

Colorado Office of Economic Development & International Trade SMART Act Hearing

Joint Business Committee
1/14/26

Presenters:

Eve Lieberman - Executive Director

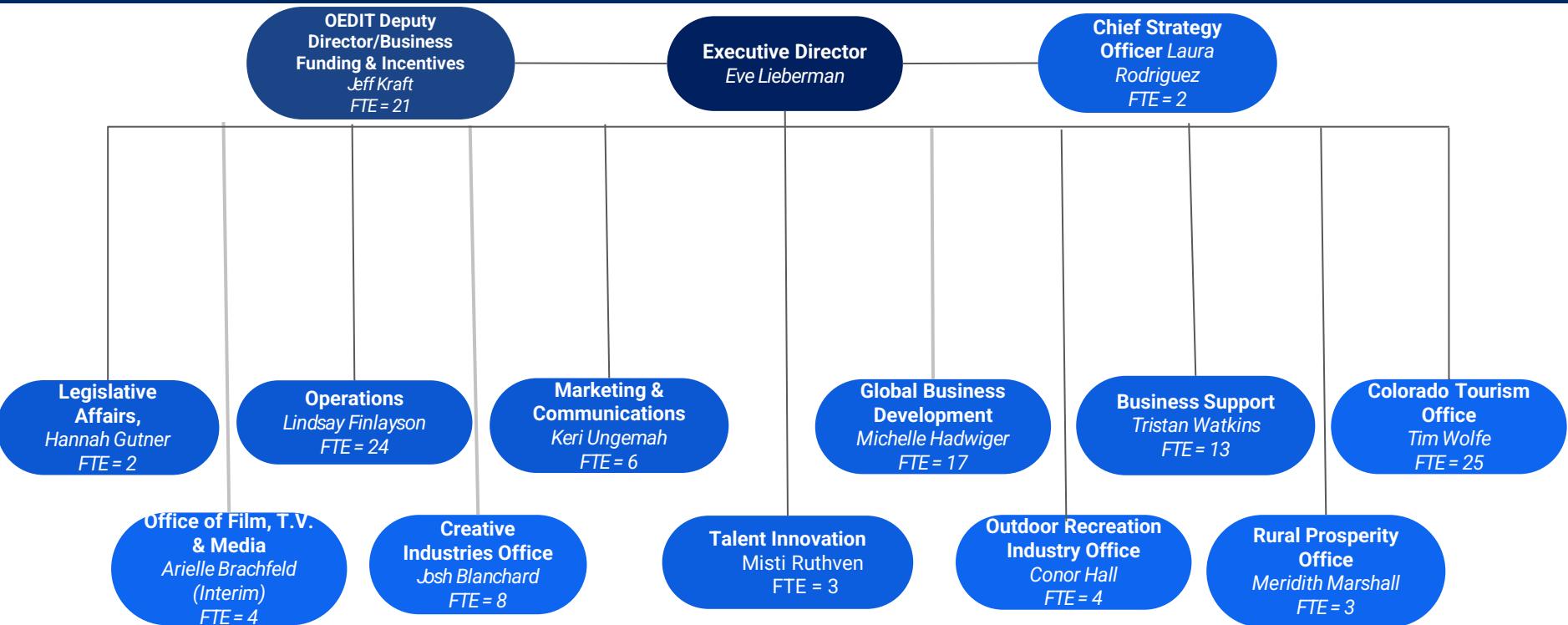
Jeff Kraft - Deputy Director/Director of Business Funding & Incentives

OEDIT Mission & Vision

OEDIT's Mission: Empower all to thrive in Colorado's economy.

OEDIT's Vision: We envision a future where our quality of life continually improves, great jobs and affordable housing are readily available, economic mobility and resiliency exist, environmental stewardship is valued by all, and international visitors abound.

