



Colorado

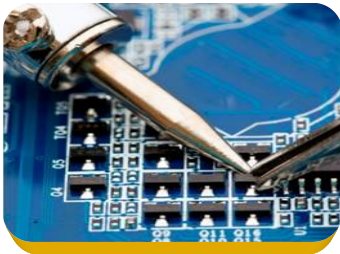
Office of Economic
Development and
International
Trade

Colorado Office of Economic Development
and International Trade

Governor John W. Hickenlooper

Fiona Arnold, Executive Director

Jeff Kraft, Director, Business Funding & Incentives



Economic Development Commission

2015 Annual Report

(FY July, 2014 – June, 2015)



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October 1, 2015

Members of the First Regular Session of the Seventieth General Assembly:

On behalf of the Colorado Economic Development Commission (EDC or Commission), I am pleased to present you with the Commission's Activity Report for the Fiscal Year (FY) 2014-15. The report contains information on projects supported by the EDC from July 2014 through June 2015 as well as the status of active initiatives previously approved by the EDC.

The EDC was very appreciative to receive support from the General Assembly with the approval of an additional \$5 million in funding that assisted with projects during Fiscal Year 2014-15. Over the last twelve months, the EDC continued to support businesses and job creation efforts throughout the state by supporting local communities' efforts in attracting job growth and businesses.

We welcome your comments on this report. On behalf of the EDC, we want to thank Governor Hickenlooper and members of the General Assembly for your ongoing support and guidance.

Sincerely,

Richard L. Monfort
Chairman

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COMMISSION MEMBERS AS OF JUNE 2015

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Greeley, CO

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INTRODUCTION

The information contained within this report includes highlights on projects supported by the Colorado EDC from July 2014 through June 2015 along with information on projects active as of June 2015 that were previously approved by the EDC.

The EDC supports various economic development initiatives through its oversight of Strategic Fund Incentives and Special Projects, Enterprise Zones, the Job Growth Incentive Tax Credit Program (JGITC), and the Regional Tourism Act (RTA).

The following table provides a general summary of the newly approved Strategic Incentives, Strategic Initiatives and Job Growth Incentive Tax Credit projects by Region from July 2014 through June 2015:

Newly Approved EDC Projects FY 14-15	Total	Urban	Rural	Statewide
Strategic Incentives	7	5	2	0
Strategic Initiatives	3	0	1	2
JGITC	41	41	0	0
Total for Year	51	46	3	2
Percentage of Total		90%	6%	4%

NEW Strategic Fund Incentives and Special Projects

This section highlights EDC approved projects through fiscal year 2015. In an effort to strengthen the state's economy and employment base the following Strategic Fund Initiatives and Special Projects in conjunction with businesses, partner communities, key industry leaders, local economic development organizations and other regional organizations received EDC support.

GOAL I: To encourage, promote and stimulate economic development in all regions of the state.

Objective A: In cooperation with state, local, and private entities develop incentive packages to help existing companies expand and new companies locate in the state.

The **Strategic Cash Fund** program supports and encourages new business development, business expansions and relocations that have generated new jobs throughout the state (Strategic Incentives). In some cases, the Strategic Cash Fund may also be able to provide support for initiatives led by nonprofit entities pertaining to key industries or regional development (Strategic Projects). The following seven Strategic Incentives received approval from July 1, 2014-June 30, 2015 for up to \$7.5 million in cash incentives associated with the future creation of 2,147 jobs.

1. **Mayfly Group LLC., Montrose County** – Project Trio is a growing Montrose, Colorado-based holding company that operates three subsidiary outdoor recreation brands two of which have been recently acquired. Project Trio’s brands focus on the manufacturing of equipment within the sports fishing industry and are located individually in Montrose, Washington, and California. Project Trio, including the subsidiaries, is seeking to move manufacturing operations to a single location. It is anticipated that the applicant company will create 56 net new full-time jobs with an average annual wage (AAW) (without benefits) of \$45,927 (130% of Montrose County’s average annual wage of \$35,328).
2. **Avex Health, Mesa County** – AVEX Health is a Grand Junction, Colorado-based medical device company that created the *FootBeat*, a micro-mobile engine that provides cyclic thrusting pressure to the foot’s capillary bed. The device is located within an insole that fits discretely in a shoe or sock assisting the body in augmenting circulation in the lower extremities. It is anticipated that the applicant company will create 69 net new full-time jobs with an average annual wage (AAW) (without benefits) of \$49,840 (126% of Mesa County’s average annual wage of \$39,532).
3. **Panasonic, Denver County** – This publically traded multi-national company provides a broad line of digital and other electronics products and solutions for consumer, business, and industrial use. Panasonic involves the creation of a new division for the applicant company that has the potential to represent the company’s most significant presence outside of its US headquarters location. It is anticipated that the applicant company will create 330 net new full-time jobs with an average annual wage (AAW) (without benefits) of \$89,545 (147% of Denver County’s average annual wage of \$60,961).
4. **Project Cassowary, Boulder County** – Project Cassowary is an Australian-based company looking to establish a North American presence. The company was founded less than two years ago by combining 12 years of R&D and fundamental patents. The business has a proprietary process for the electrolysis of water that can efficiently and cheaply use electricity to split water to make hydrogen. It is anticipated that the applicant company will create 142 net new full-time jobs with an average annual wage (AAW) (without benefits) of \$69,654 (122% of Boulder County’s average annual wage of \$57,199).
5. **United Technologies Aerospace Systems, Pueblo County** – United Technologies Aerospace Systems (UTAS) manufactures and services aerospace systems and components. UTAS currently operates multiple facilities within Colorado, including the facility in Pueblo that they have selected, which is located in an Enterprise Zone. Due to expected increases in global demand for UTAS’s aerospace products/services over the next 10 years, UTAS evaluated the financial viability of expansion scenarios at its existing U.S. facilities across several states, and has selected its Pueblo facility for the project. It is anticipated that the applicant company will create 46 net new full-time jobs with an average annual wage (AAW) (without benefits) of \$47,175 (127% of Pueblo County’s average annual wage of \$37,120). In addition, the company expects to invest \$82.2 million consisting of approximately \$61.2 million in machinery and equipment and \$21 million in building expenditures.

