BUSINESS GRANT PROGRAM
2019-2020
PROGRAM REPORT
Summary

Through the 2019-2020 Business Grant Program (BGP), the Town of Hayden (Town) has been working with our local business community to retain, expand, improve and create businesses that foster job creation and capital investment within the Town’s downtown and industrial areas. One facet of the program was designed to encourage physical improvements and commercial revitalization in the downtown central business district by matching investments that improve the overall aesthetics of Hayden. Another facet was to grow and expand existing businesses by increasing their capacity, efficiency and ability to remain operational in Hayden or by adding an additional product line to their business. There were also opportunities for start-up ideas, and we saw several impressive proposals that folded in our local western heritage and culture, identified a locational niche, or value-added to our locally grown agricultural products.

The return on investment was substantial. For every $1 that was granted through the BGP, applicants directly invested $9.53 of their dollars. The $100,000 BGP investment generated $953,000 of direct outlay by local businesses (see Appendix A). Additionally, there is evidence that these investments will create seventeen (17) to twenty-five (25) additional jobs with signs that there will opportunities for more job growth as businesses move beyond or respond to the COVID-19 restrictions. We have already seen evidence of this where in one instance a BPG-funded business substantially changed their business model in response to COVID-19 due to restaurant closures – and that model is proving significantly more successful for them, and BPG funding allowed them to expand their operations.

Thirteen (13) business proposals were supported and funded with the 2019-2020 BPG. Five (5) of the projects were for building and site enhancement, five (5) were economic development and business expansion projects, and three (3) were business start-ups. The following pages provide some additional details about each project.

The Hayden BGP has been a significant win-win for the community. The Town has identified that next steps include securing other sources of funding to continue the program, continuing to work with local businesses to thrive and grow in the on-going COVID economy, and further leverage of local business investment. Plans also include the collection of economic and jobs data on any funded businesses so the Town is able to assess the on-going impacts of this valuable program.
SITE ENHANCEMENT PROJECTS
ONE (90) FIVE LLC

195 W Jefferson Avenue

The scope of this project was to make upgrades to the exterior of the building located at 195 W Jefferson Avenue that include the construction of a pergola structure on the north side of the building and added landscaping to create additional visual interest to the building, and to add shade and gathering space thereby expanding the uses at the site to include a food truck and associated outdoor seating, architects’ office and weekly seasonal farmers’ market stands.

Total Estimated Cost: $7,500

Grant Funding: $5,000
After many years of minimal maintenance, in 2019 the Hayden Car Wash property was purchased by a new owner. The building and property were updated including paving and drainage improvements.

**Total Estimated Cost:** $32,434  
**Grant Funding:** $5,267
Julie’s Childcare

650 W Jefferson Avenue

Julie Carey has been caring for local age 0 to 5 children in this location since 1994, one of the only local licensed childcare operators providing services for this age group. While the childcare operation is home-based, its location on the US Highway 40/Jefferson Avenue main street through Town makes it very visible to the community and traveling public. The updated paint – and the matching big blue bear in the window welcoming the kids – has added to the revitalized look of Hayden’s main corridor.

Total Estimated Cost: $9,209
Grant Funding: $7,367
The Hayden Granary

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Wild Goose Coffee at the Granary

198 E Lincoln Avenue

The Hayden Granary is the only existing grain elevator in all of Routt County. The Hayden Granary was built in 1917 and still stands today as an icon for the early agricultural roots of Hayden and is listed on the County, State and National Registers of Historic Places. The granary houses Wild Goose Coffee, Hayden’s local coffee and bakery spot. As with any older building, keeping things in good repair or modifying things to expand the building’s uses is an on-going process. The scope of project undertaken this time included re-roofing, insulating and installing new roll-up doors in the large interior breezeway space extending from the coffee shop area that is earmarked for expanded year-round commercial space.

Total Estimated Cost: $13,000  Grant Funding: $5,000
Dirty Pants LLC dba Curbside Laundry

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CER Linen Service

189 S Walnut Street

You would never know this is the same building from what is was in May. The owner kept his otherwise would be furloughed staff busy over the subsequent two months doing property cleanup, making minor building repairs, removing and restoring the original facade, putting on a fresh coat of exterior paint on the building, planting flowers and completing other landscaping efforts.

Total Estimated Cost: $21,700

Grant Funding: $7,444
ECONOMIC DEVELOPMENT PROJECTS
Hayden Mercantile/Ace Hardware
111 N 6TH STREET

This project implemented a long-identified need in Hayden: an in-town lumberyard. The funded part of the project involved finish grading for the access drive and lumber yard area, and upgrading/maintaining existing drainage patterns. Upon completion of the finish grading, lumber storage racks will be placed and secured. Upon completion the lumberyard operation is expected to required the hiring of two (2) additional employees.

Total Estimated Cost: $21,700
Grant Funding: $7,444
Lighting Project
This project added high-intensity ceramic metal halide lighting fixtures that would address the wintertime/cloudy day needs of this mostly solar aquaponic farm operation located in the Valley View Business Park. The automated installation allows the owner/operator to manipulate the photo-cycle for their crops to mirror summer conditions and thereby control the production cycle.

