational costs.

Alpine Bank

Bank of Colorado

First Southwest Bank

Bank of the San Juans

Vectra Bank



Enabling Business Capacity and Growth

La Posta Infrastructure

In 2020, The Alliance, in conjunction with a public and private partnership of stakeholders, initiated and funded the La Posta Road Sewer Alignment Study. For well over a decade, this area has been identified as an opportunity for much-needed light manufacturing and mixed-use development. After consulting with the City of Durango and La Plata County, The Alliance was able to align the common goal of moving forward on infrastructure needs starting with an assessment to determine the cost and location of sewer infrastructure. The Alliance created an agreement to achieve equal financial contribution for a Sewer Alignment Study for the La Posta Road area, facilitated the private and public sector meeting, and organized a committee of all entities to hire a firm to perform the study.

We released a request for proposal in early 2020 and received bids for consideration. SEH/Russell Engineering was awarded the project shortly after the submittal deadline. The Alliance held several community meetings to inform the landowners, business owners, and other stakeholders of the study's progress and objection. The Alliance managed this project with the assistance of the committee to achieve a 30% buildout plan. By completing this study, the recommendations create opportunities for phasing the project over time. The study also identified several options for financing. The final project was delivered at the end of August 2020 and is held by the City, County, and private sector for future use. We anticipate funding to be identified, so the project can start in some fashion in 2021.

Members who partnered for the Sewer Study were the Alliance, City of Durango, La Plata County, StoneAge, Animas Air Park, Canyon Construction, Holt Sheet Metal, Hermesmen Family LLC, SKA Fab, FCI Construction, Shirley Isgar, Southern Ute Indian Tribe, and Nichols Electric.

Cost for Study **\$37K**

Covering **1,700 acres**

Proposed Sewer Length is **59K ft**

Phase I will cost **\$850K**



Vision in a Crisis

The La Plata Economic Development Alliance is a 501(C)(6) organization made up of public and private members. We depend on and thank all of our members who have helped sustain the Alliance in 2020. Together we made a difference in the most challenging economic times.

The staff and board of the La Plata Economic Development Alliance thank our public partners for the allocation and distribution of CARES Funds and other relief efforts made available to our business community.

Our Vision

To enable La Plata County to be one of the **most vital and vibrant communities** in the country to **live, work, learn, and play.**

2020 Alliance Board Members



Jameson D. Bobbin
Alliance Board Chair
Durango Market President
Vectra Bank



Dan Korman
Alliance Vice Chair
Broker/Owner of
Alpenglow Properties,
LLC



Brian Kimmel
Alliance Secretary
President - Southwest Land
Services



Clyde Church
La Plata Board of
County Commissioners



Sharon Craig
Treasurer, Town
of Ignacio Trustee



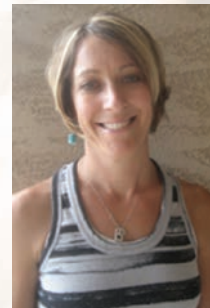
Barbara Noseworthy
City Councilor,
City of Durango



Dr. Tom Stritikus
President of Fort
Lewis College



Patti Zink
Business
Owner



Ashleigh Tarkington
Town of Bayfield
Mayor

2020 Financial Report



Alliance 2020 Profit and Loss

Most organizations were negatively impacted by the pandemic, while a few had banner years based on increased market demand or business models that worked well in the altered landscape. Like all membership-based organizations, the Alliance was challenged to maintain revenue, and we did not qualify for most Federal stimulus as a 501(C)(6). By cutting costs and with the incredible support of our membership, we were able to manage the end of the year to a deficit of around \$10K. The Alliance has a healthy reserve and only used 5% of this in 2020. Our overhead did increase from 2019 due to filling the Executive Director role that had been vacant for all of 2019.

Income

Membership

Chairman's Circle	55,500
Investors	41,250
Friends and Associates	36,425

Total Membership Contributions 133,175

Public Partners

City of Durango	36,000
La Plata County	62,500
Town of Bayfield	5,000
Town of Ignacio	1,400

Total Contributions Public 104,900

Summit Income

Total Summit Income	0
Other Income	Grants 25,000
REDI Matching Funds	4,000

Event Sponsorships	4,505
La Posta Sewer Project	31,000

Rental Income 2,100
SCAPE Dvidends 656

Total Other Income 0

Interest Income
Total Other Types of Income

Total Income 305,336

Expense

Office Payroll Expenses

Executive Director	95,931
Program Manager	74,575
Bonuses	675
Payroll Benefits (11%)	12,778
Health Insurance	16,800
IRA Employer Match	4,811

Total Office Payroll Expenses 205,570

Bank and Online Service Charges	1,753
Board Expenses	25
Licenses, Permits & Fees	70
Payroll Processing Fees	1,803
Dues and Publications	3,473
Contract Services	

Accounting Contractor	3,814
Tax Preparation	3,000
Digital Assets and Editors	1,621

Web Development & Maintenance	10,500
Consultants	6,750
Legal Fees	3,600

Total Contract Services 29,285

La Posta Project Sewer Study 38,600

Dues, Publications, & Subscript	850
Economic Summit	1,775
Insurance	

Workers Comp	611
Directors/Officers Insurance	1,089
General Liability	651

Total Insurance 2,351

Chamber/ Look Local	300
Accelerator Support	2,500
Sponsorships	2,000
Meals & Entertainment/Membership	357
Meeting/Reception Expenses	2,854
SUBTOTAL	8,011

Office Expenses	
Office Rent	10,200
Cleaning	600

Total Rent 10,800

Internet	1,376
Online Software Subscriptions	4,050
Postage, Mailing Service	110
Printing and Copying	300
Supplies	2,338
Telephone	1,277

Total Office Expenses 20,251

Travel 1,197

Total Expense 315,014
Net Income -9,678

Alliance Balance Sheet as of December 31, 2020

The Alliance Balance Sheet remains consistent with strong operating capital that hovers around \$200K, a reserve account of over \$100K, and funds we moved to unrestricted in 2020 that are near \$60K. Although we ran nearly a \$10K deficit in 2020, we had good cash flow all year, as public partners' dues are paid in the first quarter. We carried \$75K of Aged Accounts Receivable into Q4 of which we were able to collect \$60K by December 31, 2020.

