City Council
Economic Vitality Committee
Meeting Agenda

Friday, February 21, 2025
City Hall
749 Main Street
1:30 P.M.

Members of the public are welcome to attend and give comments remotely; however, the in-person meeting may continue even if technology issues prevent remote participation.

- *You can call in to +1 346 248 7799 or 833 548 0282 (toll free)*
  Webinar ID #838 1396 0621
- *You can log in via your computer. Please visit the City's website here to link to the meeting: www.louisvilleco.gov/council.*

The Board will accommodate public comments during the meeting. Anyone may also email comments to the Board prior to the meeting at VZarate@LouisvilleCO.gov.

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Approval of January 8, 2025 Meeting Minutes
5. Public Comments on Items Not on the Agenda
6. Approval of 2025 Meeting Dates
7. Approval of Business Beat 2025 Meeting Dates
8. 2024 Economic Vitality Year in Review
9. Louisville CHIPS Designation
10. Louisville Economic Snapshot

Persons planning to attend the meeting who need sign language interpretation, translation services, assisted listening systems, Braille, taped material, or special transportation, should contact the City Clerk's Office at 303 335-4536 or MeredythM@LouisvilleCO.gov. A forty-eight-hour notice is requested.

Si requiere una copia en español de esta publicación o necesita un intérprete durante la reunión, por favor llame a la Ciudad al 303.335.4536 o 303.335.4574.

11. Staff Updates
12. Development Updates
13. Adjourn

City Council
Economic Vitality Committee
Meeting Minutes
Wednesday, January 8, 2025
Regular Meeting

1. **Call to Order:** Mayor Leh called the meeting to order at 10:31 AM.

2. **Roll Call:** The following members of the City Council were present: Mayor Leh, Councilmember Fahey and Councilmember Kern. Also present were Acting City Manager Samma Fox, Director of Community Development Rob Zuccaro, Economic Vitality Manager Vanessa Zarate, and Economic Vitality Specialist Austin Brown. One member of the public was in attendance.

3. **Approval of Agenda:** Councilmember Fahey made a motion to approve the agenda as presented. The motion was seconded by Chair Dickinson. Motion passed.

4. **Approval of Meeting Minutes from December 4, 2024:** Councilmember Fahey made a motion to approve the December 4, 2024 meeting minutes. The motion was seconded by Mayor Leh. Motion passed.

5. **Public Comments on Items Not on the Agenda:**
   None.

6. **Approval of 2025 Meeting Dates:**
   Manager Zarate presented the proposed meeting dates for 2025. The proposal was to continue meeting on the first Wednesday of the month at 10:30 a.m. in Council Chambers. Councilmember Kern asked if the meeting time could be moved to later in the day. Mayor Leh asked whether that would work for staff. Staff confirmed that they would be available for a later meeting time. Mayor Leh also wondered whether that time would work for business owners. Mayor Leh proposed that the meetings start at 3:30 p.m. Staff recommended that the meetings remain on the first Wednesday of the month so that the Business Beat Roundtables are still top of mind. Mayor Leh made a motion to approve the proposed 2025 meeting dates, starting at 3:30 p.m. and ending at 5. The motion was seconded by Councilmember Fahey. Motion passed.

7. **Economic Vitality 2025 Goals:**
   Manager Zarate asked each member of the EVC to identify their top two goals for Economic Vitality in 2025. Councilmember Fahey stated that she would like

to prioritize filling vacancies and providing housing for the workforce. Councilmember Kern commented that she would like to prioritize activating and invigorating the McCaslin corridor. She also agreed with Councilmember Fahey that she would like to prioritize filling vacancies.

Mayor Leh stated that he would like to see the EVC focus more on strategy and policy, with a goal of generating more ideas and recommendations that could be taken to Council. He added that he would like to strengthen ties between Council and the Louisville Revitalization Commission. Mayor Leh also stated that he wants to increase efforts to actively listen and engage with the business community on issues. He cited the lack of energy code discussion at the EVC as an example. Councilmember Fahey added that she feels the Business Beat Roundtables are intended to help increase engagement and that they have been successful so far.

Councilmember Fahey commented that she would like to see more information around what Economic Vitality does, including its efforts around filling vacancies in the February meeting. Manager Zarate confirmed that this information will be included in the Economic Vitality Year in Review that will be presented in February.

Councilmember Kern added that she would like to see more branding and signage in Louisville and wondered whether that's something that the EVC could take on. Director Zuccaro responded that staff has heard similar sentiments before but that previous projects have ultimately hit a hurdle. He recommended that EVC's role could be turning ideas into Council projects and/or policy. Councilmember Fahey added that the Cultural Advisory Board is considering a program to add some artistic signage to Louisville. Director Zuccaro responded, clarifying that he thinks the most helpful outcome of the EVC is to gain Council support. The EVC can serve as project ambassadors to secure support from the rest of City Council. Acting City Manager Fox added that Council's Work Plan will likely have a section for recommendations from the EVC.

Mayor Leh agreed that there is a complicated history around signage and emphasized that there is no money in the current budget. Additionally, the update to the Comprehensive Plan will take up quite a bit of Council bandwidth. He also emphasized that each of the four candidates for City Manager included branding in their applications. Manager Zarate responded, noting that branding is not necessarily an Economic Vitality function and would require collaboration with many different departments across the City.

Councilmember Fahey commented that she has been hearing frustration from many Louisville business owners, specifically that there are too many ideas and not enough prioritization resulting in action. Director Zuccaro responded that this could be a great opportunity for project ambassadorship, supporting projects that are in the works. Manager Zarate added that she feels that the City doesn't celebrate its own wins enough, so residents don't always know what has been accomplished. Mayor Leh agreed and concluded that Council needs to be the biggest ambassadors for projects in the City.

8. **Potential Future Agenda Items:**
Manager Zarate commented that staff is planning to bring the Economic Vitality Year in Review and a 2025 Market Update to the February meeting.

9. **Staff Updates:**
Manager Zarate gave an update on several items including the Boulder Economic forecast and the Louisville Chamber Annual Awards Dinner. Mayor Leh confirmed that staff will be attending the Boulder Economic Forecast and that 5 members of City Council will be attending the Chamber dinner.

