

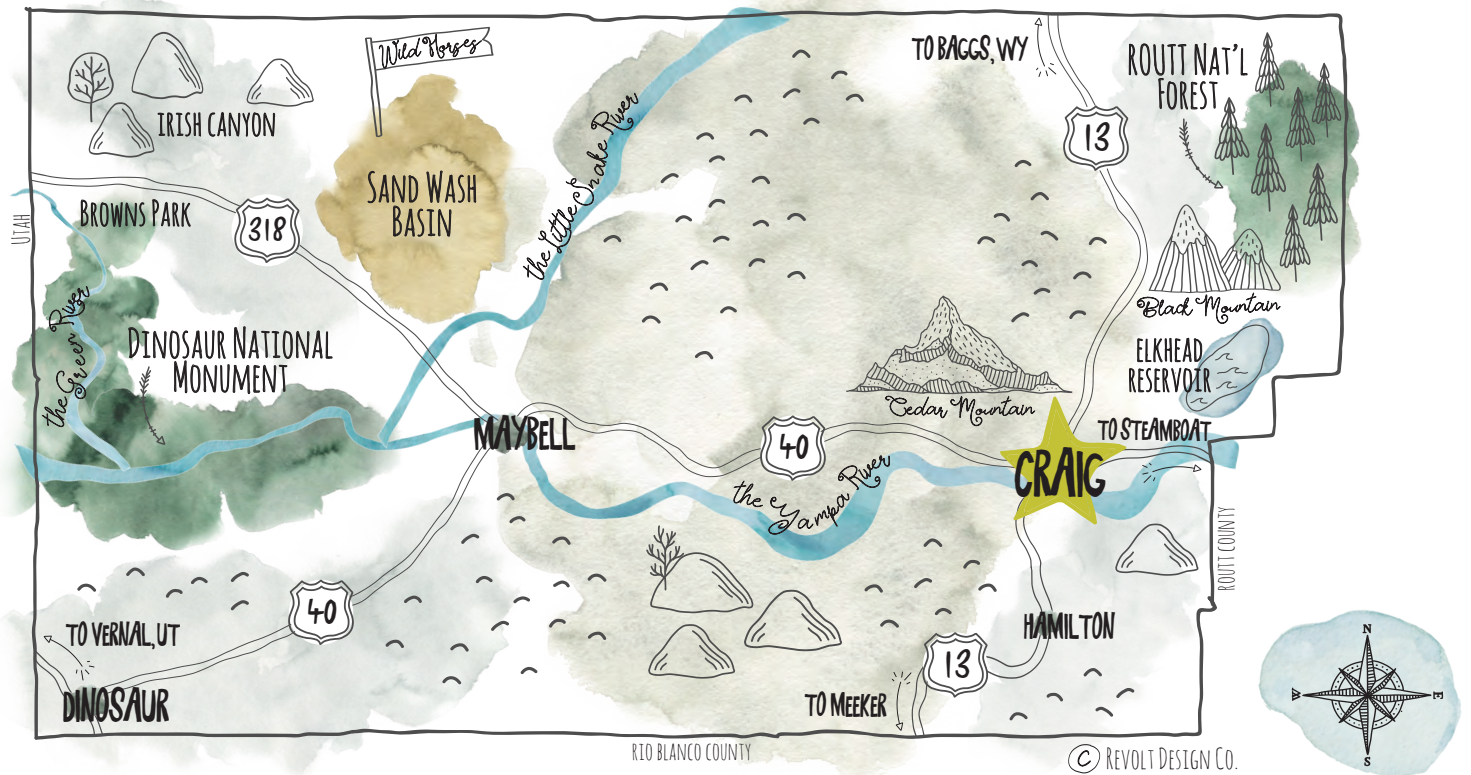
ANNUAL REPORT 2021

City of Craig Economic Development









**ECONOMIC
DEVELOPMENT**

THE CITY OF CRAIG IS THE COUNTY SEAT OF MOFFAT COUNTY, WHICH ENCOMPASSES THE EXPANSIVE RURAL NORTHWEST CORNER OF COLORADO.



COMMUNITY SNAPSHOT

 <p>9,007 2021 Population</p>	 <p>\$56,481 Median Household Income</p>	 <p>3,742 Households</p>
 <p>\$240,000 Median Home Sales Price</p>	 <p>23% Bachelor's Degree or Higher</p>	 <p>28,000+ Available Labor Shed</p>

A message from ECONOMIC DEVELOPMENT MANAGER SHANNON SCOTT



2021 began with my hiring as the new Economic Development Manager for the City of Craig to ensure successful economic sustainability, regional growth and diversity as the community faces unprecedented times with the impending closure of its largest industry.