OEDIT Organizational Chart



OEDIT's FY 2025-26 Wildly Important Goals (WIGs)

OEDIT's FY 2024-25 Wildly Important Goals (WIGs)

3-Year Goal:
Support the creation of 16,750 housing units by June 30, 2027.

FY26 Goal:
5,532 housing units by June 30, 2026.

Housing Units Supported

Support the creation of 16,750 housing units by June 30, 2027.

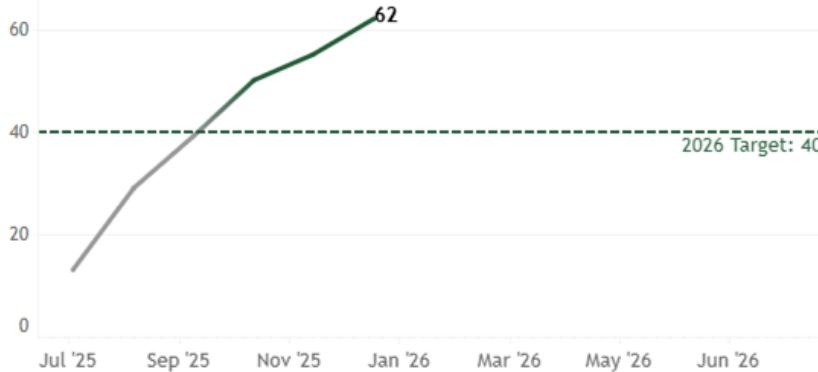


Context: Successful completion of this goal will increase the supply of affordable housing units for all Coloradans.

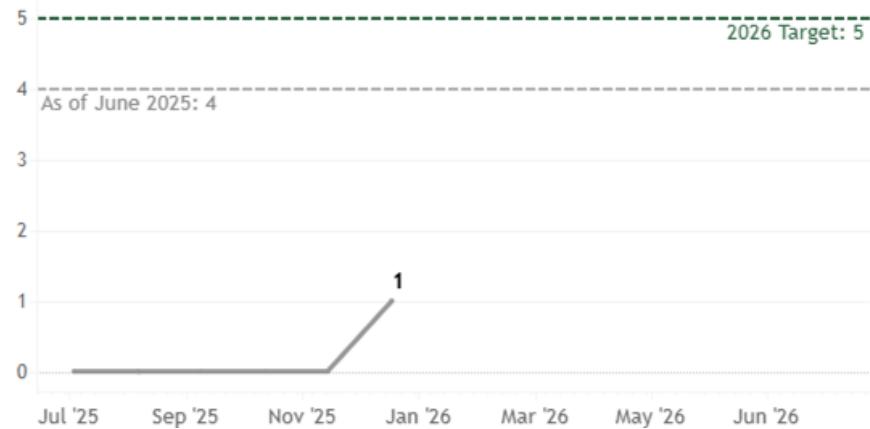
How OEDIT will accomplish the WIG

OEDIT will achieve this goal through the following leading indicators:

Attend 40 housing industry engagement meetings in rural communities to raise program awareness and promote state housing resources by June 30, 2026.



Award 5 housing development projects that incorporate commercial or in-home childcare facilities by June 30, 2026.



OEDIT's FY 2024-25 Wildly Important Goals (WIGs)

3-Year Goal:

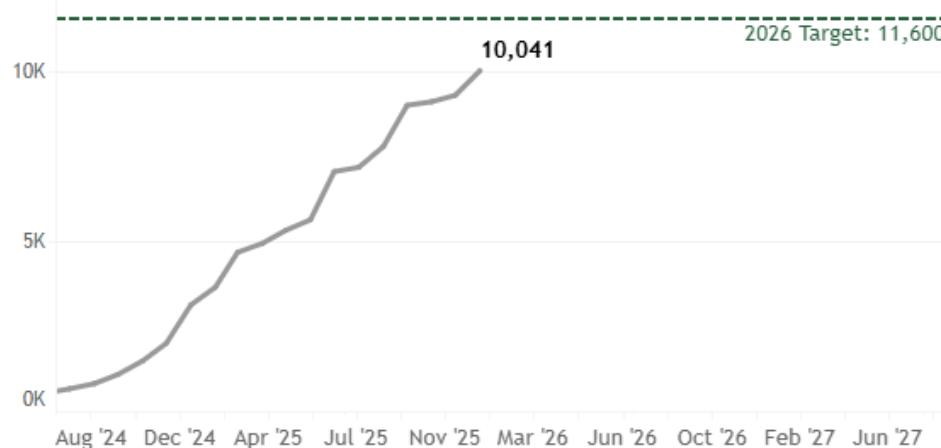
Support rural communities by creating or retaining 16,400 jobs by June 30, 2027.

FY25 Goal:

6,300 jobs by June 30, 2026.

Job Creation and Retention

Assist rural communities by supporting the creation or retention of 16,400 jobs by June 30, 2027.



Context: Successful completion of this goal will mean that rural communities are establishing the business environment necessary to attract and retain businesses, thereby paving the way to create and sustain jobs for years to come.

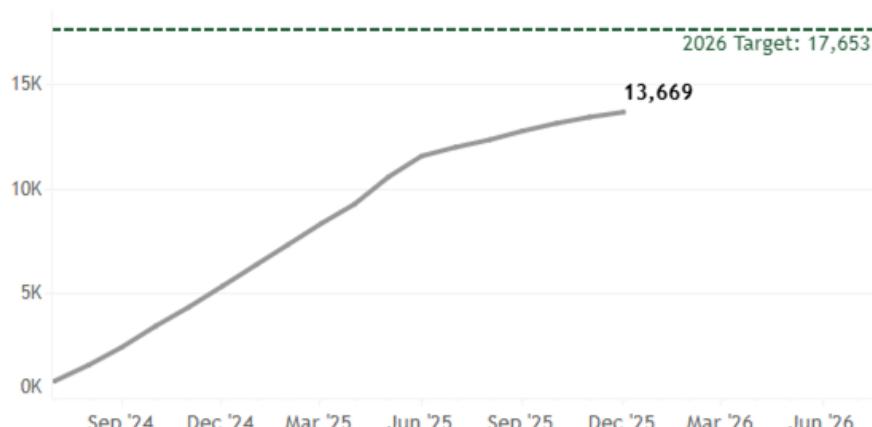
How OEDIT will accomplish the WIG

OEDIT will achieve this goal through the following leading indicators:

Deploy an additional \$24,600,000 in state incentives to increase rural businesses access to capital by June 30, 2026.



Provide technical assistance to an additional 6,125 rural businesses by June 30, 2026.



OEDIT's FY 2024-25 Wildly Important Goals (WIGs)

3-Year Goal:

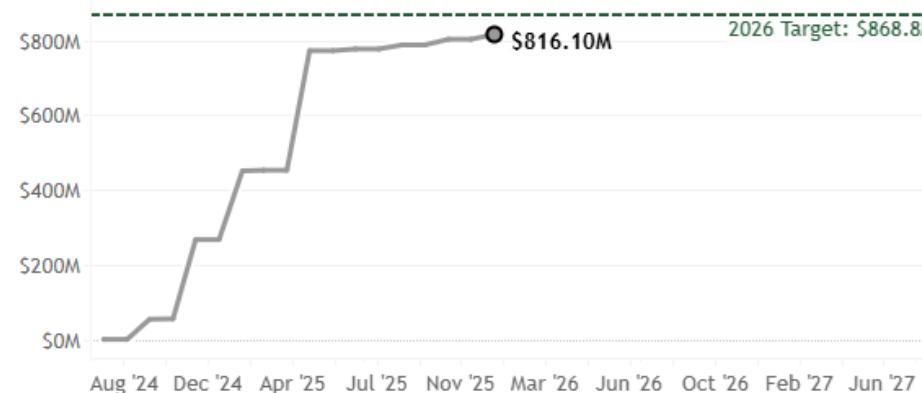
Bring \$917,000,000 in federal and private investment into the state to support Colorado's knowledge intensive and innovation ecosystems by June 30, 2027.