Councilmember Fahey asked whether the Business Beat Roundtable for South Boulder Road businesses will include businesses all the way up to McCaslin. Staff confirmed that those businesses will be invited. Mayor Leh agreed that he would like to see more engagement in that area, specifically citing GAIA as an example.

10. **Development Updates Discussion:**
Manager Zarate gave an update on several development projects and noted that staff is working with GIS on a development update map that should be launched in 2025.

Mayor Leh asked for an update on the former Lowe's at 1171 W Dillon Road. Director Zuccaro responded that they have submitted a PUD application that is currently in process. The application will need to go to both Planning Commission and City Council for final approval, and staff hopes that it will go to Council in the first quarter of 2025.

Mayor Leh asked about Redtail Ridge. Director Zuccaro responded that final documents and agreements were recorded in late December 2024. He noted that the construction documents for public infrastructure are still under review. He anticipates that infrastructure will start going in during the first half of 2025. Planning received the first PUD application for the first phase of development at Redtail Ridge. Director Zuccaro confirmed that the PUD received is not for an Avista parcel.

Councilmember Fahey asked when Relish would open. Manager Zarate responded that the business is hoping to open in the first quarter of 2025, but added that it may be delayed until the second quarter.

Councilmember Fahey asked if there are any updates on the former Carrabba's at 575 McCaslin Boulevard. Manager Zarate responded that there has been some interest in the site, particularly following the announcement that King Soopers will be opening on McCaslin.

Councilmember Kern commented that she has heard of some issues between the owners of buildings on McCaslin and the current or potential tenants. She noted that she would like Louisville to facilitate some of the challenges in the area. Manager Zarate responded that Economic Vitality does facilitate pretty heavily, but there are often issues that Economic Vitality cannot resolve.

Councilmember Kern asked about the residential project south of Gravity Brewing. Director Zuccaro responded that they are currently in the building permit process and permits are close to being issued. Councilmember Kern noted that she often hears questions or frustration from members of the public around projects that were approved by Council but have not made any noticeable progress.

Councilmember Fahey stated she has heard that some restaurant owners feel that the City prevents them from adding outdoor seating, when in reality it is often the property owner that will not support outdoor seating. Manager Zarate responded that staff has been working on educating business owners around land use processes and clarified that some outdoor seating requests would require a PUD Amendment.

Mayor Leh asked whether Director Zuccaro could give an update on the PUD application for the former Lowe’s at 1171 W Dillon Road. Director Zuccaro confirmed that staff has received an application for King Soopers and it is currently under review. He anticipated that it will go through the public hearing approval process in the first quarter of 2025. He added that he expects the applicant will pull a building permit concurrently so that they can begin construction as soon as the PUD is approved.

Councilmember Kern asked whether the PUD application includes a gas station or whether the applicant has pursued purchasing the existing gas station near the site. Director Zuccaro confirmed that the current application includes a gas station and recommended that the EVC hold any additional questions for the public hearing due to the quasi-judicial nature of the application.

Mayor Leh asked whether there were any additional items that the EVC would like to discuss during its February meeting. Councilmember Kern asked whether there should be a discussion on a potential Main Street closure. Mayor Leh responded that he would like to hear direction from the full City Council prior to the EVC discussing it. Councilmember Kern acknowledged that Council received a request from the Downtown Business Association and asked if Council could have a discussion/direction on the Main Street closure prior to the February EVC meeting. Acting City Manager Fox added that a member of Council could bring up the item during Council Items for Future Discussion.

Councilmember Kern asked whether there could be a quick update on discussions with RTD. Director Zuccaro responded that options with RTD are limited and it's likely that LaFarge would be the only option for a reroute in 2025. Councilmember Kern asked for clarification as to whether or not it would be possible to use Front Street at any point. Director Zuccaro responded that there have been discussions around rerouting to Front Street but there has not been any definitive conclusion.

11. **Adjourn:** Mayor Leh made a motion to adjourn the meeting at 11:57 a.m. The motion was seconded by Councilmember Kern. Motion passed. The meeting adjourned at 11:57 a.m.

ECONOMIC VITALITY COMMITTEE

City of Louisville
COLORADO • SINCE 1878

SUBJECT: ECONOMIC VITALITY COMMITTEE 2025 DATES

DATE: FEBRUARY 21, 2025

PRESENTED BY: VANESSA ZARATE, CECD, ECONOMIC VITALITY MANAGER

SUMMARY:
The Economic Vitality Committee will meet the second Thursday of the month from 3:00 – 4:30 p.m. in City Council Chambers for 2025. Staff recommends the following meeting schedule for 2025. There is an ability to change a meeting date throughout the year if needed.

Proposed 2025 Meeting Dates
- February 13th
- March 6th*
- April 10th
- May 8th
- June 12th
- July 17th**
- August 14th
- September 11th
- October 9th
- November 13th
- December 11th

* Economic Vitality Manager will be out of the office the second week of March and is proposing the meeting be moved to March 6th.
** Economic Vitality Manager will be out of the office on the second week of July and is proposing the meeting be moved to July 17th.

ECONOMIC VITALITY COMMITTEE

SUBJECT: ECONOMIC VITALITY YEAR IN REVIEW

DATE: FEBRUARY 21, 2025

PRESENTED BY: VANESSA ZARATE, CECD, ECONOMIC VITALITY MANAGER

SUMMARY:

Louisville Economic Vitality became fully staffed with two personnel in January 2024. Traditionally, economic vitality core services are business retention, business expansion and business attraction. In addition, we work on workforce development, business training, partner support and marketing.

Economic Vitality conducted over 30 retention visits, re-established and grew relationships with partner organizations and real estate partners, promoted resources for businesses and reduced the vacancy rate across Louisville. Economic Vitality will continue all of these efforts and continue to support business success in 2025.

RECOMMENDATION:

Staff recommends council review and ask any questions.

ATTACHMENTS:

- 2024 Economic Vitality Year in Review

ECONOMIC VITALITY
Year in Review 2024

City of Louisville

It was a busy and successful 2024 for Economic Vitality! Through our core activities of business attraction, business retention, business expansion, marketing, partner collaboration, advocacy and data, we have been able to add additional vibrancy into Louisville's economy. All these core activities will continue into 2025, as will programming such as the Business Beats Roundtables and Economic Vitality Day.