6. **Sierra Nevada Corporation, El Paso County** – Project Elbert is an American-based, privately-held company focused on advanced manufacturing, engineering, and research and development that supports a variety of industries including aerospace and defense, electronics, information and technology, communications, and energy. The company has over 3,000 employees based in more than 15 states covering a variety of business areas. It is anticipated that the company will create 1,323 net new full-time jobs with an average annual wage (AAW) (without benefits) of \$58,373 (130% of El Paso County’s average annual wage of \$44,902).
7. **Project Pantry, Adams County** - Project Pantry is a food-distribution LLC headquartered in the Midwest. The company is one of the largest specialty food distributors in the nation with a significant quantity of products in the healthy food arena, which include foods categorized as gluten free, allergen free, non-GMO, etc. It is anticipated that the applicant company will create 181 net new full-time jobs with an average annual wage (AAW) (without benefits) of \$50,331 (105% of Adams County’s average annual wage of \$47,788). In addition, this would involve the construction of a 260,000 square foot distribution center to support the project at an estimated cost of almost \$30,000,000.

Objective B: Identify and support specific programs and activities to assist the economies of rural areas of the state.

UNC Bizhub Incubator: Funds will be primarily used for space and technology including databases. Since the SBDC Director will lead the program, there is a major savings component for management of the incubator. The EDC approved funding in the amount of \$150,000 in support of this project (up to \$75,000 in year 1; up to \$50,000 in year 2 and up to \$25,000 in year 3).

Goal II: To oversee the statewide economic development marketing program and to support additional activities and events which promote the state.

1. **Colorado Space Marketing 2014-2015:** The Colorado Space Coalition is a partnership between the Denver Metro Chamber of Commerce/Metro Denver Economic Development Corporation, the State of Colorado, Colorado Springs Regional Business Alliance, the Colorado Space Business Roundtable, multiple economic development partners, private sector companies, universities and research institutions. This funding provides strategic marketing assistance to help grow Colorado’s space industry. The EDC approved funding in the amount of \$100,000 in support of this project.
2. **EDC Marketing:** This program supports OEDIT marketing activities with funds being used to reimburse purchase orders for marketing expenses, which are submitted directly to OEDIT for payment. The EDC approved funding in the amount of \$85,000 for 2015.

GOAL III: To provide policy oversight for the state Enterprise Zone program as directed by the Enterprise Zone statute.

The General Assembly has given the Commission responsibilities in the following areas of Enterprise Zone policy:

- A. Zone boundary terminations and designations.** The Enterprise Zone statute gives the Commission authority to designate or terminate Enterprise Zones or areas within them. Sub-county areas are generally evaluated for Enterprise Zone eligibility using census tract/block group statistics for unemployment and per-capita income, while more current data from the Colorado Department of Labor and Employment and the Department of Local Affairs is used for countywide eligibility. Per House Bill 13-1142, review of Enterprise Zone designations has commenced while implementation of any status change is expected to take effect in January 2016.
- B. Review of proposals for projects eligible for the Enterprise Zone Contribution Tax Credit.** The statute allows for state income tax credit (up to 25%) for contributions that directly link to job creation and retention and/or business expansion in an Enterprise Zone. Furthermore, an eligible project must support the economic development goals established for the Enterprise Zone. The Commission has the responsibility for annually reviewing and re-certifying existing projects. There were 459 active Contribution Projects at fiscal year-end, June 31, 2015.

To note, the EDC provided \$17,000 to EZ administrators for operational support.

