



ECONOMIC DEVELOPMENT
ALLIANCE

ANNUAL REPORT
www.yeslpc.com **2021**



2021 LETTER FROM THE BOARD CHAIR:



Jameson D. Bobbin

Chairman of the Alliance Board
Vectra Bank Market President
Volunteer Firefighter, DFPD
Father of Scotlyn, born Nov. 24, 2021

The last year for the Economic Development Alliance was busy and successful. We got back to in-person monthly investor meetings with record attendance and put on a fantastic and memorable Economic Summit. We also made significant progress on La Posta being ready for development and were at the center of countless meetings on the Workforce and Attainable Housing issue. Because of the continued commitment from our public and private members our organization came out of 2021 stronger and more stable than ever. Thank you!

As I reflect on the last year, I can't help but think back to the messages from our two keynote speakers from the Economic Summit. Steve Cadigan challenged us to do things differently as leaders and to reshape our employer/employee relationships and expectations. Cory Richards pushed us to humanize work and asked us all to look deeper at the wholeness of ourselves and those that we work with. I think the theme of Rehumanizing Work made many in our community take a step back and look at the cultural casualties that the pandemic may have had on many of our organizations. Our breakout sessions gave us tools and resources to navigate a labor market like none of us have ever seen.

As we step into 2022 many of our strategic initiatives are primed for significant progress and our plan is to double down on the efforts around them. The public-private partnership on La Posta made incredible strides in the last year and development plans should really start to shape up over the next year. The Alliance will be looking at grant opportunities to help with the Workforce and Attainable Housing issues and we are active participants in addressing the issue with key stakeholders. Without some relief on this front our business community will continue to face significant challenges as they try to grow their businesses locally and this drives to the core of why the Alliance exists.

On behalf of the staff and board, I can't thank you enough for your continued commitment to the Economic Alliance. Your engagement and partnerships are vital to our community being a great place to live, work and play. My ask is to continue to look for opportunities to get involved. Your energy, commitment and voice push us to work harder alongside you and together we can shape the future of what our community looks like.

2021 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 Gage RR
First Southwest Bank
La Plata Electric Association, Inc.
StoneAge, Inc.
SUIT Growth Fund Administration
TBK Bank

Public Partners

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

Alliance Investors

Animas Surgical Hospital
Bank of Colorado
Bank of the San Juans
Canyon Construction Co.
Desert Sun Coffee Roasters Inc.
Durango Business Improvement District
Durango Chamber of Commerce,
Durango School District 9 R
FCI Constructors
Fort Lewis College
Glacier Club
GF Properties
Jaynes Corporation of Colorado
Morehart Murphy, Regional Auto Center
Nunn Construction
Open Sky Wilderness Therapy
Osprey Packs, Inc.
Purgatory Resort
Region 9 Economic Development
SEH Inc.
Southwest Ag, Inc.
The Payroll Department
Vectra Bank

Associate Members

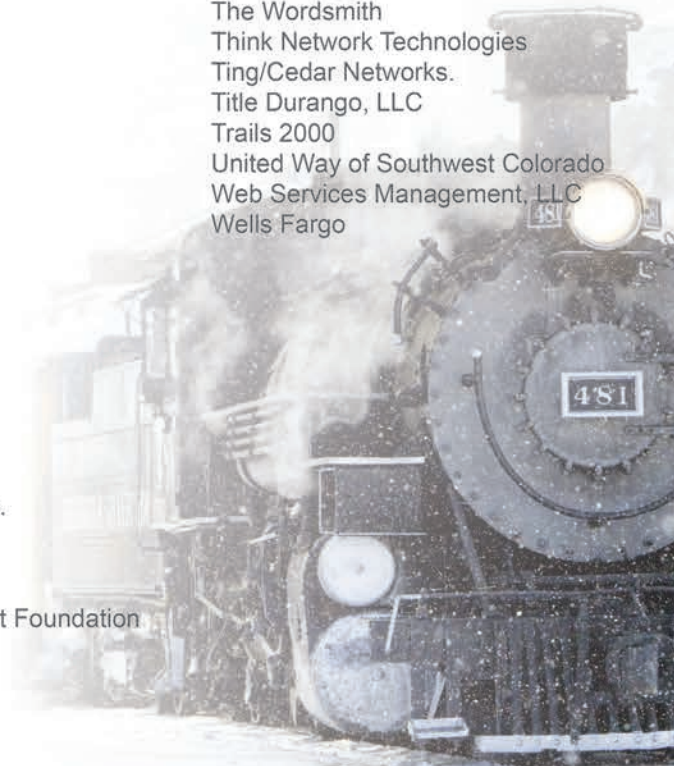
AlignTec Incorporated
Animas River Wetland/Waterfall Ranch
ASAP Accounting & Payroll, Inc.