Business Attraction & Retention

- **2** new BAP recipients
- **4** site selection RFP responses
- **20+** location site searches
- **30** formal business retention visits
- **30+** broker contacts
- **50** business attraction activities
- **55** new business licenses
- **78** commercial permits finalized
- **84** commercial permits issued

Business Expansion

The Economic Vitality team has already begun new programming and updates in 2025 including a Business Assistance Program addition. We are revamping our website and program collateral to highlight resources and make them easier to access for businesses.

Economic Vitality is also working with the state's Office of Economic Development and International Trade for CHIPS, and Enterprise Zone designations. Economic vitality will continue to approach businesses with an economic development and urban renewal lens to create, update and promote policy, programming and incentive programs that will help recruit and support businesses in Louisville.

- **1** public infrastructure assistance grant
- **2** facade improvement grants
- **15** business participants in the patio program

Marketing, Advocacy, & Collaboration

Economic Vitality has been working collaboratively with internal and external partners to highlight economic vitality and business needs in programs and policies. We have been involved in the regional minimum wage engagement, the City's comprehensive plan update, communications planning efforts, and sustainability programs. We are advocating for the business community throughout city programs, policy updates, and through working with our partners. Economic Vitality highlighted Louisville on a local, regional, and national level by working with the press, speaking at events, and showcasing all that Louisville has to offer at events.

- **1** Economic Vitality Day
- **7** Talks/Presentations
- **8** Business Beat Roundtables, 50+ attendees
- **10** Economic Vitality newsletters
- **10** Louisville specific SBDC classes
- **11** Economic Vitality Committee meetings
- **14** Louisville Revitalization Commission meetings

SUPPORT LOCAL LOUISVILLE

The Business Beat
Monthly Economic Vitality Roundtables

LOUISVILLE CHAMBER

U.S. 36 Collaborative

EXPLORING REGIONAL MINIMUM WAGE

LRC LOUISVILLE REVITALIZATION COMMISSION

Colorado SBDC
BOULDER Small Business Development Center

OEDIT

ECONOMIC VITALITY COMMITTEE

SUBJECT: APPROVING THE BOUNDARIES OF A PROPOSED AREA OF THE CITY TO BE SUBMITTED FOR DESIGNATION AS A CHIPS ZONE

DATE: FEBRUARY 21, 2025

PRESENTED BY: AUSTIN BROWN, ECONOMIC VITALITY SPECIALIST

SUMMARY:

The Economic Vitality Committee (EVC) previously asked staff to explore CHIPS Zone designation for parts of Louisville. Staff has explored the CHIPS Zone designation and is preparing to move forward with an application. As part of the application process, staff needs to obtain a signed Resolution from City Council approving the boundaries of the proposed CHIPS Zone. A draft Resolution and application are attached to this item. Prior to taking the proposed CHIPS Zone to Council for approval, staff wishes for EVC feedback and a recommendation on the proposed boundaries of the CHIPS Zone, as well as the draft application.

BACKGROUND:

In July 2022, Congress passed the “Creating Helpful Incentives for Producing Semiconductors and Science Act (the “CHIPS Act”), intended to provide substantial funding to strengthen and revitalize the Country’s position in semiconductor research, development, and manufacturing. In May 2023, the Colorado General Assembly adopted House Bill 23-1260 (the “CHIPS Zone Act”), providing certain tax incentives to support and encourage investments in semiconductor and advanced manufacturing in Colorado. The CHIPS Zone Act also meets the requirement for state or local participation in the federal government’s CHIPS Act.

The CHIPS Zone Act defines “semiconductors, or chips” as “tiny electronic devices that are fundamental to modern industrial and national security activities.” C.R.S 24-46-108(1)(j)(I) further defines "semiconductor manufacturing" as "the fabrication, assembly, testing, advanced packaging, production, or research and development of semiconductors, materials used to manufacture or enhance semiconductors, or semiconductor manufacturing in this state for which a taxpayer may receive federal financial assistance under the CHIPS Act." Subsection II adds that the Colorado Economic Development Commission (EDC) has the discretion to expand or modify this definition.

The CHIPS Zone Act helps maximize opportunities for Colorado businesses in the semiconductor and advanced manufacturing industry supply chain to access the federal dollars created by the CHIPS Act and helps provide these businesses with certain state tax-credit incentives. For businesses to obtain these benefits, they will need to be located in a CHIPS Zone recognized by the State.

To establish a CHIPS Zone, Louisville will need to apply to the Colorado Economic Development Commission (EDC) for designation. An application to the EDC will need to include a resolution from the Government(s) involved in this application that demonstrates the authority to pursue a CHIPS Zone Designation. Staff has prepared a Resolution approving the boundaries of a proposed area of the City of Louisville to be submitted for designation as a CHIPS Zone (Attachment #1). Exhibit A to the Resolution is a map showing the proposed zone boundaries (Attachment #2). A complete application must also include information on potential business development and job growth, information on the area economy, and a point of contact to assist with reporting. Economic Vitality has prepared the attached draft application (Attachment #3) for submittal to the EDC and will be Louisville's point of contact for the program.

Generally, the Louisville CHIPS Zone is proposed to include both the Colorado Technology Center and the Bolder Innovation Campus (collectively referred to as "CTC") and Redtail Ridge. The CTC is home to a majority of the City's jobs and includes businesses that are already working in the semiconductor and advanced manufacturing industries, as well as spaces that are readily available to accommodate new or expanding businesses. The CTC includes over 5 million square feet of existing commercial and industrial space. This number is expected to reach 5.8 million square feet at full buildout.

Upon final development, Redtail Ridge is anticipated to contain 2.55 million square feet of commercial space, including an industrial and medical research park. Redtail Ridge will also dedicate 15.1 acres to research/office and facilities for the research, development, manufacturing, fabrication, processing, or assembly of scientific or technical products. It's estimated that Redtail Ridge could generate approximately 10,500 jobs.

If a CHIPS Zone is approved by the EDC, semiconductor and advanced manufacturing companies in the CHIPS Zone can access the following tax credits: qualified investment tax credits, job training tax credits, commercial vehicle investment tax credits, business facility new employee tax credits, and research and development tax credits; these are the same credits businesses currently located in a designated Enterprise Zone (EZ) can pursue. Louisville does not currently have any designated Enterprise Zones. This CHIPS designation will assist Economic Vitality Staff and real estate partners as we work to retain and attract businesses to Louisville, providing a competitive incentive for operating businesses.