GOAL IV: Approve or deny requests for waivers of the “qualified business” criteria under the Certified Capital Companies (CAPCO) Program.

In 2001, the EDC was given new statutory authority regarding one aspect of the Certified Capital Companies program. If a CAPCO wants to invest in a business that does not meet all of the eligibility requirements under the CAPCO statute and regulations, the CAPCO may ask that the EDC review the specific business and recommend approval or denial of such businesses to the Director of the Colorado Office of Economic Development and International Trade (OEDIT). Specifically, the EDC must make a determination that the specific business would further the economic development of the State of Colorado. The CAPCO Program received its funding from insurance companies in April 2002, which was made possible by the issuance of premium tax credits by the State of Colorado.

From July 2014 through June 2015, the EDC did not review any businesses related to this authority.

GOAL V: Job Growth Incentive Tax Credit (JGITC)

The Job Growth Incentive Tax Credit (JGITC) provides a calendar year state income tax credit to businesses undertaking job creation projects that would not occur in Colorado without this program and that have created net new high paying positions in the state. Requirements under the statute specify that a company must create at least 20 net new full-time positions during the credit period (96 consecutive months) with an average yearly wage of at least 100% of the county average wage rate where the business is located. A business located in an Enhanced Rural

Enterprise Zone has to create at least 5 net new jobs in Colorado during the credit period with an average yearly wage of at least 100% of the county average wage rate where the business is located. To note, for FY 2014-15, the “but for” condition was changed to state that the JGITC was a major factor in a business’s decision to undertake job creation projects in Colorado.

Tax credits were issued in 2015 for calendar year 2014 in the amount of \$6,387,110 for the companies highlighted in the following table. Please note that information on tax credits claimed is not available to report since the Department of Revenue has indicated this information is deemed private and confidential tax information.

Company	Tax Credit	Jobs Created	Average Wage	Pass-Through
Arrow Electronics	\$ 1,414,788	474	\$ 84,946	No
Charles Schwab	\$ 1,121,071	378	\$ 88,034	No
Comcast	\$ 145,127	28	\$ 164,132	No
DaVita	\$ 305,109	500	\$ 242,501	No
Finish Line	\$ 83,038	22	\$ 118,853	No
FMC	\$ 115,194	50	\$ 86,676	No
IHS Holdings Inc.	\$ 698,234	183	\$ 111,958	No
Lockheed Martin Space Syst.	\$ 46,740	37	\$ 189,687	No
Outdoor Channel	\$ 43,263	28	\$ 85,723	No
Outreach	\$ 184,197	103	\$ 53,591	No
Redwood Trust	\$ 349,136	140	\$ 96,379	No
Sierra Nevada Corp	\$ 18,320	200	\$ 115,403	No
Solidfire	\$ 27,456	24	\$ 100,587	No
Spectra Logic	\$ 40,677	31	\$ 63,042	No
Summit Materials	\$ 144,399	37	\$ 190,645	No
Sympoz	\$ 107,303	60	\$ 70,685	No
TriZetto	\$ 1,150,662	291	\$ 102,521	No
Visa	\$ 338,236	107	\$ 104,298	Yes *
Zen Planner	\$ 54,161	31	\$ 71,118	No
Total	\$ 6,387,110	2,724		

From July 1, 2014 - June 30, 2015, 41 projects received approval for up to \$195.7 million in tax credits associated with the future creation of 11,026 jobs. Details about the respective companies and the projects are highlighted in the paragraphs below.

- 1. Solidfire, Boulder County:** Solidfire is a fast growing private company, with its principal offices located in Boulder, Colorado. This company began in July 2010 in Atlanta, Georgia with the idea of building the next generation storage platform designed specifically for cloud storage processing. In May 2011, all staff and operations were moved to Boulder, Colorado due to the local computer storage cluster and the resulting presence of a highly qualified labor pool, knowledge base and strong supply chain. The project anticipates the job creation of 209 full-time net new jobs over the next 8 years with a minimum average annual wage of \$115,321. The EDC approved a tax credit in the amount of \$5,555,435 in support of this project.
- 2. Ibotta, Denver County:** Ibotta is a privately-held technology company that builds tools to empower consumers and simplify their daily lives, with its principal offices located in Denver,

Colorado. The company was founded in 2011 by a group of marketing, consumer package goods, and tech experts, including the original *Photobucket* team responsible for building Twitter's photo support. The company's app provides a new take on mobile couponing designed to reach those who don't subscribe to newspapers, clip from circulars, or print coupons from the web. The project anticipates the job creation of 181 full-time net new jobs over the next 8 years with an average annual wage of \$79,254. The EDC approved a tax credit in the amount of \$3,323,275 in support of this project.