Axis Health System
Ballantine Communicatios/Durango Herald
Coldwell Banker
Colorado Housing & Finance Authority
Durango Area Association of Realtors
Durango Fire Protection District
Durango Harley Davidson
Durango Machining Innovations
Feeney Architect
Four Corners Community Banks
Four Corners Materials, div. of Oldcastle
Fox Law Group, LLC
Fredrick Zink and Associates
Goff Engineering & Surveying, Inc.
GrassBurger
HDS Freight Services
ImageNet Consulting LLC
JACOBS
JITA Contracting Inc
Land Title Guarantee Company
McDonald's
Newbold Chapman & Geyer PC
Peak Brewing, dba Steamworks & El Moro
Pediatric Partners of the Southwest
Pueblo Community College Southwest
Sachs Construction LLC
SCAPE
Shaw Solar
Ska Fabricating
Souder, Miller & Associates
Swan Global Investments
Tafoya Barrett and Associates
Tailwind Nutrition
Target Rental
Ted's Rental & Sales
The Wells Group
Timber Age Systems, Inc.
Turner Investment Corp
Visit Durango
Wagner Equipment Co.

Friends of the Alliance

Alpenglow Properties, LLC
Alpine Leadership
Anthus Business Service
Athena Communications, Inc.
Boys and Girls Club of LPC, Inc.
Brad Blake
Carver Brewing Co.
DHM Design
Durango Industrial Development Foundation
Durango Mountain Realty
Durango Space, LLC
Elizabeth Howe & Assoc

Durango Education Foundation
Durango Native
Durango Wood Company
Edgemont Meadows
Express Employment Professionals
Farnsworth Group, Inc.
Fastsigns Durango
Four Corners Eye Clinic
Home Builders Association of SW CO
Ignacio Chamber of Commerce,
La Plata County Energy Council
Leavitt Group
Local First
Lucky Services
Maria's Bookshop
Marsha Porter Norton
Meadow Brook Management LLC
MUNIREvs
Oxford Asset Management
Phoenix Recycling, LLC
Powerhouse Science Center.
SGM
Southwest Land Services, Inc.
Spine Colorado
Steve Gates Architect
Terryl Peterson CFO Services, LLC
The Durango Network
The Wordsmith
Think Network Technologies
Ting/Cedar Networks.
Title Durango, LLC
Trails 2000
United Way of Southwest Colorado
Web Services Management, LLC
Wells Fargo



BOND TO BUSINESS

In November 2020, the community supported the 4A Bond initiative, infusing the Durango School District 9-R (9-R) with more than \$90M in funding for capital projects and improvements. Part of the promise to the community included engagement and support of local businesses and vendors in the bond projects. As an effort to uphold that promise, 9-R has partnered with the La Plata County Economic Development Alliance and the Small Business Development Center to launch a local engagement and support program, called 9-R Bond to Business.

Objectives

- Keeping dollars local
- Reach & engage specific demographic of business professionals
- Encouraging general contractors to use local resources
- Disseminating resources

Implementation Strategy

- Compile database of local companies eligible for sub-contractor positions
- Facilitate & share trainings for business owners and budding entrepreneurs.
- Develop clearinghouse for contracting & business development resources

Local Participation

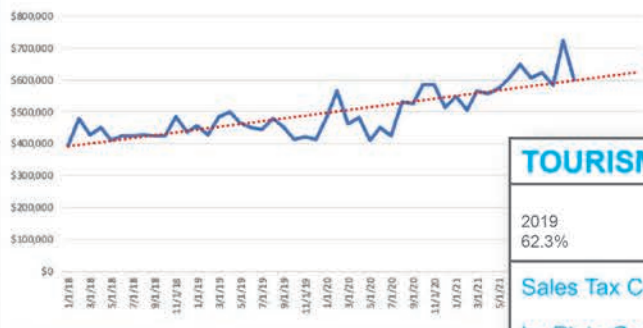
(as of 12/31/2021)	Including Charter Allocation	Not Including Charter Allocation
Current Funds Committed	\$17,488,162	\$9,988,162
% to Local Participation	69.21%	46.05%