Taxpayers engaged in semiconductor and advanced manufacturing planning to take a refund on these credits must file a separate application for the CHIPS Refundable Tax Credit Program. Part of that application process is an estimation of the anticipated total award from the tax credits listed above and a sizing of the potential refund, based - in part - on that estimation.

Semiconductor and advanced manufacturers must apply to the EDC for a refund certificate approving their project and setting the maximum amount of income tax credits the manufacturer may claim as a refund in connection with the project. The tax benefits of the Zones are only available to taxpayers engaged in semiconductor manufacturing, as that term is defined under the CHIPS Act.

Once an area is designated as a CHIPS zone, the business entity will work with the Colorado Office of Economic Development and International Trade for their refunds and tax credits. All CHIPS zones will terminate as a matter of law on December 31, 2040.

RECOMMENDATION:
Staff requests that the EVC review the proposed CHIPS Zone boundaries and draft application and make a formal recommendation to Council.

ATTACHMENT(S):
1. Resolution Approving the Boundaries of a Proposed Area of the City of Louisville to be Submitted for Designation as a CHIPS Zone
2. Map of Proposed Louisville CHIPS Zone Boundaries
3. Draft Application for CHIPS Zone Designation
4. Colorado House Bill 23-1260

RESOLUTION NO. XX
SERIES 2025

A RESOLUTION APPROVING THE BOUNDARIES OF A PROPOSED AREA OF THE CITY OF LOUISVILLE TO BE SUBMITTED FOR DESIGNATION AS A CHIPS ZONE.

WHEREAS, in 2022, the United States Congress enacted and President Biden signed the "Creating Helpful Incentives for Producing Semiconductors and Science Act" (the "CHIPS Act");

WHEREAS, the CHIPS Act will provide over $50 billion to be spent to strengthen and revitalize the Country's position in semiconductor research, development, and manufacturing;

WHEREAS, in May 2023, the Colorado General Assembly adopted House Bill 23-1260 and in it added a new Article 36 to Title 39 of the Colorado Revised Statutes to be known as the CHIPS Zone Act;

WHEREAS, the CHIPS Zone Act has been enacted to maximize the opportunity for Colorado business involved in research, development, and manufacturing of semiconductors to access the federal dollars to be spent under the CHIPS Act and to also provide these businesses with certain state tax-credit incentives;

WHEREAS, in order for such businesses in the City to obtain the benefits provided under the CHIPS Zone Act, the City must file with the Director of the Colorado Office of Economic Development (the "OED Director") the boundaries of a proposed area within the City to be designated as a "CHIPS Zone" and, with this proposed CHIPS Zone, to submit a development plan for the Zone containing the information required by the CHIPS Zone Act (the "Development Plan");

WHEREAS, the designated CHIPS Zone proposed for the City under the CHIPS Zone Act is the area depicted in CHIPS Zone Map attached as Exhibit "A" and incorporated herein by reference (the "Proposed Zone");

WHEREAS, the CHIPS Zone Act provides that once the Proposed Zone and Development Plan are submitted to the OED Director, the Colorado Economic Development Commission (the "Commission") will then consider whether to approve the Proposed Zone as a designated CHIPS Zone under the CHIPS Zone Act;

WHEREAS, the purpose of this Resolution is to approve the boundaries of the Proposed Zone and to direct the City Manager to submit the Proposed Zone to the OED Director and to prepare the Development Plan to also be submitted to the OED Director for the Commission's designation of the Proposed Zone as a CHIPS Zone under the CHIPS Zone Act; and

WHEREAS, the City Council finds and determines that this Resolution and the designation of the Proposed Zone as a CHIPS Zone under the CHIPS Zone Act is in the City's best interest and necessary for the public's health, safety, and welfare.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOUISVILLE, COLORADO:

Section 1. The proposed CHIPS Zone as shown in Exhibit A attached hereto and incorporated herein by this reference, is hereby approved.

Section 2. The City Council hereby approves the Proposed Zone and directs staff to prepare the Development Plan and to submit it and the Proposed Zone to the OED Director and request that the Proposed Zone be designated by the Commission as a CHIPS Zone under the CHIPS Zone Act.

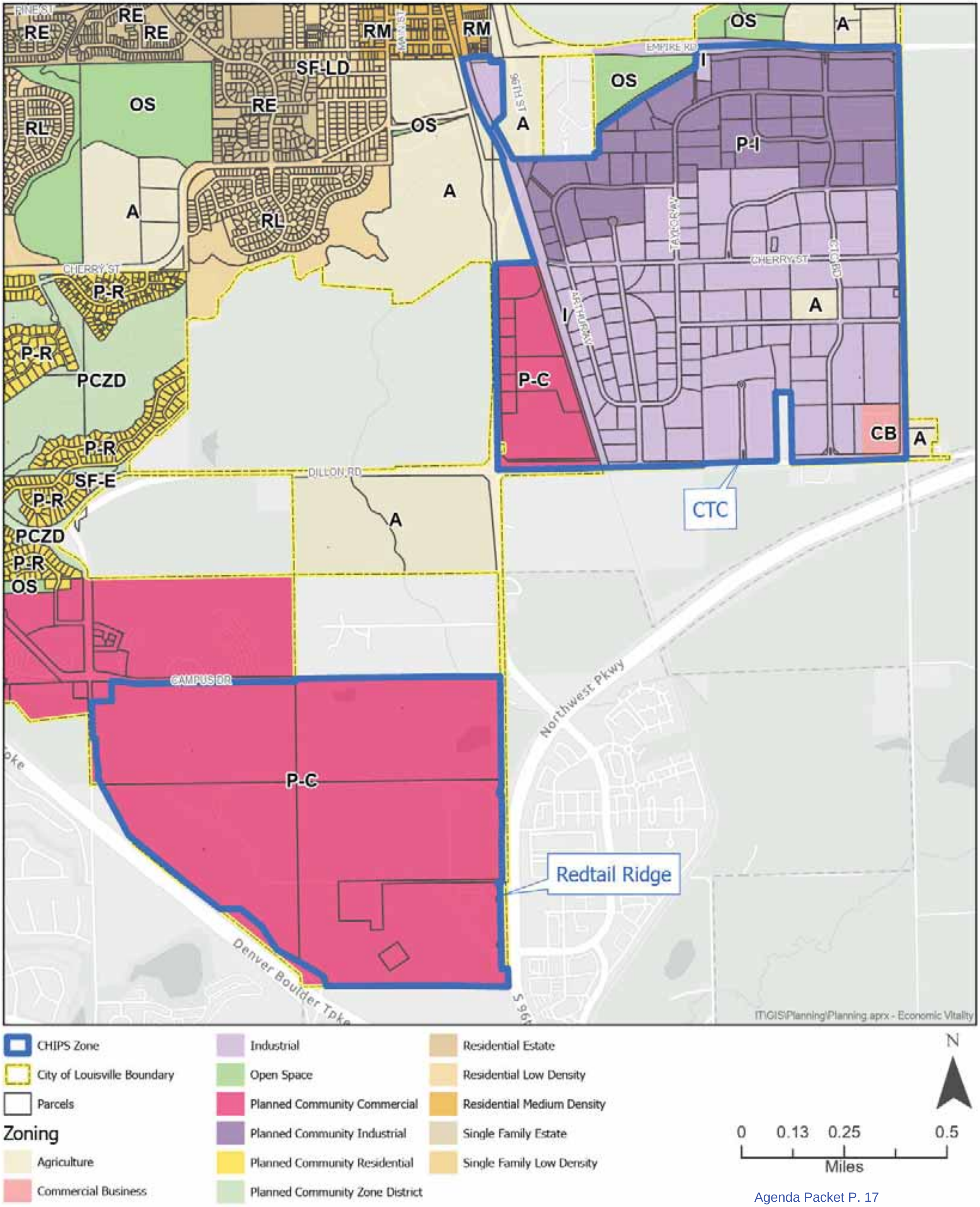
PASSED AND ADOPTED this XX day of February, 2025.