3. **Anheuser Busch, Larimer County** - Anheuser Busch is an American manufacturing subsidiary of a multi-national company. The company is headquartered in the Midwest with operations across the United States, including the Front Range. The project anticipates the job creation of 41 full-time net new jobs over the next 8 years with an average annual wage of \$81,853. The EDC approved a tax credit in the amount of \$898,569 in support of this project.
4. **Standard Alcohol, Adams County** - Standard Alcohol Company of America, Inc. (SACA), a closely held private company based in Denver, is developing and commercializing the intellectual property for the production of Mixed Alcohol fuels from Synthesis Gas (SynGas) – otherwise known as Gas to Liquids (GTL) technology. The genesis of SACA comes from work that DOW Chemical embarked on starting in the 1980s that was later abandoned due to a strategic shift. In total, DOW & SACA have spent \$60M and 25 years to develop what is today known as Standard Alcohol's proprietary Mixed Alcohol process. The project anticipates the job creation of 58 full-time net new jobs over the next 8 years with an average annual wage of \$69,483. The EDC approved a tax credit in the amount of \$864,536 in support of this project.
5. **Coyote Logistics, Denver County** – Coyote Logistics is Midwest-based information privately-held Technology Company focused on logistics support with operations across the United States. Project Roadrunner arranges the transportation of goods across North America with a network of 40,000 carriers using a technology platform to handle logistics management and planning. The project anticipates the job creation of 200 full-time net new jobs over the next 8 years with an average annual wage of \$61,235. The EDC approved a tax credit in the amount of \$1,756,771 in support of this project.
6. **Lockheed Martin, Jefferson County** – Lockheed Martin is a global security and aerospace company principally engaged in the research, design, development, manufacture, integration, and sustainment of technology systems and products. The company also provides a range of management, engineering, technical, scientific, logistic, and information services. The applicant is one of six independently managed business areas of the company and has a large presence in Jefferson County, Colorado. The project anticipates the job creation of 500 full-time net new jobs over the next 8 years with an average annual wage of \$113,062. The EDC approved a tax credit in the amount of \$15,540,178 in support of this project.
7. **Project Hurricane, Denver County** – The company for Project Hurricane is a nationally recognized operator of medical groups and physician networks, providing integrated care management services. Additionally, the company is a national leader in clinical, social and operational practices in specialty healthcare. The applicant, an operating division, is one of the two independent primary lines of business with the other line of business already maintaining a large presence in Denver, Colorado. The project anticipates the job creation of 215 full-time net new jobs over the next 8 years with an average annual wage of \$87,940. The EDC approved a tax credit in the amount of \$3,046,601 in support of this project.

- 8. Project Tortoise, Arapahoe County** - Project Tortoise is a privately held, start-up advanced wireless telecommunications Technology Company. In collaboration with a confidential technology partner, Project Tortoise will produce an ultra-high capacity point-to-point wireless backhaul transmission product group suitable for commercial and telecommunication grade use. The project anticipates the job creation of 282 full-time net new jobs over the next 8 years with an average annual wage of \$111,493. The EDC approved a tax credit in the amount of \$5,377,097 in support of this project.
- 9. Niner Bikes, Larimer County** - Niner Bikes is a privately held Colorado-based company that designs, manufactures, and sells high-end mountain bikes with their iconic 29-inch rim. These bikes are distributed worldwide and ultimately sold through independent bicycle shops. The company was founded in 2005 and currently employs 20 individuals at their location in Larimer County, just outside of the City of Fort Collins. The project anticipates the job creation of 35 full-time net new jobs over the next 8 years with an average annual wage of \$45,400. The EDC approved a tax credit in the amount of \$278,778 in support of this project.
- 10. Foro Energy, Arapahoe County** – Foro Energy develops customized, fit-for-purpose services in decommissioning, perforation, pressure control, and hard rock drilling applications for oil, gas, geothermal, and mining operators. Built upon a decade of academic work, project Shark’s products and services are potential new and disruptive entrants to the existing oilfield equipment and service market. They have been issued 13 patents encompassing 965 claims and have more than 50 applications with more than 5,000 claims pending. The project anticipates the job creation of 64 full-time net new jobs over the next 8 years with an average annual wage of \$100,000. The EDC approved a tax credit in the amount of \$1,009,800 in support of this project.
- 11. Project Blue Sky, Denver County** - Project Blue Sky provides audit, tax and advisory services and industry insight to help organizations negotiate risk and perform in the dynamic and challenging environments in which they do business. They operate in 156 countries and have more than 152,000 professionals working around the world. With more than 24,000 professionals in the United States, Project Blue Sky is a leader among professional services firms. The project anticipates the job creation of 290 full-time net new jobs over the next 8 years with an average annual wage of \$86,492. The EDC approved a tax credit in the amount of \$5,018,846 in support of this project.
- 12. Micron Technology, Boulder County** - Project Memory is an American-based, publicly-held information technology company with employees worldwide and is focused on storage solutions. The company is headquartered in the Mountain West with operations across the United States, including the Front Range. The project anticipates the job creation of 262 full-time net new jobs over the next 8 years with an average annual wage of \$108,503. The EDC approved a tax credit in the amount of \$6,027,954 in support of this project.
- 13. MycoTechnology, Denver County** - MycoTechnology is a Food and Agriculture Technology company founded in 2013 focused on unlocking opportunities within the food and beverage industry. MycoTechnology uses a proprietary organic non-BMO bio-process to transform agricultural products by removing taste defects such as bitterness. The project anticipates the job creation of 43 full-time net new jobs over the next 8 years with an average annual wage of \$56,651. The EDC approved a tax credit in the amount of \$361,741 in support of this project.
- 14. Accuvant, Denver County** - Accuvant, a privately held Blackstone portfolio (NYSE:BX) company, founded in 2002 is a leading source for information security services. The company

