

Gerald Cisneros, Chairman
John Galusha, Commissioner
Arica Andreatta, Commissioner



HUERFANO COUNTY GOVERNMENT GRANT APPROVAL MEMORANDUM

Date: December 20, 2022
To: Huerfano County Board of County Commissioners
From: Carl Young, County Administrator
Re: DOLA REDI Grant – Retail Pop-Up Business Incubator

Summary: This is a request to accept the award of a grant from the Colorado Department of Local Affairs Rural Economic Development Initiative for our Retail Pop-Up Business Incubator. This grant will provide some matching funds for our EDA Grant and also assist Huerfano County Economic Development Inc. with building out the Makerspace and other operating expenses. I propose to use American Rescue Plan Act Funds for the County match.

Requested Motion/Action:

Motion to accept the award of a the DOLA Rural Economic Development Initiative Program in the amount of \$60,000 from DOLA and commit \$35,000 in local matching funds with the remaining amount of funds to come from the EDA Grant.

Grant Program: The Colorado Department of Local Affairs' Rural Economic Development Initiative (REDI) program is designed to help rural communities comprehensively diversify their local economy and create a more resilient Colorado. The most successful applications to this program are those from counties with less than 50,000 people, and from communities with fewer than 25,000 people. Projects that will be funded include plans, construction, programs, and capacity building. All applications must create and retain jobs, either direct or indirect. Projects should fall into one or more of the following categories: (1) Job creation and retention - Both through direct and indirect means; (2) Capacity building - Under special circumstances DOLA will consider funding local economic development capacity. Staff must be tied to a specific outcome, project, and timeline, which contributes to goals of job creation, business attraction/retention, and economic resilience; (3) Economic resilience - Economic resilience is the ability of a community's economy and systems that support the economy to withstand disruption and thrive in the face of change; (4) Supports entrepreneurial ecosystems - Entrepreneurial ecosystems provide trainings, networking opportunities, and infrastructure to support local entrepreneurs; (5) All projects should be identified as a priority for the community within a comprehensive and holistic approach.

Our Project:

This Project will launch a Pop-Up Retail Business Incubator Program with maker components. The Pop-Up Retail Business Incubator will launch new or early-stage retail businesses. The intent is that the Pop-Up Incubator will boost downtown activity while also reactivating a downtown building.

The incubator will feature "cubbies and mini-cubbies" and business development services. The business incubator program will be 24-months with the opportunity to graduate early. A competitive application process will select businesses in the target markets identified to fit the key opportunities

in Huerfano County. The business incubator will nurture concepts from the idea stage through business launch. As a result, the impact on the community will be much greater than the companies inside the building. Not only will more business-inclined residents be given access to programming but also the expertise necessary to support the business incubator businesses will benefit all retailers in Huerfano County through training and on-on-one direct support and energizing retail the sector. For Huerfano County retail startups, the pop-up space provides a low-cost, low-risk, opportunity to try their business concept while the business incubator program supports the implementation of successful and sustainable business models.

In an economic development setting, makerspaces are promoted as innovation spaces and coupled with business development resources can encourage makers to think of their innovations as potential new startups and breed the next generation of entrepreneurs. The program beyond the space aims to form a consortium of Makerspaces throughout the County offering a diverse collection of equipment and programming to ignite a maker community. This robust collaborative could include K-12 schools, libraries, the Museum of Friends, and the La Veta Creative District.

Alignment with County Objectives:

This project aligns with the County's Economic Development Strategic Priority.

Financial Considerations:

This grant will help cover costs related to the EDA grant for the retail business incubator. The County's match obligation for the EDA grant could be reduced by between \$26,000 and \$37,000. These are all costs we expect to be front loaded in the grant. We are still working to finalize a project that maximizes funds available.

Keywords: Entrepreneurship, Retail and Hospitality, Downtown Revitalization, Economic Development

Signature of the Chair

Approved ☐

Denied ☐