____
Chris Leh, Mayor

ATTEST:

____
Meredyth Muth, City Clerk

Proposed Louisville CHIPS Zone Boundaries



DEFINITION OF SEMICONDUCTOR MANUFACTURING
"Semiconductor manufacturing" is defined in C.R.S 24-46-108(1)(j)(I) as "the fabrication, assembly, testing, advanced packaging, production, or research and development of semiconductors, materials used to manufacture or enhance semiconductors, or semiconductor manufacturing in this state for which a taxpayer may receive federal financial assistance under the CHIPS Act." Subsection II adds that the EDC has the discretion to expand or modify this definition.

1 - Applicant Information (C.R.S. 39-36-104(1)(a))

In this section please describe the government organization seeking the CHIPS Zone, along with a single point of contact for the application. If multiple governments are involved, identify each in this section.

Note that the POC is responsible for staying connected with the CHIPS Zone Administer to assist in the collection of data and information for annual reporting.

Point of contact name*

Austin Brown

Point of contact position*

Economic Vitality Specialist

Point of contact organization*

City of Louisville

Point of contact email*

EcononmicVitality@LouisvilleCO.gov

Point of contact phone*

303-335-4529

Governments involved in this application - list all involved on separate lines, if multiple*

City of Louisville

2 - Boundaries of the Proposed Zone (C.R.S. 39-36-104(1)(b)(I))

In this section please describe the boundaries of the proposed area to be designated as a "CHIPS Zone." Include a brief qualitative description and attach a map of the boundaries for which you are seeking designation. If the proposed CHIPS Zone encompasses multiple lots, be sure to include the descriptions and maps that address each lot.

Note that CHIPS Zones cannot overlap with existing Enterprise Zones. Only include lots and areas that are not in existing Enterprise Zones. CHIPS Zones are not required to be contiguous.

Description of the proposed area*

Colorado Technology Center - The Colorado Technology Center (CTC) is Louisville's largest commercial and industrial park at over 400 acres. Many of the buildings in CTC specialize in blending all facets of a business under one roof, including the front office, manufacturing and warehousing. Several of the area's most innovative companies benefit from locating all their components right next to each other. One drive through and you'll notice that great companies doing great work are successful in the CTC. To-date approximately 5M square feet have been developed at CTC; this amount is expected to reach 5.8M square feet at full build-out.

Redtail Ridge – The 389-acre Redtail Ridge property is the former location of StorageTek Corporation. The commercial and industrial development includes a total development cap of 3 million square feet, 93 acres of public land dedication, adoption of a transportation demand management (TDM) plan, and adoption of a Sustainability Commitment Plan with requirements for building to Leadership in Energy and Environmental Design (LEED) standards, building all-electric for certain types of development, and a minimum of 3 megawatts of on-site photovoltaic capacity.

In 2010, the City approved a General Development Plan (GDP), Zoning Agreement, Preliminary Subdivision Plat, and Preliminary Planned Unit Development (PUD) for the ConocoPhillips development. The GDP included an approximately 2.5 million sq. ft. development cap, set allowed land uses, setbacks, parking standards, and required a minimum public land dedication of 12%, matching the minimum code requirement. The development was intended to be a research campus for ConocoPhillips. ConocoPhillips later abandoned its development plans due to a corporate restructuring. While the preliminary PUD and Subdivision Plat have expired, the 2010 ConocoPhillips Campus GDP and the Zoning Agreement do not expire and currently govern development of the property.

Louisville City Council approved a final subdivision plat in 2024 for development of the property according to the existing development plan. The current development plan will transform the vacant 475 acre site into a mixed-use innovation campus focused on delivering life sciences, research & development, manufacturing, industrial, office and retail buildings.

Anticipated land uses within Redtail Ridge include a mix of hospital, medial office, light industrial, commercial, and office uses, all of which are permitted by the 2010 ConocoPhillips GDP.

Map of the proposed area*

Attachment #1

Upload up to 10 supported files: PDF or image. Max 10 MB per file.

3 - Potential for Business Development & Job Growth (C.R.S. 39-36-104(1)(b)(II))

In this section please describe how the establishment of this proposed CHIPS Zone will expand the semiconductor industry and employment in the state. Please include any known affected companies, what an anticipated expansion would entail (in terms of capital expenditure, planned square footage, production lines, output, etc), and the anticipated number of net new jobs.

Description of the planned zone's semiconductor manufacturing business development and job creation potential*

The CTC is home to a majority of the City's 20,000 jobs. We anticipate job growth within the CTC from expansion of existing businesses, as well as new employment for new businesses as the CTC continues to grow out.