Some of the most notable accomplishments of 2021 include the adoption of the Craig Urban Renewal Authority (CURA), which was designed to help alleviate blight in targeted areas by utilizing Tax Increment Financing (TIF) as an incentive to revitalize properties that have been neglected or unkempt. The redevelopment and revitalization of these properties will create a more welcoming presence, generate employment opportunities and encourage better utilization of productivity and infrastructure. The City of Craig's Small Business Grant Program celebrated a third year of success with 8 businesses being awarded a total of \$84,041 in funds that generated an overall investment of \$1,190,793. The Shop Local Program was also a major hit as the \$15,000 that was allocated for the program during the Thanksgiving and Christmas holidays was utilized within a month of issuance, with those funds being directly spent and redeemed to local businesses. The City of Craig was also awarded an EPA Brownfields Grant in the amount of \$300,000 for Phase I and Phase II environmental assessments. The City has teamed up with Ayres and Associates Consultants to begin identifying targeted

properties with which to conduct these assessments, as well as urban planning ideas for the downtown and depot areas. Through ARPA funding, the City of Craig was also able to award 19 local businesses a total of \$262,791 in COVID business relief grants to help assist with items such as inventory, equipment, payroll, rent, utilities and insurance during the pandemic. Due to major limitations and constraints in the local housing inventory, the City of Craig also partnered with Williford, LLC to begin conducting a Housing Needs Assessment Study. The Study was completed at the end of 2021 noting the specific types, quantities and price ranges that were most deficient in the market. The final Action Plan portion of the study, which will identify specific strategies on how to meet those demands and attract future developers, will be released in the spring of 2022. The City of Craig was also awarded approximately \$980,000 in Congressionally Directed Spending grant funds, which will be specifically utilized to construct critical infrastructure for the development of these future housing units.

2022 will see the re-formation of the Economic Development Advisory Committee, who will be instrumental in leading the City of Craig in its efforts to implement specific strategies, goals and focus areas from the Moffat County Vision 2025 Transition Plan. These committee members will also be key drivers in shaping the economic future and direction of the City of Craig and Moffat County over the next several years.

"The City of Craig, Moffat County and its partners are very fortunate in that they have already begun implementing strategic initiatives to help with this transition as the coal mines and power plants begin to attrite over the next ten years." While this will be a difficult challenge to undertake, I firmly believe that the decision makers and key stakeholders have the knowledge, skillset, experience, and most of all, love for their community in order to make this transition successful."

Respectfully,

A handwritten signature in black ink that reads "Shannon Scott".

SHANNON SCOTT, MBA
ECONOMIC DEVELOPMENT MANAGER, CITY OF CRAIG

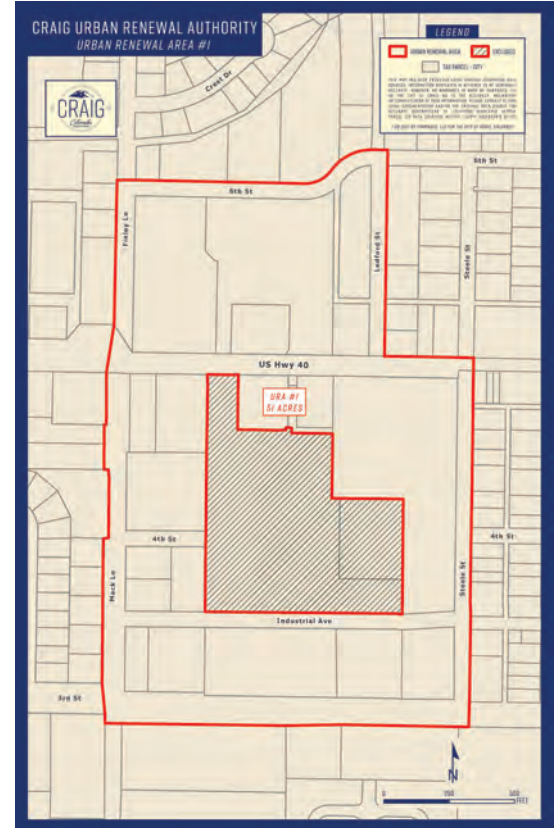
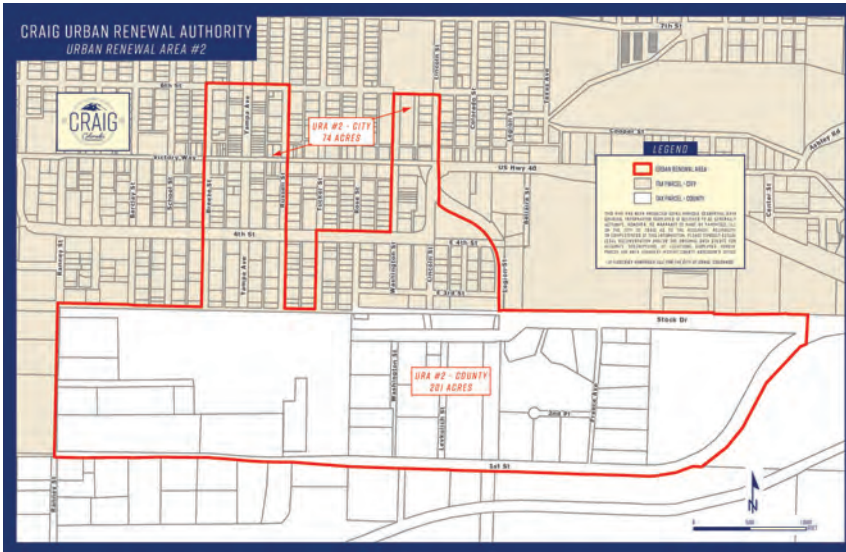
CRAIG URBAN RENEWAL AUTHORITY