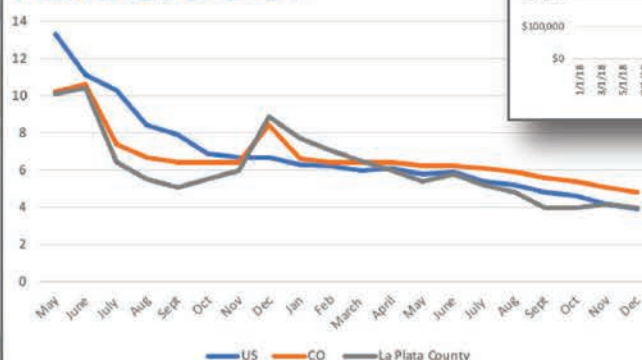
2021 ECONOMIC TRENDS

LPC Single family home Median Price

2021 Year to Date	YoY
Median Price	\$595,000 +20.2%
Average Sales Price	\$739,127 +24.7%
Inventory	1.4 months -44.0%



Unemployment Trends Peak 2020 to 2021



La Plata Labor Force Participation

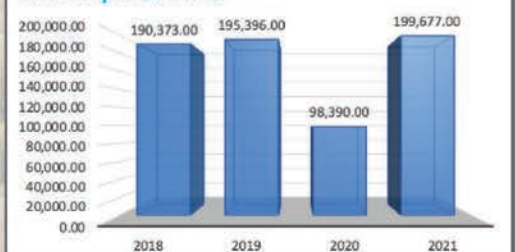
	2019	2020	2021
Labor Force	31,922	31,229	32,116
Avg Participation Rate	56.8%	55.5%	57.1%

TOURISM

2019	Occupancy 2020	Rate 2021
62.3%	28.7%	61.9%

	Sales Tax Collection YOY 2020 to 2021		
	2020	2021	YOY
La Plata County	\$18.8M	\$19.6M	4.48%
Durango	\$16.0M	\$22.8M	42.3%
Bayfield	\$1.1M	\$1.5M	27.5%
Ignacio	\$397K	\$683K	71.8%

DRO Enplanements



LEADERSHIP MATTERS 2021 Alliance Board Members

The La Plata Economic Development Alliance is a 501(C)(6) organization made up of public and private members. The Alliance Board consists of nine representatives. Five representatives are from the private sector and are elected for three year terms by Alliance members. The four public sector representatives are appointed by their respective jurisdictions from the Town of Ignacio, Town of Bayfield, City of Durango, and La Plata County.

We depend on and thank our Board and all of our Members who are committed to our economic vitality and our quality of life. Together we will continue to make a difference in the future of our 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.**



Jameson D. Bobbin
Chair
Market President Vectra Bank



Dan Korman
Vice Chair
Owner Broker
Alpenglow Properties



Brian Kimmel
Secretary



Matt Salka
La Plata Board of
County Commissioners



Sharon Craig
Treasurer
Town of Ignacio Trustee



Kim Baxter
City of Durango Mayor



Dr. Tom Stritikus
President of Fort
Lewis College



Patti Zink
Business
Owner



Ashleigh Tarkington
Town of Bayfield
Mayor



Dr. Steve Elias
Dean School of Business
Fort Lewis College

2022 Board
Member Elect



Joe Theine
CEO Animas Surgical
Hospital

2022 Board
Member Elect



LA POSTA- A DIFFERENT STORY

The La Posta Area has been the obvious light industrial development that historically just could not get the support and movement needed to get anywhere close to realizing the potential of a light industrial park. That story is going to change.

In 2021 there were several major steps taken to create enough momentum to inch closer to the realization of a La Posta Project. On the heels of the Alliance sponsored Sewer Alignment Study, the cost of infrastructure did not seem so out of reach as before when the City and County collaboratively looked at the investment leveraging existing budgets and the potential of incoming relief funds. The parameters of the funds specifically call out water and sewer infrastructure and could be the last piece needed in the capital stack to make it happen.