Upon development, Redtail Ridge is expected to generate approximately 10,500 jobs.

Affected companies - list one per line

- AMP Robotics
- Honeywell
- Lilly
- Molecular Products
- QuSpin
- Sierra Space
- Solid Power
- Tendeg
- Umoja Biopharma
- Vaisala

Anticipated net new jobs

It's anticipated that there will be significant job growth within the CTC as it nears full development. At full build out, it's expected that Redtail Ridge will generate approximately 10,500 jobs.

Anticipated expansion metrics (capital expenditure, square footage, output, etc)

Both the CTC and Redtail Ridge offer space for new semiconductor and advanced manufacturing companies, both vacant and existing. Their location in Louisville gives both of these areas access to a sufficient labor pool and close proximity to higher education. Louisville has more than 20,000 jobs and nearly 70% of its population have a bachelor's degree or higher.

Louisville's proximity to a highly-educated workforce, universities and lab space all make Louisville a prime location for semi-conductor operations to locate, as well as other advanced industries. The access to talent and space provide ample opportunity for business innovation, collaboration and partnerships across industry. Both the CTC and Redtail Ridge are large industrial parks that provide space for industries across size and specialization.

The Colorado Technology Center includes over 5 million square feet of existing commercial and industrial space. This amount is expected to reach 5.8 million sf at full buildout. The CTC currently has a significant portion of research and development, advanced manufacturing, and semiconductor manufacturing users. It's anticipated that future growth in this area will continue to focus on these industries.

Based on the 2010 GDP, Redtail Ridge will include 15.1 acres dedicated to research/office and facilities for the research, development, manufacturing, fabrication, processing, or assembly of scientific or technical products. The full development is expected to include an industrial and medical research park and more than 500,000 SF of office space.

The development will generate approximately $43 million in local taxes and fees throughout construction and $24.4 million annually in commercial property tax revenue at full build out. Once the project is completed, it's estimated that the development will generate $4.9 billion in annual economic activity.

The access to a skilled and educated workforce, as well as the proximity to the CTC should make Retail Ridge attractive to potential advanced manufacturing businesses looking to locate in Colorado. As a new development, Redtail Ridge will have the infrastructure in place to support many different types of manufacturing uses. As part of the development, Campus Drive will be extended and over $25 million in investments will be made to Campus Drive, further connecting Redtail to employees and partners.

4 - Support & Consistency with Area Economy (C.R.S. 39-36-104(1)(b)(III))

In this section please describe any vision of the local economy and its future growth, and how this proposed CHIPS Zone fits into that vision. You may include a relevant attachment, such as an economic development plan that supports this section.

Description of how the proposed zone will support and be consistent with maintenance of the area's economy*

Louisville boasts a robust economy with growing businesses in the semi-conductor, advanced manufacturing, aerospace, life science, and other compatible high growth industries. Louisville also participates in Colorado Hub for Health Impact as a member of the US 36 Corridor Economic Development Coalition.

The US 36 Corridor supports over 300,000 jobs from startups to Fortune 500 companies. The region also features a wide range of growing industry clusters and a millennial workforce relatively greater than the national average. With a high concentration of businesses in life sciences and other advanced industries, coupled with a wide selection of commercial spaces within 45 minutes of a major international airport, the U.S. 36 corridor is an ideal location for innovative and fast-growing businesses.

Expanded access to state incentives will help support existing local businesses within the CTC. CHIPS Zone designation would serve as an attraction tool for both Redtail Ridge and the CTC, making state incentives available to new businesses looking to locate within Louisville.

Description of how the applicant intends to promote, support, and/or commit any type of resources to the proposed zone, which may include - but not be limited to - workforce support, marketing/business development, financial support, or other benefits*

The City of Louisville has an existing Business Assistance Program (BAP) that can provide financial incentives to new and expanding businesses within Louisville. Because any new or expanding businesses locating in either Redtail Ridge or the CTC would be eligible for participation in our BAP program, CHIPS Zone designation could be paired with the BAP program to help serve as an additional attraction tool to provide financial assistance to these businesses.

Louisville provides financial support to the Boulder Small Business Development Center and Workforce Boulder to support new and existing businesses with workforce development, training, and operational assistance. In addition we work with brokers and the real estate community to help make sure that new and existing businesses are aware of programs and assistance that they are eligible for, such as the CHIPS Zone.

As a member of the US 36 Corridor Coalition, Louisville's CHIP Zone Designation would also help the region attract more advanced manufacturing and semiconductor businesses. This would support Colorado Hub for Health Impact's goal of attracting new life science companies, talent, and investors to Colorado.

Optional supporting documentation

Upload up to 5 supported files. Max 10 MB per file.

5 - Other Information (C.R.S. 39-36-104(1)(b)(IV))

In this section please provide a resolution that demonstrates the authority to pursue a CHIPS Zone Designation.

Resolution - must be signed*

Attachment #2

Upload up to 10 supported files. Max 10 MB per file.

An Act

HOUSE BILL 23-1260

BY REPRESENTATIVE(S) Soper and Valdez, Woodrow, Amabile, Bird, Boesenecker, Brown, Dickson, Froelich, Hamrick, Jodeh, Lieder, Lindsay, Lindstedt, Lynch, McCormick, Michaelson Jenet, Parenti, Ricks, Sharbini, Snyder, Titone, Vigil, Young, McCluskie, English, Joseph, Marshall, Mauro, Taggart, Velasco, Willford;
also SENATOR(S) Baisley and Priola, Bridges, Hansen, Jaquez Lewis, Marchman, Roberts, Rodriguez, Smallwood.