FY25 Goal:

\$95,000,000 invested by June 30, 2026.

Federal and Private Advanced Industries Investments

Support \$917,000,000 in federal and private investment into the state to accelerate Colorado's knowledge intensive and innovation ecosystems by June 30, 2027.



Context: Successful completion of this goal will ensure Colorado remains a national leader in advanced industries and position the state to expand further into emerging innovative and knowledge intensive markets.

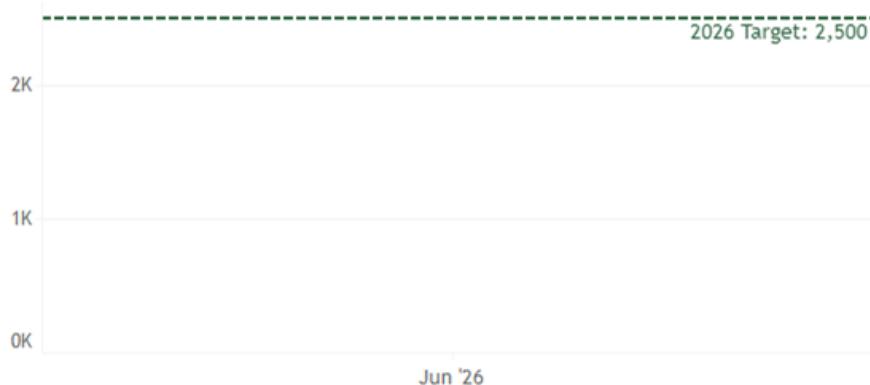
How OEDIT will accomplish the WIG

OEDIT will achieve this goal through the following leading indicators:

Leverage an additional \$29,000,000 in state incentives to support Colorado's knowledge intensive industries by June 30, 2026.



Support workforce development programs that train 2,500 trainees, enabling them to work in knowledge-intensive industries by June 30, 2026.



OEDIT's FY 2024-25 Wildly Important Goals (WIGs)

FY26 Goal:

Host or attend 200 high impact engagement events that support increasing international visitors in Colorado by June 30, 2026

3-Year Priority:

Increase international visitors into Colorado from 900,000 to 1,200,000 by June 30, 2027.

Increase International Travelers

Host or attend 200 high impact engagement events that support increasing international visitors into Colorado by June 30, 2026.



2026 Target: 200

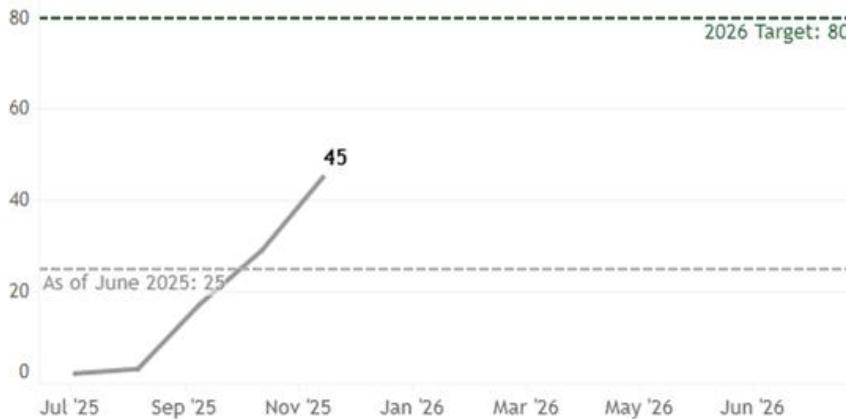


Context: Successful completion of this goal will mean that Colorado remains a world class destination that is capable of attracting leisure and business travelers for years to come.