THEN

Historical Obstacles

Availability of Services & Infrastructure Costs

Process: Lack of clarity and certainty

Insufficient Motivation of Property Owners

Uninterested/Obstructionist Property Owners

Lack of Viable Financing Options

Neighbor Opposition

NOW

What changed in 2021

City and County Budgeting for La Posta

Planning Process for Light Industrial & Workforce Housing

Developers Collaborating

Infrastructure Qualified Federal Funds

New Community Oriented Landowner

THE HOUSING CRISIS

Housing crisis threatens social fabric of our community

Some would argue that we have always had a housing issue and that this is the same problem on a larger scale. The statistics show that it is much bigger than that. The pandemic may have shone a light on our housing issues, but the numbers point to a bona fide crisis that is threatening the very social fabric of our community. We have never seen sales numbers both in volume and price as what we saw in 2020 only to be easily outdone in 2021 until the inventory could not continue the run in Q4 of 2021.

The demand was created by an influx of remote workers who could now be fully functional anywhere and could afford Durango as their desired location. It was also fueled by 2nd homeowners and retirees who may have accelerated their purchasing decisions based on the pandemic. With an already limited supply, this dramatically increased sales and price to a level no one was really prepared for.

There will be no economic development in our area if we do not have a place for an essential workforce to live in our community.

The Alliance has made workforce housing a top priority. The Alliance partnered with the City of Durango to secure a Rural Economic Development Initiative (REDI) Grant that will create a Workforce Housing Investment Plan that can be leveraged by all of the public partners in our community. We will also heavily support the RHA to make some progress to align and collaborate on big picture and long terms solutions that are driven by public private partnerships.

La Plata County Single Family Home Trends

	Median Home Price	Months of Inventory
Historical Perspective End of Year 2019	\$432,000	6.5
Current Status End of Year 2021	\$595,000	1.4
	37% Increase	79% Decrease

Livable Wage and Affordability

The Median Income for Household = **\$68,685**

Median Price Single Family Home = **\$595,000**

Qualifying Annual Income for \$595K 30% Debt to Income (DTI) Ratio = **\$100,212**

% of Families in La Plata County with less than Qualifying Income is 67%

Path Forward

- 1 Public investment of infrastructure
- 2 Identification of land from public partners
- 3 Partnership with developers that are win/win
- 4 Creating and keeping product specifically for workforce income level
- 5 Developing long term funding sources to encourage workforce housing
- 6 Major employers partnering for their own solutions