CONCERNING TAX INCENTIVES TO MAXIMIZE INVESTMENTS IN SEMICONDUCTOR AND ADVANCED MANUFACTURING IN COLORADO, AND, IN CONNECTION THEREWITH, AUTHORIZING THE ECONOMIC DEVELOPMENT COMMISSION TO APPROVE REFUND CERTIFICATES FOR CERTAIN INCOME TAX CREDITS, CREATING A SEMICONDUCTOR MANUFACTURING ZONE PROGRAM, MODIFYING THE COLORADO JOB GROWTH INCENTIVE TAX CREDIT FOR SEMICONDUCTOR AND ADVANCED MANUFACTURING, CREATING AN ADVANCED INDUSTRIES TASK FORCE, AND MAKING AN APPROPRIATION.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, **add** 24-46-108 as follows:

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

24-46-108. Refundable income tax credits for certain businesses located in the state - definitions - repeal. (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "ADVANCED MANUFACTURING" MEANS THE USE OF INNOVATIVE TECHNOLOGIES AND PROCESSES TO ENHANCE EXISTING AND CREATE NEW PRODUCTS, INCLUDING, BUT NOT LIMITED TO, PRODUCTION ACTIVITIES THAT DEPEND ON AUTOMATION, COMPUTATION, ENHANCED PROTOTYPING, LASERS, NETWORKING, ROBOTICS, SENSING, SIMULATION, AND SOFTWARE, AND OTHER SIMILAR ACTIVITIES AS MAY BE DETERMINED BY THE COMMISSION, IN THIS STATE.

(b) "ARPA" MEANS THE FEDERAL "AMERICAN RESCUE PLAN ACT OF 2021", PUB.L. 117-2, AS AMENDED.

(c) "CHIPS ACT" MEANS THE FEDERAL "CREATING HELPFUL INCENTIVES TO PRODUCE SEMICONDUCTORS AND SCIENCE ACT OF 2022", PUB.L. 117-167, AS AMENDED.

(d) "DEPARTMENT" MEANS THE DEPARTMENT OF REVENUE.

(e) "INCOME TAX CREDIT" MEANS AN INCOME TAX CREDIT ALLOWED TO A TAXPAYER UNDER SECTION 39-30-104, 39-30-105.1, 39-30-105.5, OR 39-22-531 (2) AND (3)(a)(I)(D).

(f) "INVESTOR" MEANS A PARTNER, SHAREHOLDER, OR MEMBER OF A TAX PAYER THAT IS A PARTNERSHIP, LIMITED LIABILITY COMPANY, S CORPORATION, OR OTHER SIMILAR PASS-THROUGH ENTITY.

(g) "OFFICE" MEANS THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT CREATED IN SECTION 24-48.5-101.

(h) "PROJECT" MEANS A TAXPAYER'S ADVANCED MANUFACTURING OR SEMICONDUCTOR MANUFACTURING BUSINESS ACTIVITIES.

(i) "REFUND CERTIFICATE" MEANS A WRITTEN, CONDITIONAL APPROVAL BY THE COMMISSION THAT IS ASSOCIATED WITH A TAXPAYER'S APPROVED PROJECT AND THAT SETS FORTH THE MAXIMUM AMOUNT OF INCOME TAX CREDITS THAT THE TAXPAYER MAY CLAIM AS A REFUND IN

ACCORDANCE WITH THIS SECTION.

(j) (I) "SEMICONDUCTOR MANUFACTURING" MEANS THE FABRICATION, ASSEMBLY, TESTING, ADVANCED PACKAGING, PRODUCTION, OR RESEARCH AND DEVELOPMENT OF SEMICONDUCTORS, MATERIALS USED TO MANUFACTURE OR ENHANCE SEMICONDUCTORS, OR SEMICONDUCTOR MANUFACTURING EQUIPMENT IN THIS STATE FOR WHICH A TAXPAYER MAY RECEIVE FEDERAL FINANCIAL ASSISTANCE UNDER THE CHIPS ACT.

(II) THE DEFINITION OF "SEMICONDUCTOR MANUFACTURING" FOR PURPOSES OF THIS SECTION MAY BE MODIFIED OR EXPANDED BY THE COMMISSION, INCLUDING TO REFLECT ANY DIFFERENCES BETWEEN THE DEFINITION IN SUBSECTION (1)(j)(I) OF THIS SECTION AND THE DEFINITION OF "SEMICONDUCTOR MANUFACTURING" THAT MAY BE USED BY THE UNITED STATES DEPARTMENT OF COMMERCE IN IMPLEMENTING THE CHIPS ACT.

(k) "TAXPAYER" MEANS A PERSON ENGAGED IN ADVANCED MANUFACTURING OR SEMICONDUCTOR MANUFACTURING THAT IS SUBJECT TO TAX UNDER ARTICLE 22 OF TITLE 39.

(2) (a) SUBJECT TO THE LIMITATIONS SET FORTH IN SUBSECTION (2)(b) OF THIS SECTION, FOR STATE FISCAL YEARS 2023-24 THROUGH 2028-29, THE COMMISSION MAY APPROVE AND ISSUE A REFUND CERTIFICATE IF THE APPLICANT DEMONSTRATES THAT THE APPLICANT IS A TAXPAYER THAT IS ENGAGED IN OR WILL ENGAGE IN A PROJECT ELIGIBLE FOR AN INCOME TAX CREDIT. SUBJECT TO THE CONDITIONS IN SUBSECTION (7) OF THIS SECTION AND ANY OTHER CONDITIONS ESTABLISHED BY THE COMMISSION, A TAXPAYER THAT HOLDS A REFUND CERTIFICATE MAY CLAIM A REFUND OF EIGHTY PERCENT OF THE INCOME TAX CREDIT TYPES LISTED ON THE REFUND CERTIFICATE THAT ARE EARNED BY THE TAXPAYER DURING THE TWELVE YEARS FOLLOWING THE COMMISSION'S APPROVAL AND ARE NOT USED TO OFFSET THE TAXPAYER'S STATE INCOME TAXES DUE. THE LIMITATIONS ON THE AMOUNT OF CREDIT ALLOWED PER INCOME TAX YEAR SET FORTH IN SECTIONS 39-30-104 (2)(c) AND 39-30-105.5 (2) DO NOT APPLY TO INCOME TAX CREDITS REFUNDED UNDER THIS SECTION. REFUNDS OF THE INCOME TAX CREDITS CLAIMED PURSUANT TO THIS SECTION ARE A REDUCTION IN TAX REVENUE.