Total Estimated Cost: $18,000  Grant Funding: $10,000

Farm Share Expansion
Prior to March, 2020 41 North sold all of its production capacity to upper end restaurants throughout the Yampa Valley. In response to the economic changes in the restaurant industry due to COVID, 41 North pivoted its business model to membership farm shares delivered to local residents. This change has proven very successful for the company. The project included adding production volume (equipment and construction), hiring of additional workforce (8-12 persons) to handle the expanded demand and production, and development of plans for additional site upgrades and greenhouse(s) to expand their capacity to serve members beyond the Yampa Valley and across the Western Slope.

Total Estimated Cost: $39,376  Grant Funding: $7,444

https://41northfood.com/
Business changes amid virus

Local owners seek new opportunities as COVID-19 continues

John F. Russell
Steamboat Pilot & Today

STEAMBOAT SPRINGS — Routt County businesses Jay Hirschfeld and John Weibel may not own restaurants, but they have felt the financial impacts brought on by the COVID-19 outbreak as many of their customers in the culinary world were forced to close their doors last month.

"Basically we lost all of our revenue and all of our customers within 48 hours," said Hirschfeld, chief executive officer of 41North in Hayden. "That model was exogenous to the restaurant industry. We didn't really do any sales, and people were always wanting to buy our product, but it wasn't a process that we wanted to handle."

He said serving the restaurants resulted in a stable business model that allowed 41North to work with local chefs who wanted to use hormone-free, fresh produce for their recipes.

It was a business strategy Hirschfeld and co-founder Todd Chapman had relied on since opening the Yampa Valley's first-ever aquaponics facility in September 2018. "We were able to build a strong following among chefs and diners, and the product that was grown in the company's 3,680-square-foot facility made onto the menu of at least seven local restaurants, plus two to four more that would purchase 41North produce as needed."

"We would be like the butterhead lettuce at Table79 or the bok choy at The Laundry," Hirschfeld said. "It was pretty cool until it wasn't."

In the days following Gov. Jared Polis' March 17 announcement ordering the closure of dine-in services, Hirschfeld's phone began to ring.

The produce grown at 41North was used in this butterhead wedge with local tomato in lettuce soup, dressed in mustard crumble and Champagne vinaigrette. The dish was prepared by Chef Patrick Ayres at 41North's very first farm-to-table dinner in February 2019.

"Then the cancellations started, and I was just like, 'OK, we are going to have to shift everything.' By the following Monday, I think everybody had canceled their orders," Hirschfeld said. "Even within a weekend, had completely reduce the vehicle to launch a new product.

"Instead of catering to chefs and restaurants, 41North turned its attention to members. "Overnight, we changed our model to do farm shares," Hirschfeld said.

In the first week, 41North had 35 members who had purchased shares, and by the end of the next week, that number had doubled as people jumped at the chance to purchase locally grown produce that was delivered to their doors. Hirschfeld said the business is still evolving, but he believes the climate-controlled greenhouse, which was designed to capture and store heat energy, can support up to 155 shares and possibly more. The company's goal is to add three to five farm shares each week.

Customers can purchase a weekly half-share that includes at least $20 worth of produce by value, including a dozen Hayden Fresh Farm eggs and approximately 0.25 to 0.35 pounds of greens, or a full-share that includes at least $40 worth of produce by value. Customers can also add Big Iron Coffee, NaturalPath CBD and Hayden Fresh Farm eggs, beef and pork to the delivery.

Hirschfeld said the farm share program will continue to develop through spring and summer and 41North will tailor its selection of crops to introduce more diverse residential produce including baby greens, salad mixes and mature herbs.

"Basically, we didn't know if this was going to work. It was just a 'Mail Mary' pose... we put it out there in an email blast, and it took off," Hirschfeld said. "I would say we're at a very steady capacity, but we are willing to push depending on the demand."

FEEDING THE WORLD

A few miles north of Steamboat Springs, Moon Hill Dairy owner John Weibel is using a Kickstarter program to support his cheese production after many of the restaurants in Denver, Aspen and Vail that purchased his cheese shut their doors.

Weibel is offering memberships to the "Cheese of the Month" program to those who donate more than $100. He is also selling Moon Hill Dairy's products, including memberships, through Community Agriculture Alliance.

Weibel is hoping his efforts will pay off as he prepares to weather the economic turbulence caused by the COVID-19 outbreak.

"I was driving a taxi to raise money for the upcoming summer production season, so that I didn't have to borrow money and go into debt," Weibel said. "Then the world shut down."

It has forced him to be creative as he looks to earn his production costs.

"I was hoping to raise about $300,000, but I figured that I can get going with about $8,500," Weibel said. "We started that (the Kickstarter fund) just over a week ago, and we're 70% funded.

Members will receive three to five selections, a total of about 1.5 pounds, once a month for four months. Steamboat customers who pick up their cheese at Community Agriculture Alliance offices at 111 Ninth St. will get an extra month of cheese as part of the package.