Urban renewal in Colorado is a process for revitalizing and rehabilitating distressed properties, slums, and blight. Although the purpose of urban renewal is to prevent and remediate blight, urban renewal often has other positive effects, including job creation and economic development.

The Craig Urban Renewal Authority (CURA) completed a variety of formation tasks throughout 2021 including completing a conditions study, negotiating and finalizing intergovernmental agreements with all the local taxing district entities, executing tax revenue sharing agreements, and securing final approvals for both URA areas #1 and #2.

The Craig Urban Renewal Authority may use a variety of tools defined by Colorado statute to facilitate urban renewal. One of those tools is tax increment financing (TIF).

 www.craigura.com



YAMPA VALLEY ADVENTURE CENTER

Frank Moe presented to CURA on behalf of the Yampa Valley Adventure Center (YVAC) to purchase and redevelop the Centennial Mall into a multifaceted recreational, tourist and retail attraction. CURA approved a TIF financing in the amount of \$7.6 million based on \$12,123,000 in private investment and capital improvements documented for the project. The original TIF financing amount approved for the YVAC was later rescinded due to unforeseen circumstances, but conversations continue to occur with developers that are wishing to take advantage of potential TIF dollars that are available through the CURA.



HOUSING

HOUSING NEEDS ASSESSMENT STUDY

The City of Craig contracted Williford, LLC for a Housing Needs Assessment Study. The City received a \$20K grant from the Colorado Housing and Finance Authority (CHFA) in support of the much needed assessment. A June kick-off meeting was held with the Williford team, City Staff and a locally assembled housing steering committee. Additional completed housing study tasks include an employer survey distributed to over 400 local and regional employers, property tours/site visits, and data reviews. The assessment report was finalized in 2021.



NOTABLE HNA TAKEAWAYS

- 80% of local employers think housing availability and affordability is a moderate to severe problem within Craig.
- The Craig housing market has a current need for about 75 additional housing units with the most significant gaps being 1–2-bedroom units, affordable rentals at about \$735/month for two people, new quality construction and smaller homes to accommodate first time homebuyers and those looking to downsize.
- The average price of a home in Craig in 2020 was \$195,000 with current listings in 2021 averaging \$242,000 with 68% of the housing stock being built over 40 years ago.
- Net outflow of workers coming into the City and residents commuting out is about 2,000/day along the Highway 40 corridor between Craig and Steamboat Springs.

View the completed
HNA Study at:



www.ci.craig.co.us/residents/economic_development.php

ENERGIZE COLORADO

An RFP was prepared and submitted for the Energize Colorado pilot program, a rural sustainable housing initiative. The program is focused on bringing scalable, replicable developments to rural markets that blend high-performance, healthy homes with community gathering areas, co-working spaces, and other desirable amenities. The homes in these communities will utilize cutting-edge products, systems, and technologies to meet today's environmental realities and homebuyer needs. Price points will include entry level, move-up and semi-custom and feature an inventory blend of for-rent and for-sale units.



LOCAL PROGRAMS / LOCAL LOVE

LOCAL SHOP & DINE



The Local Shop & Dine tax rebate program launched in November 2021 which allows shoppers to earn \$10 in local Spree Dollars for every \$100 spent, up to \$30 per individual.