delivers a suite of technology solutions and complex technical services for enterprise-class organizations including, businesses, governments and educational institutions to successfully plan, build and operate their cyber-security systems and programs. The project anticipates the job creation of 258 full-time net new jobs over the next 8 years with an average annual wage of \$83,604. The EDC approved a tax credit in the amount of \$5,007,206 in support of this project.

- 15. Project 5533, Denver County** - Project 5533 is a California-based, information technology company focused on cloud-based customer service support. The company was founded in 2000 and has operations across the United States, United Kingdom and New Zealand. The project anticipates the job creation of 155 full-time net new jobs over the next 8 years with an average annual wage of \$85,774. The EDC approved a tax credit in the amount of \$3,204,452 in support of this project.
- 16. Hach Company, Larimer County** - Hach Company is an existing Loveland, Colorado company and has been a major primary employer in the community since 1978. Hach manufactures and distributes analytical instruments and re-agents for water testing and water quality analysis, including portable systems. Their products serve a variety of industries, including: drinking water, wastewater and municipal drinking water, power generation, brewing water quality, and water analysis in food production. The project anticipates the job creation of 204 full-time net new jobs over the next 8 years with an average annual wage of \$55,589. The EDC approved a tax credit in the amount of \$2,004,009 in support of this project.
- 17. Patheer, Denver County** – Patheer is a Massachusetts-based, privately-held start-up information technology company focused on providing data analytics to research, analyze, and plan careers for internal advancement within their customers’ companies. Patheer originally began as a product of the company College Miner, which rebranded the company to be known as Patheer. The project anticipates the job creation of 75 full-time net new jobs over the next 8 years with an average annual wage of \$71,733. The EDC approved a tax credit in the amount of \$1,001,768 in support of this project.
- 18. Project Shell, Larimer County** - Project Shell is a recruitment project involving a privately-held Wisconsin-based company that is an innovator and leader in complex systems integration and also in designing and creating custom machines on a contract basis. The company has been providing services for 20 years to companies in diverse industries, including: transmission assembly, heavy equipment machining, agriculture, aerospace, consumer goods, medical/healthcare, industrial products, food/beverage, and consumer electronics. The company’s expertise includes robotics, assembly line solutions, and automated systems, and their customers include some of the largest manufacturing companies in the world. The project anticipates the job creation of 67 full-time net new jobs over the next 8 years with an average annual wage of \$69,298. The EDC approved a tax credit in the amount of \$951,698 in support of this project.
- 19. Granicus Software, Denver County** – Granicus Software is a recruitment project involving the leading government cloud computing provider for transparency, efficiency, and citizen participation. The company offers the first cloud platform and product suites designed specifically to help government agencies establish meaningful connections with citizens. The project anticipates the job creation of 221 full-time net new jobs over the next 8 years with an average annual wage of \$64,982. The EDC approved a tax credit in the amount of \$3,239,369 in support of this project.