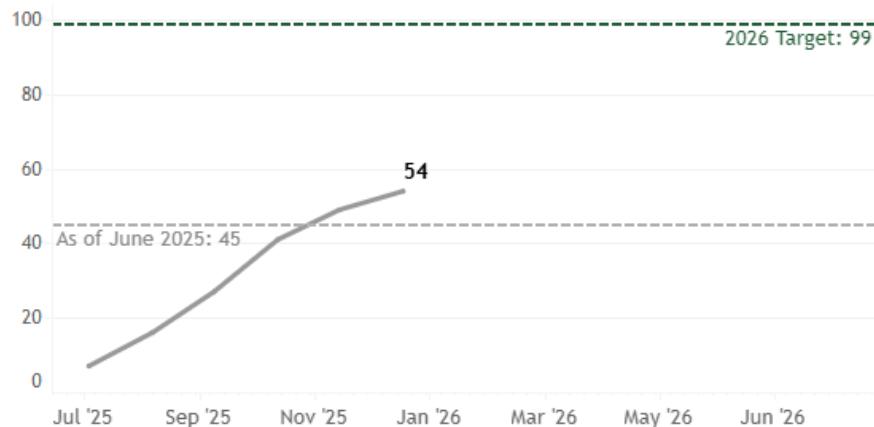
How OEDIT will accomplish the WIG

OEDIT will achieve this goal through the following leading indicators:

Attend 80 domestic and international meetings or conferences that support international tourism by June 30, 2026.



Host 99 international delegations visiting Colorado by June 30, 2026.



More Information

To view monthly updates on Wildly Important Goals and corresponding lead measures, please visit the [Governor's Dashboard](#).

For more information on additional Department goals and context, view our [FY 2025-26 Performance Plan](#).

OEDIT FY 2026-27 Budget Request

FY 2026-27 Budget Request Snapshot

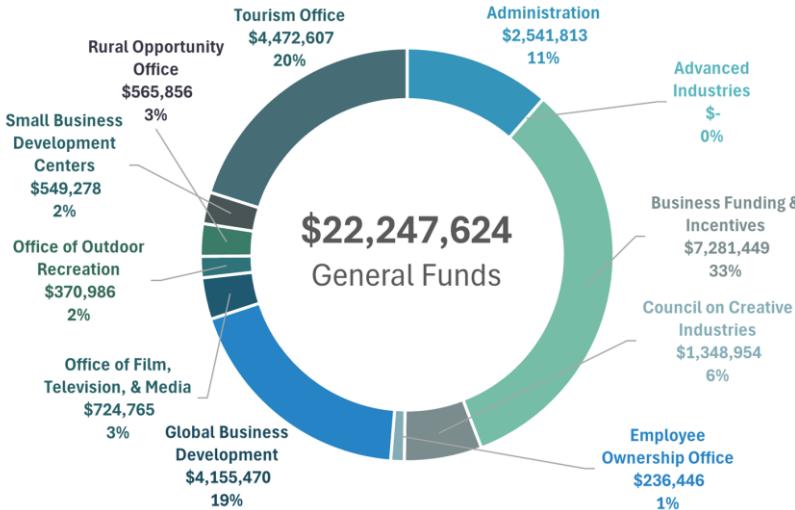
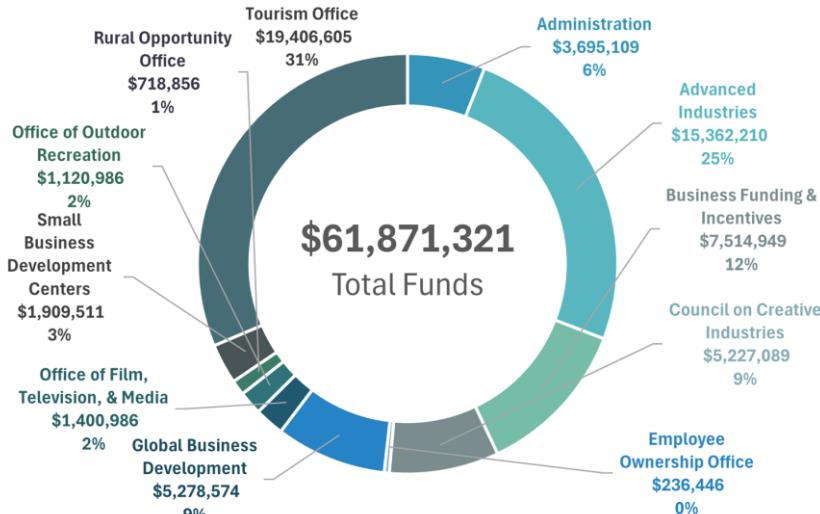
FY 2026-27 Total Funds: \$61,871,321