Weibel has hoped 2020 would be the year for Moon Hill Dairy. He was approached by Whole Foods last year and was ready to ramp up production this summer, but that was before COVID-19.

"Right now, I'm more worried about making food for the local valley if there is a need," Weibel said. "I guess my big fear is that if the economy falters and struggles then people aren't going to be purchasing high-end cheese."

He has decided to help fill local needs and has 400 plant starts with plans to produce squash, potatoes and asparagus for customers.

"At one point I was going to feed the world," Weibel said. "I got into food production because I could heal the planet through drawing down atmospheric carbon. I could heal people by producing nutrient-dense food in an employee-owned business. That's my perfect world."

To reach John F. Russell, call 970-879-4208, email jfrossell@SteamboatToday.com or follow him on Twitter @JPRossell.
Natural Path Botanicals is a local CBD/Hemp processing operation and, in response to COVID, added a hand sanitizer product line that uses what was previously a production byproduct. They are known for working with area family farms, the local community and investing in their employees as well as for top-end products.

The project provided funding to install an OSHA-compliant dry chemical fire suppression system associated with their project to upgrade and expand their existing manufacturing facility in the Valley View Business Park. The upgrade project is slated to result in the hiring of 2-3 three additional employees.

**Total Estimated Cost:** $76,000  
**Grant Funding:** $10,000
Yampa Valley Brewing Company's project took the company to the next step in becoming a highly relevant local area craft beer supplier with the purchase and installation of a nano-canning line. Previous to this, their packaged craft beers were filled and seamed by hand. By increasing their canning capacity, it allowed the company to expand its operations and sales footprint. Their 106 E Jefferson Avenue location currently serves as the tap sales room as well as their production facility. In August, 2020 their new tap sales room will open at 200 N Walnut Street, adjacent to Wild Goose Coffee at the Hayden Granary, allowing their production facilities to expand at their current location.

With the advent of the canning line, Yampa Valley Brewing Company has expanded their distribution of packaged products throughout Northwest Colorado, and added a full-time additional employee. The opening of the new tap sales room in a larger facility will also serve to increase sales and the need for additional employees.

Total Estimated Cost: $32,000
Grant Funding: $10,000
Hayden Horsepower, LLC
Hayden, Colorado

Hayden Horsepower has taken off since its inception last October. Taking advantage of the community’s long-standing agricultural and ranching heritage, Hayden Horsepower has successfully developed horse events centered in and around Hayden. Events range from Hayden Heritage Horse Sale and Hayden Gymkhana to various horse and roping clinics and events at the Routt County Fairgrounds to providing opportunities for novice riders to learn the “ropes” through ranch-based or summer programs.

Funding under this project help cover the costs related to securing liability insurance, space rental, arena and course preparation, instructors, software and awards.

**Total Estimated Cost:** $24,000

**Grant Funding:** $10,000

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**HAYDEN GYMKHANA**
June 20, 2020
Routt County Fairgrounds, Hayden, CO

**SCHEDULE**
- Check in starts: 8:30 am
- Barrel Exhibition starts at 9:00
- First class, Sprints, starts at 10 am

**Online entries** e-mail wendy@picket6.com

**CLASS SCHEDULE**
- Barrel Exhibition: 9 am - 10 am $5/round
- Sprints: All Age divisions
- Poles: All Age divisions
- Keyhole: All Age divisions
- Breakover Dollar
  - 2 winners, under one adult
  - Winner gets all dollars in their class
- Egg & Spoon Race
  - All Age divisions, eggs & spoons provided

Safety protocols will be in place per Routt County regulations, and currently a limit on the number of competitors in each event at wendy@picket6.com.
Mountain Dog Care

402 Commerce Street

Charlotte and Zach Wuestewald have undertaken the construction of a new building in the Valley View Business Park and close to the Yampa Valley Regional Airport that will house an animal care operation. The facility will be primarily for dogs, offering both daycare and long-term stays, and there will be grooming, veterinarian care, retail and training services offered as well. Upon completion of the installation of a purchased factory-built commercial building slated in November, 2020, the purchase for which the funding awarded under this application was assigned, the operation will hire 3-5 employees as well as employ several service contractors.

All required zoning permits have been authorized and approved. The application for the building permit has been submitted to allow the construction of the building which is scheduled for delivery in mid-September.

Total Estimated Cost: $700,000                  Grant Funding: $7,444
Yampa Valley Ice Cream Company  
Hayden, Colorado

Yampa Valley Ice Cream Company is a value-added food production start-up company that is taking locally produced foods and manufacturing artisan ice cream, popsicles and other frozen novelty treats as well as a line of bakery goods. They have partnered with other local producers, e.g. Hayden Farm Fresh and 41 North Inc., in a farm-share and delivery service as well as participating in local farmer’s markets and via an online platform. The operation makes use of Hayden’s Dry Creek Commissary commercial kitchen for product production. Current operations employ one person, with the plans to add an additional staff person by year’s end.

Funding was used to support inventory and equipment purchases, licensing and miscellaneous supplies.

**Total Estimated Cost:** $12,000  
**Grant Funding:** $7,444
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Phase I: $68750; Total Project Estimate: $700,000
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