- 20. World Remit, Denver County** – World Remit is a recruitment company involving a UK-based company that offers global online money transfer services. Their business model is differentiated from traditional money transfer services because it's completely done online via computers or Smartphone's and does not include physical branch locations. The project anticipates the job creation of 218 full-time net new jobs over the next 8 years with an average annual wage of \$71,536. The EDC approved a tax credit in the amount of \$3,289,441 in support of this project.
- 21. Project Holiday, Arapahoe County** - Project Holiday is an expansion project involving a leading media, entertainment and communications company. The corporation is principally involved in the operation of telecommunications systems and in the development, production and distribution of entertainment and media. The project anticipates the job creation of 1,030 full-time net new jobs over the next 8 years with an average annual wage of \$64,301. The EDC approved a tax credit in the amount of \$17,964,622 in support of this project.
- 22. Project 1971, Broomfield County** - Project 1971 is an American-based, publicly-held information technology company with employees worldwide and is focused on technology and memory product development. The company is headquartered in the Western United States with operations across the Country, including the Front Range. The project anticipates the job creation of 120 full-time net new jobs over the next 8 years with an average annual wage of \$142,780. The EDC approved a tax credit in the amount of \$3,609,603 in support of this project.
- 23. Life Time Fitness, Boulder County** – Life Time Fitness is a Minnesota-based, publicly-held, health and wellness company with operations in nineteen states employing over 20,000 individuals. This health and wellness company operates brick and mortar facilities as well as events to support the wellbeing of communities, organizations and individuals across the United States. The project anticipates the job creation of 220 full-time net new jobs over the next 8 years with an average annual wage of \$70,731. The EDC approved a tax credit in the amount of \$3,517,329 in support of this project.
- 24. Project Purple, Denver County** - Project Purple is an information and technology company focused on delivering proprietary software to support the healthcare industry. Project Purple's cloud platform technology provides analytical tools allowing healthcare organizations to manage compliance with federal requirements, including the ability to more easily restructure medical processes and measure treatment outcomes required by new regulations and laws. The project anticipates the job creation of 932 full-time net new jobs over the next 8 years with an average annual wage of \$104,307. The EDC approved a tax credit in the amount of \$14,773,364 in support of this project.
- 25. Sierra Nevada Completion Systems, El Paso County** – Sierra Nevada Completion Systems is an American-based, privately-held company focused on advanced manufacturing, engineering, and research and development that supports a variety of industries including aerospace and defense, electronics, information and technology, communications, and energy. The company has over 3,000 employees based in more than 15 states covering a variety of business areas. The project anticipates the job creation of 1,323 full-time net new jobs over the next 8 years with an average annual wage of \$83,720. The EDC approved a tax credit in the amount of \$18,783,766 in support of this project. To note, this company is the first to receive both Strategic Fund and Job Growth Incentive Tax Credit performance-based incentives.

- 26. Project X, Adams County** - Project X involves the creation of new division of an existing Colorado-based infrastructure engineering firm that currently employs more than 1,100 people across the state. Infrastructure Engineering is one of Colorado's strategically targeted advanced industries. The new division will design and develop next generation data center solutions that offer flexible, adaptable facilities that are rapidly deployed, hardened, on-premise data centers that easily scale to fit an enterprise's requirements over time. The project anticipates the job creation of 435 full-time net new jobs over the next 8 years with an average annual wage of \$79,239. The EDC approved a tax credit in the amount of \$9,443,272 in support of this project.
- 27. Project Atlantis, El Paso County** - The company is developing the world's first and only publicly accessible and fully comprehensive spaceflight training campus uniquely positioned to provide the extensive education and preparation necessary to the new commercial spaceflight pioneers and industry leaders. Their Training Academy will offer all of the necessary training elements for both orbital and sub-orbital spaceflight participants as well as stratospheric balloon riders under one roof. The project anticipates the job creation of 283 full-time net new jobs over the next 8 years with an average annual wage of \$45,173. The EDC approved a tax credit in the amount of \$3,019,660 in support of this project.
- 28. Project Belt, El Paso County** - Project Belt, founded in 1999, is an information technology platform focused on connecting users with service providers and currently has a presence in the Metro Denver area. Project Belt is a subsidiary of a large publicly-traded media and Internet firm based in New York City focused on growing a variety of brands and products. The project anticipates the job creation of 180 full-time net new jobs over the next 8 years with an average annual wage of \$54,444. The EDC approved a tax credit in the amount of \$2,738,344 in support of this project.
- 29. Project Patience, Denver County** - Project Patience is a national financial services organization with \$851 billion in assets under management and is the leading provider of retirement services for customers in the academic, research, medical and cultural fields. The company serves 3.9 million active and retired employees at more than 15,000 institutions. Project Patience offers a full range of financial services including retirement plans, IRA's 529 college savings plans, mutual funds, brokerage services and life insurance. The project anticipates the job creation of 693 full-time net new jobs over the next 8 years with an average annual wage of \$94,632. The EDC approved a tax credit in the amount of \$12,325,182 in support of this project.
- 30. Project Speed, Jefferson County** - Project Speed is an international aerospace and aviation company with a significant history in prototyping, research and development and innovation products for sale around the world. The company has operated a subsidiary business in the Metro Denver area since the mid 1990's. Their current Colorado presence represents a major footprint of the company's North American operations that serve as a hub for final production, marketing, sales, service and more. The project anticipates the job creation of 40 full-time net new jobs over the next 8 years with an average annual wage of \$66,403. The EDC approved a tax credit in the amount of \$466,162 in support of this project.
- 31. Fivestars, Denver County** - Fivestars is a West Coast based start-up in the Information and Technology field offering customer loyalty programs to local businesses. The company has experienced rapid growth and needs to further expand its human capital. The project anticipates the job creation of 242 full-time net new jobs over the next 8 years with an average

annual wage of \$73,533. The EDC approved a tax credit in the amount of \$3,637,526 in support of this project.