FY 2026-27 General Funds: \$22,247,624

FY 2026-27 FTE: 75.1



COLORADO
Office of Economic Development
& International Trade



OEDIT's Select FY 2025-26 Budget Requests

OEDIT's FY 2026-27 Budget Request includes the following:

- R-01 2.5% General Fund Reduction
 - (\$528,000 ongoing reduction)
- R-02 Proposition 123 Spending Authority
- S-01 CLIMBER Budget Reduction
 - (\$15,000,000 reduction)
- S-02 Proposition 123 Diversion
 - (\$110,000,000 diverted to GF)
- History Colorado Request: Colorado Tourism Office Reduction
 - (\$1,000,000 ongoing)

Legislative Agenda

The Department respectfully requests the General Assembly consider legislation on the following:

- Reauthorization Job Growth Incentive Tax Credit which is currently set to expire on January 1, 2027.
- Reallocation to Support Small Businesses
- CLIMBER Restructure
- Aligning Colorado Creative Industries & Colorado Office of Film, Television, & Media

Colorado for All

In accordance with the Governor's Executive Order [2020 175](#), OEDIT has completed the following activities to expand program services:

- Colorado for All: Business Showcase and Resource Fair
 - Celebrated and showcased 25 OEDIT program participants and resource recipients based in the Five Points neighborhood.
 - Hosted over 250 attendees and connected 30 businesses to additional resources from OEDIT and partner organizations.
 - The event is being rebranded as the OEDIT Outreach and Impact Summit and will be hosted in Trinidad in 2026.
- Partner Outreach Program (POP)
 - Created to increase awareness and use of OEDIT's Access to Capital programs to rural and historically underserved communities.

Federal Impacts

- State Trade and Expansion Program (STEP)
 - Due to the government shutdown, STEP grant awards for the new federal fiscal year were postponed and the status of the program is still uncertain.
 - This will result in a loss of \$900,000 for Colorado small business seeking export assistance and a reduction in OEDIT's participation in international trade shows.
- Colorado Small Business Development Center (SBDC) Network
 - Office of Management and Budget (OMB) changes to how funds are released resulted in client service disruptions, operational inefficiency and uncertainty, and partner organization distrust.
 - The Network experienced staff departures, host organization turnover, and uncertainty/delays in federal reimbursements.
 - U.S. Small Business Administration (SBA) and U.S. Dept. of the Treasury grant program changes and elimination threaten millions of dollars of federal funds supporting Coloradans.

Federal Impacts

- Small Business Innovation Research (SBIR) & Small Business Technology Transfer (STTR) Changes
 - SBIR and STTR programs have been paused indefinitely as they were not reauthorized by Congress.
 - Federal grants are an eligible source of matching funds for OEDIT's Advanced Industries Grant programs and are sometimes the only viable source based on the company's stage of development.
 - Over the past four cycles of the AI Early Stage and Capital Retention Grant, between 3% - 18% of grantees used federal grants to meet their matching fund requirement.
- Impacts to mission based lenders Community Development Financial Institutions (CDFI) /Community Development Block Grant (CDBG)
 - The CDFI and CDBG funds provide capital to improve capital access for low-to-moderate income individuals and communities.
 - These funds are at risk based on proposed cuts by the Trump administration.