La Plata Economic Development Alliance

Profit & Loss January through December 2021

Ordinary Income/Expense

Income			
Contribution-General	\$1,216.93		
Contributions Private			
Chairman's Circle	\$41,000.00		
Investors	\$37,650.00		
Friends	\$13,850.00		
Associates	\$25,000.00		
Total Contributions Private	\$117,500.00		
Contributions Public			
City of Durango	\$45,000.00		
La Plata County	\$63,500.00		
Town of Bayfield	\$5,000.00		
Town of Ignacio	\$1,400.00		
Total Contributions Public	\$114,900.00		
Grant Income			
REDI Grant	\$29,733.28		
Total Grant Income	\$29,733.28		
Event Sponsorship Income	\$405.00		
Summit Income			
Corporate Sponsors	\$64,000.00		
Registration Fees	\$8,452.50		
Total Summit Income	\$72,452.50		
Other Operating Income			
Program Fees-Economic Studies	\$20,000.00		
Demystifying Management	\$10,000.00		
Covid Relief Funds	\$84,254.07		
Classes & Programs	\$824.00		
Total Other Operating Income	\$115,078.07		
Rental Income	\$3,500.00		
Total Income	\$454,785.78		
Gross Profit	\$454,785.78		
Expense			
Business Assistance			
REDI-1	\$13,912.41		
REDI Housing	\$12,000.00		
Data and Research	\$29,764.65		
Total Business Assistance	\$55,677.06		
Programs			
Alliance Sponsored Events	\$0.00		
Total Programs:	\$0.00		
Events/Meetings			
Economic Summit			
Summit Speakers	\$9,779.94		
Summits Supplies & Facilities	\$38,812.01		
Total Economic Summit	\$48,591.95		
Meeting/Reception Expenses	\$3,823.92		
Total Events Meetings	\$52,415.87		
Payroll expenses			
Executive Director	\$109,375.00		
Program Manager	\$67,358.18		
Health Benefits	\$19,758.18		
IRA Employer Match	\$5,499.53		
Bonuses	\$3,250		
Payroll Tax Expense	\$15,288.38		
Payroll Processing Fees	\$2,296.23		
Total Payroll Expenses	\$222,826.00		
		G & A	
		Travel	\$673.41
		Education & Training	\$1,090.00
		Board Expenses	\$92.23
		Contract/Professional Services	
		Investment Mgmt Fees	\$1,217.01
		Legal fees	\$3,300.00
		Tax preparation	\$2,000.00
		accounting services	\$3,850.00
		consultants	\$3,000.00
		Total Contract/professional services	\$13,367.01
		Dues Publication, & Subscript	\$755.00
		Insurance	
		Directors/Officers Insurance	\$1,091.42
		General Liability	\$664.26
		Workers Comp	\$422.51
		Total Insurance	\$2,178.19
		Licenses, Permits & Fees	\$10.00
		Occupancy	
		Office rent	\$9,200.00
		Total Occupancy	\$9,200.00
		Office Expenses	
		Office Supplies	\$2,908.33
		Online Software Subscribe	\$1,118.93
		Postage, Mailing Service	\$60.19
		Telephone	\$1,653.20
		Printing and Copying	\$120.00
		Internet	\$1,501.20
		Total Office Expenses	\$7,361.85
		Online Payment & Bank Charges	\$2,356.58
		Total G&A	\$37,084.27
		Marketing	
		Marketing & Promotion	\$3,275.04
		Web Development & Maintenance	\$8,079.33
		Total Marketing	\$11,354.37
		Membership	
		Meals & Entertainment	\$0.00
		Total Membership	\$0.00
		Strategic Initiatives	
		Bond to Business	\$4,495.62
		Total Strategic Initiatives	\$4,495.62
		Suspense	
		Total Expense	\$383,853.19
		Net Ordinary Income	\$70,932.59
		Other Income/Expense	
		Other Income	
		SCAPE Investments	
		SCAPE Inv Fund 2 LP Gain/Loss	\$108,548.00
		SCAPE Inv Fund 4 Gain/Loss	\$8,684.00
		Total SCAPE INVESTMENTS	\$117,232.00
		Charles Schwab Investment Inc	\$3,785.78
		Charles Schwab Gain/Loss	\$5,254.91
		Interest Income	\$31.93
		Total Other Income	\$126,304.64
		Net Other Income	\$126,304.64
		Net Income	\$197,237.21

La Plata Economic Development Alliance

Balance Sheet January through December 2021

VAssets	
Current Assets	
Checking/Savings	
Alpine Bank Operating Account	\$399,096.00
Bank San Juans MM Savings	\$42,845.00
Bank San Juans Block Grant	\$21,019.00
Total Checking/Savings	\$462,960.00
Accounts Receivable	
Accounts Receivable	\$28,494.00
Total Accounts Receivable	\$28,494.00
Other Current Assets	
Prepaid Expenses	
Prepaid Software Expense	\$1,705.00
Prepaid Liability Insurance	\$528.00
Prepaid D & O Insurance	\$1,025.00
Prepaid Work Comp Insurance	\$429.00
Total Prepaid Expenses	\$3,687.00
Total Other Current Assets	\$3,687.00
Total Current Assets	\$495,141.00
Other Assets	
Charles Schwab Investment Acct	\$126,043.00
SCAPE Investments Fund 1	\$550.00
SCAPE Investment Fund 2 LP	\$3,125.00
SCAPE Investment Fund 4 LP	\$5,000.00
SCAPE Investment Fund 6	\$6,000.00
Organizational Costs	
Accumulated Amortization	\$-505
Organizational Costs	\$627
Total Organizational Costs	\$122.00
Total Other Assets	\$144,840.00
Total Assets	\$639,981.00
Liabilities & Equity	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	\$14,400.00
Total Accounts Payable	\$14,400.00
Credit Cards	
Alpine Bank Visa's 7548	\$1328.00
Total Credit Cards	\$1328.00
Other Current Liabilities	
Refundable Advances-Grants	\$40,000
Payroll Liabilities	
Simple IRA Payable	\$263.00
Payroll Liabilities	\$263.00
Total Other Current Liabilities	\$40,263.00
Total Current Liabilities	\$55,991.00
Total Liabilities	\$55,991.00
Equity	
Operating Reserve (3 mos)	\$91,774.00
Temp. Restricted Block Grant	\$0.00
Temp Restrict. Part. In Prog.	\$0.00
Unrestricted Net Assets	\$294,979.00
Temp Restricted REDI Grant	\$0.00
Net Income	\$197,237.00
Total Equity	\$583,990.00
Total Liabilities & Equity	\$639,981.00