- 32. Project 8, Broomfield County** – Project 8 is rolling out a U.S. network of health care units offering a total joint replacement program. The company is focusing on providing a variety of specialty medical procedures outside of the traditional hospital setting. The project anticipates the job creation of 107 full-time net new jobs over the next 8 years with an average annual wage of \$120,121. The EDC approved a tax credit in the amount of \$2,928,122 in support of this project.
- 33. Project Flex, Broomfield County** - Project Flex is a health and wellness company with subsidiaries focused on designing, developing, manufacturing and marketing medical devices around the world and currently operates a facility in Broomfield, Colorado. This public company is in the final stages of being acquired by an Indiana-based firm with plans to consolidate and expand the company’s operations. The project anticipates the job creation of 40 full-time net new jobs over the next 8 years with an average annual wage of \$81,400. The EDC approved a tax credit in the amount of \$996,336 in support of this project.
- 34. Project Lineup, Weld County** - Project Lineup is an American manufacturing subsidiary of a multi-national company. The company is headquartered in the Midwest with operations across the United States, including the Front Range. The project anticipates the job creation of 75 full-time net new jobs over the next 8 years with an average annual wage of \$71,587. The EDC approved a tax credit in the amount of \$1,437,550 in support of this project.
- 35. Project Digital, Douglas County** - Project Digital is a leading American multinational corporation providing innovative information technology, consulting and business process services to companies worldwide. The company is based on the east coast, is publicly-held, and has been serving clients since 1996. The company has more than 33,000 employees in North America, with over 200,000 employees worldwide. The project anticipates the job creation of 500 full-time net new jobs over the next 8 years with an average annual wage of \$80,689. The EDC approved a tax credit in the amount of \$8,690,622 in support of this project.
- 36. Project Eagle Wings, Denver County** - Project Eagle Wings is a New Mexico-based, privately-held company focused on servicing and supporting the energy and natural resource industry. The company is headquartered in New Mexico with operations across the country including Colorado, Utah and Kansas. The company’s main products and services focus on automation of energy generating assets such as natural resource extraction wells, solar arrays, and more. The project anticipates the job creation of 43 full-time net new jobs over the next 8 years with an average annual wage of \$83,023. The EDC approved a tax credit in the amount of \$710,132 in support of this project.
- 37. Project 1972, Larimer County** - Project 1972 is an American-based, publicly-held information technology company with employees worldwide and is focused on technology and memory product development. The company is headquartered in the Western United States with operations across the Country, including the Front Range. The project anticipates the job creation of 68 full-time net new jobs over the next 8 years with an average annual wage of \$143,265. The EDC approved a tax credit in the amount of \$2,251,452 in support of this project.
- 38. Project Proteo, Adams County** - Project Proteo is an engineering, manufacturing, and technology company supporting the energy and natural resources industry. The company is

currently headquartered in Utah with operations in multiple other markets including Adams County, Colorado where it employs 35 personnel. This location allowed the company to develop a local commercial presence within the Colorado energy and natural resource industry. The project anticipates the job creation of 287 full-time net new jobs over the next 8 years with an average annual wage of \$70,192. The EDC approved a tax credit in the amount of \$3,564,900 in support of this project.

39. Project Tower, Jefferson County – Project Tower is a Colorado based telecommunications company. They are a leading provider of wireless network infrastructure services, principally to major wireless carriers, leading tower companies and wireless equipment manufactures. The company delivers a comprehensive suite of engineering, professional and construction services, including network design, construction and maintenance. The project anticipates the job creation of 408 full-time net new jobs over the next 8 years with an average annual wage of \$78,223. The EDC approved a tax credit in the amount of \$5,722,203 in support of this project.

40. Project Skyfall, Denver County - Project Skyfall is a Colorado based advertising technology company and one of the fastest growing in the world. The company delivers technology that amplifies and streamlines the connection between buyers and sellers of online video and mobile advertising. Project Skyfall is forecasting significant growth in demand for its products and market share in its industry which will require the addition of significant human capital. The project anticipates the job creation of 157 full-time net new jobs over the next 8 years with an average annual wage of \$78,446. The EDC approved a tax credit in the amount of \$2,131,851 in support of this project.

41. United Airlines, Denver County – United Airlines is an American-based, publicly-held company with employees worldwide and is focused on aviation operations. The company is headquartered in the Midwest with operations across the Country, including the Front Range. The project anticipates the job creation of 265 full-time net new jobs over the next 8 years with an average annual wage of \$167,217. The EDC approved a tax credit in the amount of \$9,189,765 in support of this project.

GOAL VI: Administer and Implement the Regional Tourism Act (RTA) according to statute.