Shoppers are encouraged to spend locally and redeem receipts from any City sales tax licensed business. Receipts are then redeemed at the Craig Center of Commerce until December 4th or until program funding of \$15K is exhausted. Eligible receipts earn Spree Dollars to be spent by the end of 2021.

The \$15K awarded to the 2021 Local Shop & Dine program was exhausted by November 29th!

LOCAL PROGRAMS / LOCAL LOVE CONT'D...

SMALL BUSINESS GRANT PROGRAM

The City of Craig Small Business Grant Program for 2021 was launched towards the end of March. This 50/50 matching fund program provides grants to businesses via a competitive application review process in support of both facade improvements and capital investments that facilitate job creation/diversification.



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Grant Applications
Awarded



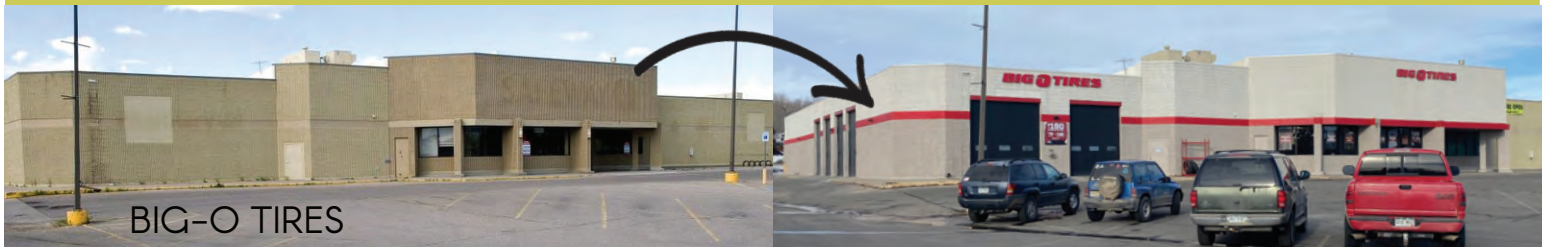
\$84,041

Total Funds
Awarded



\$1,190,793

Total Investments
Stimulated



BIG-O TIRES

2021 SMALL BUSINESS GRANT AWARD DETAILS

Business Site	Request Type	Award Amount	Total Investments
The Laundry/Bear Coal Soda Fountain	Site Improvement	\$ 11,824.16	\$ 29,028.00
Popular Bar	Site Improvement	\$ 11,800.00	\$ 43,012.00
Draper Insurance Group	Site Improvement	\$ 2,523.11	\$ 5,046.23
Jackson's Office Supply	Site Improvement	\$ 6,840.00	\$ 10,995.00
The Local, NW Colorado	Economic Development	\$ 3,100.00	\$ 6,200.00
Mountain Man Taxidermy	Site Improvement	\$ 25,000.00	\$ 341,000.00
Big O Tires	Site Improvement	\$ 15,953.88	\$ 754,148.98
Rummel Chiropractic/Quilters Quest	Site Improvement	\$ 7,000.00	\$ 1,362.50
		\$ 84,041.15	\$ 1,190,792.71



BEAR COAL SODA

MOUNTAIN MAN TAXIDERMY



POPULAR BAR

DRAPER INSURANCE

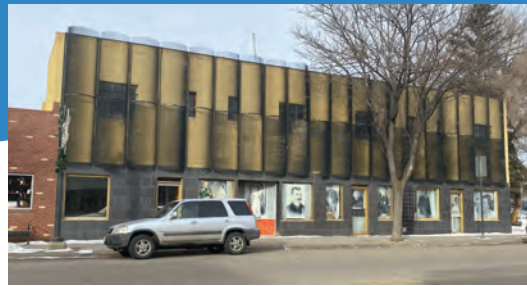
COMMUNITY DEVELOPMENT

PROJECT MODULE

The company is a modular home manufacturer, currently based in Vernal, Utah, that wants to build a “state of the art” manufacturing plant in Craig. It sells most of its homes in Colorado anyway, company representative “Darrin” told the OEDIT commission. “The increase in demand for modular homes is driven in part by housing shortages, and Project Module’s prefab, manufactured homes help address this shortage by being significantly lower cost, faster to build and install, more energy efficient and higher quality than traditional construction homes.” Plans call for up to 28 full-time jobs at \$57,694, about 114% of the average wage in Moffat County. OEDIT incentives awarded to Project Module include: Up to \$182,200 in performance based Strategic Fund Job Creation Cash Incentives over five years. The OEDIT commission also approved up to the maximum of \$6,500 per job. The City of Craig has provided a preliminary incentives proposal, contingent upon the approval of CURA and City Council, of approximately \$286,000. Project Module closed on a vacant lot this year within CURA area #2.

