Minutes
GCESG: Financial Services Committee Meeting
April 28th, 2020 9:00 am - 10:00 am

1. Attendees:
Blair Richardson, Phil Kalin, Dave Young, Don Childears, Colin Annonsen, Doug Freidnash, Greg Anton, Jeff Kraft, Mary Wickersham, Mary Marchun, Peter Calamari, Tim Dore, Shannon Bird, Shane Sandridge, Ron Baker, Cary Kennedy, Jim Kelley, Mike Van Norstrand, Lauren Sisneros, Dave Madsen, Virginia Davis, Che Sheehan.

2. Meeting Minutes:

- **Working Capital Fund**
  - Recommending first loss dollar amount of $25M. Looking to go to charitable institutions to raise a significant portion of this $25M amount.
  - Working on a paper describing this plan over the next two weeks.
  - Target the fund towards credit worthy businesses.
  - Consensus about using CDFI’s as the distribution mechanism for this fund.
  - To the extent where the State can’t use future CARES act distributions there may be more flexibility for efforts like this one.

- **Demand Implications**
  - Many businesses are going to struggle with cash flow as consumer spending is reduced over the next year.
  - Need to focus on existing business support vs new business creation.

- **Medium to Long term efforts**
  - Need to understand that when we come out of this crisis we will not have the same economy that we had when we started.
  - After the last recession, the Colorado Legislature developed the Advanced Industry Accelerator program, which has had great success in attracting new business clusters
  - How to drive consumption to businesses that may have reduced demand for a long time.
  - Highlight other options for small businesses like the payroll tax deferral.

- **Demographic Adjustments**
  - Colorado should be prepared to go after industries and companies that are looking to move as a result of this crisis.
  - Potential to leverage opportunity zones

- **Feedback from Bank Representatives**
○ Challenges across the industry accessing the SBA system to submit applications for PPP
○ SBA had double the activity from the previous peak which caused significant stress on the system.
○ Forgivable amounts may not be what small businesses expect through PPP. Education may be helpful in breaking down to businesses.

3. Action Items:
- Build a ground up case for how this capital can be efficiently used by working with CDFI’s/ other Financial Institutions.
- OEDIT to start working on developing strategies to go after companies that may look to move to Colorado
- Formulate a plan on the forgiveness considerations from PPP loans.