The RTA establishes a program that gives local governments the opportunity to apply to the EDC for approval of a large scale Regional Tourism Project (Project) that is of an extraordinary and unique nature that is anticipated to result in a substantial increase in out-of-state tourism and that generates a significant portion of the sales tax revenue by transactions with nonresidents of the Regional Tourism Zone. The local government must provide reliable economic data demonstrating that in the absence of state sales tax increment revenue, the Project is not reasonably anticipated to be developed within the foreseeable future. The EDC may approve up to six projects in total. The EDC shall not approve any Project that, if approved, would likely create a state sales tax revenue dedication of more than \$50M to all Regional Tourism Projects in any given year.

In fiscal year 2015, two applications were received for the third and final round of the program and are currently under EDC review. They are:

- Denver’s National Western Center Project (\$128 million requested)
- Northern Colorado’s “Go NOCO Project” (\$86 million requested) comprised of:
 - o The PeliGrande Resort
 - o U.S. Whitewater Adventure Park
 - o Indoor Waterpark Resort
 - o Stanley Film Center

Status of Active Projects/Contracts as of June 2015 Previously Approved by the EDC

Strategic Fund Incentive Projects in Urban Areas

Urban	Approved Amount	Incentive Paid	Projected Jobs	Projected Avg. Annual Wage
Avago (Project Beta)	\$ 230,000	\$ -	92	\$ 49,783
Bach Composite	\$ 164,000	\$ 113,308	100	\$ 31,700
Coleman Company	\$ 370,000	\$ 114,115	74	\$ 118,000
Cooper Controls (Lighting)	\$ 321,000	\$ -	321	\$ 41,272
DaVita	\$ 119,209	\$ -	58	\$ 58,257
Hitachi (Project Victor)	\$ 640,000	\$ -	300	\$ 70,000
Niagara Bottling	\$ 38,000	\$ 30,000	38	\$ 44,559
On Deck Capital (Project 5285)	\$ 500,000	\$ -	200	\$ 63,228
Panasonic (Project Pangaea)	\$ 1,500,000	\$ -	330	\$ 89,545
Project Cassowary	\$ 497,000	\$ -	142	\$ 69,654
Project Comet	\$ 198,384	\$ -	120	\$ 100,000
Project Lift	\$ 250,000	\$ -	50	\$ 101,280
Project Pantry	\$ 452,500	\$ -	181	\$ 50,331
Scottrade	\$ 259,759	\$ -	285	\$ 52,500
Sisters of Charity	\$ 937,500	\$ -	750	\$ 65,000
SMA American Production	\$ 1,000,000	\$ -	300	\$ 30,749
SNC (Project Elbert)	\$ 4,400,000	\$ -	1,323	\$ 58,373
Spirae Inc.	\$ 150,000	\$ 45,000	30	\$ 93,833
TerumoBCT	\$ 1,250,000	\$ -	250	\$ 69,056
United Technologies Aerospace (Project Tumbleweed)	\$ 184,000	\$ -	46	\$ 47,175
ViaWest (Project Costner)	\$ 50,000	\$ -	25	\$ 60,000
WHPacific (Project Glacier)	\$ 241,349	\$ -	56	\$ 99,500
TOTAL	\$ 13,752,701	\$ 302,423	5,071	

Strategic Fund Incentive Projects in Rural Areas

Rural	Approved Amount	Incentive Paid	Projected Jobs	Projected Avg. Annual Wage
Avex Health	\$ 172,500	\$ -	69	\$ 49,840
JBS	\$ 1,000,000	\$ -	200	\$ 70,682
Leitner-Poma of America Inc. (LPOA)	\$ 300,000	\$ 78,000	100	\$ 43,680
Leprino	\$ 1,200,000	\$ -	400	\$ 43,000
Mayfly Group LLC. (Proj. Trio)	\$ 280,000	\$ -	56	\$ 45,927
Parelli Natural Horsemanship	\$ 125,000	\$ 65,000	25	\$ 37,180
Vestas	\$ 1,000,000	\$ 480,001	1,750	\$ 37,983
TOTAL	\$ 4,077,500	\$ 623,001	2,600	

On-going Strategic Fund Initiatives

	Approved Incentive	Paid	Project Description
UNC Bizhub Incubator	\$ 150,000	\$ 22,353	Funds will be primarily used for space and technology including databases. Since the SBDC Director will lead the program, there is a major savings component for management of the incubator.
CO Space Marketing	\$ 100,000	\$ 23,089	The Colorado Space Coalition is a partnership between the Denver Metro Chamber of Commerce/Metro Denver Economic Development Corporation, the State of Colorado, Colorado Springs Regional Business Alliance, the Colorado Space Business Roundtable, multiple economic development partners, private sector companies, universities and research institutions. This funding provides strategic marketing assistance to help grow Colorado's space industry.
EDC Marketing 2015	\$ 85,000	\$ -	EDC marketing has promoted and marketed Colorado's attractive business environment and quality of life with various marketing initiatives focusing on supporting the state's tradeshow presence at key industry cluster events,marketing/promotional materials and resources, and targeted advertisements for key industries.
TOTAL	\$ 335,000	\$ 45,442	