GOLDEN CAVVY PROPERTY

Discussions and a walk-through of the Golden Cavy building for potential downtown revitalization occurred in the Spring of 2021. The City of Craig’s awarded Brownfields grant in the amount of \$300,000 in May 2021, could help with the redevelopment of this property and others that have been targeted in the core downtown area for this grant. The City will continue working to set up a walk-through with the Brownfields Assessment Consultants to establish what/if there are any environmental contaminants that can be remediated with the grant monies.



SPICY BASIL PROPERTY

A walk-through of the Spicy Basil was conducted during the Summer of 2021. Similar to the Golden Cavy property, an additional walk-through with the Brownfields Assessment Consultants will be set-up to establish what/if there are any environmental contaminants that can be remediated with the grant monies.

MARKETING / PROMOTION

2021 provided the opportunity to explore various workforce focused initiatives such as marketing towards a Small Business Innovation Center, potentially utilizing it as a business factory and/or business incubator. Additional marketing opportunities and strategies are defined in the Opportunity Zone Marketing Strategy Report which was prepared for the City of Craig in 2020. This report is inclusive to the municipal areas outside the Craig OZ as well, due to the limited boundary of the existing OZ.

Promotion of available local and statewide incentives, including those through the CURA, DOLA, OEDIT, Rural Jumpstart, OZ’s and Enterprise Zones was introduced through the City’s of Craig’s existing municipal website and new investment website established at www.investnwco.com. As we move forward into 2022, we will begin to focus on marketing available parcels of developable land for future housing developments, current assets as a tourist destination, the availability of broadband, and helpful demographic information for future developers, site selectors, contractors etc.

GRANT SUBMISSIONS / AWARDS

CONGRESSIONALLY DIRECTED SPENDING

A \$3,000,000 grant request was submitted for Congressionally Directed Spending (CDS) funds in support of future housing infrastructure, land acquisition for an industrial park, road infrastructure, downtown revitalization to remediate blighted buildings and sidewalk improvements. An additional CDS grant was submitted requesting \$750,000, per the advice from Matt Krieker with Senator Bennet's office, specifically for infrastructure needed to support future housing.

In working with the Senator's office during the project review phase, it was advised that the project scope and request be scaled down to \$979,000 to focus on housing as a priority objective. Grant award notifications are expected by end of year 2021.

REGIONAL REDI GRANT

The City of Craig partnered with 16 surrounding local/regional communities to jointly apply for a DOLA Rural Economic Development Initiative (REDI) Grant to help diversify our local economies and create a more resilient Northwest Colorado. The submitted project consists of hiring a planning program director and assistant to facilitate the regional coordination and planning roadmap deliverable.

City of Craig, Colorado to receive \$300,000 to advance property cleanup and redevelopment

EPA Brownfields grant will fund environmental assessments at downtown properties

May 11, 2021

Contact Information

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Craig, Colo. – Today, the U.S. Environmental Protection Agency (EPA) is announcing that the City of Craig, Colorado will receive a \$300,000 Brownfields assessment grant to advance the cleanup and revitalization of properties at priority sites in the City's downtown area.

The City of Craig is among 151 communities nationwide selected to receive 154 grant awards totaling \$66.5 million in EPA Brownfields funding through the agency's Multipurpose, Assessment, and Cleanup Grant programs. This funding will support underserved and economically disadvantaged communities across the country in assessing and cleaning up contaminated and abandoned industrial and commercial properties. Approximately 50 percent of selected recipients will be receiving EPA Brownfields Grant funding for the first time and more than 85 percent are located in or serving small communities.



\$979,000

Grant Request Submitted



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Regional Partners Collaborating

BROWNFIELDS GRANT PROGRAM

The City of Craig was awarded a \$300,000 Brownfields Assessment grant in 2021 from the EPA. The Brownfields Grant Program has provided guidance and incentives to many municipalities across the nation in support of economic revitalization.

Grant funds will be used to conduct due diligence activities, as well as identify broad hurdles to revitalization. Eligible grant activities include inventorying, characterizing, and assessing sites to determine the presence or absence of environmental contamination, identification of redevelopment sites, redevelopment planning to identify feasible land uses, 3D visualizations to generate understanding about opportunities, cleanup redevelopment planning and community engagement.

A local Brownfield Steering Committee was selected to help guide program activities and a program kick-off meeting was held in December. The Brownfields Grant Program generally takes 2 years to complete.



\$300,000

Grant Award Secured