ASSETS

Current Assets

Checking/Savings

Alpine Bank Operating Account	193,751.69
Bank San Juans MM Savings	42,844.78
Bank San Juans Block Grant	<u>21,018.87</u>

Total Checking/Savings 257,615.34

Total Current Assets 257,615.34

Other Assets

Charles Schwab Investment Acct	101,836.66
Direct Investments in SCAPE	12,945.97
Member Credit	-2,000.00
SCAPE Investment Fund 2	7,905.00
Other Assets	<u>-19,434.33</u>

Total Other Assets 101,253.30

TOTAL ASSETS 358,868.64

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Alpine Bank Visa's 7548 1,778.39

Other Current Liabilities

Accrued Payroll 3,106.45

Compensation Absences Accrual 2200 840.11

Due to SCAPE 5,917.17

Total Other Current Liabilities 9,863.73

Total Current Liabilities 11,642.12

Total Liabilities 11,642.12

Equity

Operating Reserve (3 mos) 91,773.85

Unrestricted Block Grant 22,999.73

Part. in Prog Fund 24,000.00

Temp. Restricted REDI Grant 2,000.00

Unrestricted Net Assets 213,835.51

Net Income -7,382.57

Total Equity 347,226.52

TOTAL LIABILITIES & EQUITY 358,868.64

Executive Director 2021 Promise and our Three Pillars



Everyone welcomed 2021 with enthusiasm for the promise of a better year. There is hope for a light at the end of the dark COVID tunnel that has impacted every human being's life. We are all anticipating a resolution to the pandemic in the coming year that will address not only the public health and economic vitality but be the much-needed relief for the emotional and mental toll this has taken on everyone. We need to get our kids back in schools, our businesses opened, and our social circles reconnected. It can't happen fast enough.

The year is off to a rough start with COVID deaths at an all-time high in our country, transmittal rates still close to the peak in most states, and our Federal Government in the most unstable position it has been in recent history. The outcome has created a divisive country that is trickling down to every state, county, and community, including ours. The Alliance has been on the proverbial front-line since this started, and we have seen this firsthand. Yet, I have a tremendous amount of optimism and enthusiasm for what lies before us, and here is why:

We have the unique opportunity to redefine what we want our community to be since we have to rebuild. Do we rebuild back to what it was or seek to change some things based on what this experience taught us? The Alliance Board and staff firmly believe that we can leverage change to aspire to a more resilient economy and that we can be the regional economic hub and curtail the challenges that a resort economy brings to a community. To be an economic hub with a quality of life economy versus a resort economy will require us to align our values and priorities as a community. We will have to have some cultural changes in how we manage growth and planning and find creative ways to make our community more livable by attracting and creating higher-paying jobs and increasing the availability and approachability of housing. We have to enable the growth of the companies that are here and create an attractive and competitive environment for entrepreneurship, migration, and relocation.

We have drafted a three year Strategic Plan to act as a compass to focus our efforts and see public-private partnerships that will advance these pillars identified in the plan. The plan was the outcome of workshops and input from our membership. We worked with our public partners and the board of the Alliance.

Three Strategies for Three Years are the following:

Housing Solutions: We can't change the free market. Still, we can seek to stimulate projects and prioritize them to have the proper inventory and approachability for growth and quality of life that we value.

Business Capacity and Growth: Investing in infrastructure and aligning planning with economic development will enable the retention and growth of companies here and attract new businesses to the area. How we develop entrepreneurship is a parallel strategy for creating job growth.

Expand and Recruit Workforce: Workforce development and recruitment are important long-term initiatives to fulfill job needs and stimulate sector growth in emerging businesses.

When we combine these major themes with a focus on protecting our quality of life and leveraging and investing in community differentiation, we can define and impact what we want our community to be. Most of these things will take a cultural shift in how we have traditionally approached economic development.

My promise to you is that the Alliance will be committed to this plan, open to ideas and feedback on how we get there, and will continue to work as hard as we have in serving you in 2021.

Michael French, Executive Director

Renewed Focus for 2021



Our community's values, as well as our environmental and cultural assets, make La Plata County unique and allow us to compare favorably with other communities that have balanced a strong economy with a high quality of life. Over the next three years:

We have to address and create opportunities for attainable or workforce housing.

We have to ensure an available and skilled workforce with excellence in diverse sectors and commitment to education and workforce development.

We have to be able to keep and grow the businesses here and encourage entrepreneurship.

We have to leverage our geography and culture while protecting our forests and rivers and ensuring sustainable, resilient economic development.

Renewed Mission

To create a vibrant and resilient economy from the recruitment, retention, and growth of a variety of businesses by fostering public and private partnerships and preserving our quality of life.

In response to the COVID-19 pandemic, the City of Durango and Business Improvement District (BID) created the Bump-Outs for Businesses program to encourage outdoor dining and business activity in downtown Durango. This temporary program allows businesses along Main Avenue and 2nd Avenue to use parking spaces and adjacent parts of the right-of-way for outdoor seating, conducting transactions, and displaying merchandise. We applaud the City of Durango, Town of Bayfield, and Ignacio for their flexibility and innovation that supports our economic recovery.





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