THE ONLY THING CONSTANT IS CHANGE



Michael French

Executive Director of the Alliance
Celestia's Husband
Father of Bodhi and Aila

It is challenging to consider a review of 2021 and simultaneously consider the fluidity of 2022. The only thing we can count on right now is how dynamic things are. What has not changed is our commitment and prioritization to our community's major issues.

The most significant threat to the social fabric of our community is housing. Like other smaller desirable communities across the county, there is an influx of people who can afford to move. We are considered a gateway community, one that is within a short distance to national or state parks, resorts, or natural resources, and all of these communities are dealing with the same issues, starting with housing. The supply and demand are making these communities unaffordable for the workforce and families that make up the backbone of the community. In La Plata County, we have seen housing prices soar close to 50% in the last year alone and approaching triple digits compared to pre-pandemic times.

We recognize that public-private partnerships play a major role in addressing Workforce and Attainable Housing and we are focusing our efforts on promoting and enabling these partnerships. That translates into investments by public entities to encourage private to partner. We have to find the most considerable opportunities to make public investments in infrastructure and even negotiate incentives to build inventory and products specific to the workforce as expeditiously as possible. The Alliance has begun work to help facilitate this with a Workforce Housing Investment Plan, funded from a grant we received in partnership with the City of Durango. The result will be a deliverable for our community and public entities to define where these opportunities exist and sustainable funding sources.

With the same public-private partnership formula, we need to address how we build out for Capacity and Growth for Businesses we have, whom we need support and keep in La Plata County. We believe that we have made the most progress to date on realizing a light industrial park at La Posta, which has grown to include workforce housing.

The third primary focus of the Alliance is the Workforce. How can we encourage the retention, recruitment, and development of the workforce we so desperately need in so many sectors that have been negatively impacted? In 2021 we created a recruitment campaign that worked closely with several employers. We will continue to promote MoveToDurango.com as a platform to assist our members and consider the big picture of the pipeline.

Looking in the rear-view mirror of 2021, it was a fluid year that allowed us to double down on our three major strategic initiatives and create the foundation of progress that we will see in 2022. I am uncertain about what cards will be dealt to us and the new landscape in 2022. However, I am very clear on what we need to continue to focus on and how we make a difference as we build on the foundation we have created.

Thank you for your continued support and partnership with the Alliance.

SUMMIT RETURNS IN 2021

Rehumanizing Work

ALLIANCE
SUMMIT 2021



The Summit came back in 2021 but was a little bit different. In this new landscape leadership is crucial to navigate the journey from survive to thrive. The Summit featured a leadership centric lineup that focused on the human element of business.

“Rehumanizing’ means exactly that: Seeing the human behind work,” Cory Richards, the renowned adventurer and photographer, gave an unfiltered perspective on the intersections of work, life, & mental wellness.

“We need to build a better, more honest, employer-employee relationship that works for the needs of today.” Steve Cadigan, author and future of work guru, described the changing workforce and why it will not be normalized to the pre pandemic era ever again.

“The goal is to live and breathe our values, treat people with respect, and learn from our mistakes.” Kerry Siggins addressed leadership in a pandemic by hosting a panel of CEO’s including Meredith Mapel, Jessica Matlock, and

Summit by the numbers

326 Attendees



0 Exposures to COVID based on SJBH contact tracing

10 Breakout Sessions



77 Net Promoter Score



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ALLIANCE