Federal Impacts

- National Endowment for the Arts (NEA)
 - Colorado Creative Industries (CCI) manages Colorado's State Agency Agreement with the NEA, which increased from \$974K (FY25) to \$1,015,000 (FY26) with additional funding to support Arts and Health Initiatives and America 250 programs.
 - Certification requirements for sub-recipients were amended to include compliance with Federal EO 14173, which prohibits the use of DEI in programming and policies.
 - 146 Colorado arts nonprofits accepted these updated terms and conditions; 10 Colorado organizations declined grants in response to compliance terms.
 - Additionally, the NEA terminated direct grants to 22 Colorado Arts-focused nonprofits in 2025, contributing to increasing funding challenges within the creative industries and arts and culture fields.

CLIMBER Small Business Loan Program

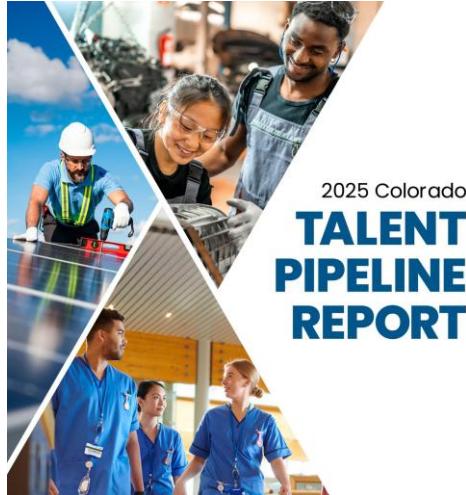
The CLIMBER Program was created by the legislature in 2020 to support Colorado's existing small businesses by providing low cost loan capital. This public/private partnership leverages \$50 million in tax credits to create a fund of up to \$250 million using private funding sources to make below market rate loans to Colorado businesses that struggle to access capital and are under 100 employees in size.

- In calendar year 2021, the first year of operation, the CLIMBER program closed on 6 small business loans, 13 loans in 2022, and 127 loans in 2023.
- As of the close of the fiscal year ending June 2025, the program has closed on 273 loans in 33 different counties across the state, bringing the total to more than \$32 million in new capital to small businesses,, helping to retain over 2100 jobs and create 353 new positions.
- 34% of loans were made to minority owned businesses, 31% to rural businesses, 38% to women owned businesses, and 10.5% to Veteran owned companies.

Opportunity Next: Universal High School Scholarship

- Launched through SB23-205 with the goal to assist Coloradans in pursuing high-demand careers with support from scholarships and career-connected advising in industries, such as:
 - Advanced manufacturing
 - Construction
 - Education
 - Engineering
 - Technology
 - Healthcare
- Program provided assistance for Coloradans to pursue pathways, including industry credentials, apprenticeship, and degree programs.
- Served high school graduating class of 2024 (COVID-impacted students)
 - 8,433 received \$12.4 million in scholarships
 - 7,245 connected with career advising

2025 Talent Pipeline Report Recommendations



Current WIOA Strategies

Increase the **QUALITY** of upskilling opportunities, jobs, and career pathways

Increase **EQUITABLE** economic opportunity for individuals who experience barriers based on race, ethnicity, gender, ability, age, zip code, and/or socioeconomic status

Enhance **ACCESS** to programming by creating more seamless connections between high school, post-secondary education, and the workforce

Increase **AFFORDABILITY** of career-connected education and training for Coloradans of all skill levels who have completed or left the K-12 education system

Report Policy Recommendations

Using Data to Make Informed Decisions & Measure Impact

Make the Postsecondary Talent Development System Easier to Navigate

Questions?