(b) THE COMMISSION SHALL APPROVE REFUND CERTIFICATES PURSUANT TO THIS SECTION SUBJECT TO THE FOLLOWING LIMITATIONS:

(I) THE MAXIMUM TOTAL AMOUNT OF INCOME TAX CREDITS FOR WHICH THE COMMISSION MAY APPROVE REFUND TAX CREDIT CERTIFICATES FOR ALL TAXPAYERS IS FIFTEEN MILLION DOLLARS PER FISCAL YEAR; EXCEPT THAT, IF THE COMMISSION APPROVES REFUND CERTIFICATES FOR LESS THAN FIFTEEN MILLION DOLLARS OF INCOME TAX CREDITS DURING ANY FISCAL YEAR, THE REMAINING AUTHORIZED BUT UNENCUMBERED AMOUNT OF INCOME TAX CREDITS IS ADDED TO THE MAXIMUM AMOUNT OF INCOME TAX CREDITS FOR WHICH THE COMMISSION MAY APPROVE REFUND CERTIFICATES DURING THE NEXT FISCAL YEAR;

(II) THE MAXIMUM TOTAL AMOUNT OF INCOME TAX CREDITS FOR WHICH THE COMMISSION MAY APPROVE REFUND CERTIFICATES FOR ALL TAXPAYERS FOR ALL FISCAL YEARS FROM JULY 1, 2023, THROUGH JUNE 30, 2028, IS SEVENTY-FIVE MILLION DOLLARS; EXCEPT THAT, IF THE COMMISSION HAS APPROVED REFUND CERTIFICATES FOR LESS THAN SEVENTY-FIVE MILLION DOLLARS OF INCOME TAX CREDITS ON JUNE 30, 2028, THE COMMISSION MAY APPROVE REFUND CERTIFICATES FOR NEW AND EXISTING APPLICANTS EQUAL TO THE REMAINING AMOUNT THROUGH THE FISCAL YEAR ENDING JUNE 30, 2029; AND

(III) COMPLIANCE WITH THE LIMITATIONS SET FORTH IN THIS SUBSECTION (2)(b) SHALL BE CALCULATED BASED ON THE TOTAL AMOUNT OF THE INCOME TAX CREDITS INCLUDED IN THE REFUND CERTIFICATES AND NOT EIGHTY PERCENT OF SUCH AMOUNT.

(c) (I) A TAXPAYER THAT RECEIVES A REFUND CERTIFICATE SHALL NOTIFY THE COMMISSION PROMPTLY IF THE PROJECT INCLUDED IN THE CERTIFICATE IS CANCELED, MODIFIED, OR OTHERWISE BECOMES INELIGIBLE FOR THE ESTIMATED CREDIT, IN WHICH CASE THE REFUND CERTIFICATE MAY BE CANCELED OR MODIFIED.

(II) A REFUND CERTIFICATE MAY BE REVOKED OR MODIFIED IF A TAXPAYER THAT RECEIVES A REFUND CERTIFICATE DOES NOT COMMENCE THE PROJECT APPROVED THEREIN WITHIN TWO YEARS OF THE COMMISSION'S APPROVAL OF THE REFUND CERTIFICATE OR OTHERWISE FAILS TO MEET THE TERMS OF THE REFUND CERTIFICATE.

(III) NOTWITHSTANDING THE LIMITATIONS IN SUBSECTION (2)(b) OF THIS SECTION, IF A TAXPAYER'S REFUND CERTIFICATE IS CANCELED OR MODIFIED PURSUANT TO SUBSECTION (2)(c)(I) OF THIS SECTION OR REVOKED

OR MODIFIED PURSUANT TO (2)(c)(II) OF THIS SECTION, THE AMOUNT OF THE CANCELED, REVOKED, OR MODIFIED INCOME TAX CREDITS SHALL BE AVAILABLE TO THE COMMISSION TO USE IN APPROVING OTHER TAXPAYERS' APPLICATIONS FOR A REFUND CERTIFICATE.

(3) A TAXPAYER MUST APPLY TO THE COMMISSION FOR A REFUND CERTIFICATE ALLOWED UNDER SUBSECTION (2)(a) OF THIS SECTION IN ACCORDANCE WITH DEADLINES, POLICIES, AND PROCEDURES ESTABLISHED BY THE OFFICE, IN CONSULTATION WITH THE COMMISSION, AS FOLLOWS:

(a) A TAXPAYER MUST SUBMIT AN APPLICATION INCLUDING ALL INFORMATION AND DOCUMENTATION REQUIRED FOR A PENDING PROJECT UNDER THIS SUBSECTION (3) TO THE COMMISSION PRIOR TO OBTAINING PRECERTIFICATION OF ANY INCOME TAX CREDIT FOR THE PROJECT PURSUANT TO SECTION 39-30-103 (7) OR 39-36-104 (5)(a) OR ON OR BEFORE THE FIRST DAY OF THE TAXPAYER'S CREDIT PERIOD UNDER SECTION 39-22-531 (1)(d)(II), AS APPLICABLE; AND

(b) AN APPLICATION FOR A REFUND CERTIFICATE MUST BE SUBMITTED IN A FORM PRESCRIBED BY THE OFFICE AND MUST INCLUDE:

(I) EACH INCOME TAX CREDIT TYPE FOR WHICH THE TAXPAYER INTENDS TO REQUEST A REFUND;

(II) A DESCRIPTION OF THE PROJECT THAT WILL SUPPORT EACH INCOME TAX CREDIT TYPE, INCLUDING:

(A) THE LOCATION OF THE PROJECT;

(B) THE INVESTMENT TO BE MADE FOR THE PROJECT;

(C) THE JOBS TO BE CREATED BY THE PROJECT; AND

(D) THE ANTICIPATED TOTAL AMOUNT OF INCOME TAX CREDITS TO BE GENERATED BY THE PROJECT.

(III) IDENTIFICATION OF THE TYPE AND ESTIMATED OR ACTUAL AMOUNT OF ANY ADDITIONAL INCOME TAX CREDITS OR OTHER FINANCIAL ASSISTANCE FROM ANY FEDERAL, STATE, OR LOCAL GOVERNMENT AGENCY RECEIVED, APPLIED FOR, OR INTENDED TO BE APPLIED FOR BY THE TAXPAYER

RELATED TO THE SAME PROJECT; AND

(IV) ANY OTHER INFORMATION THE OFFICE OR THE COMMISSION MAY REASONABLY REQUIRE FOR EVALUATION OF THE TAXPAYER'S APPLICATION FOR A REFUND CERTIFICATE.

(c) NOTHING IN SUBSECTION (3)(b) OF THIS SECTION REQUIRES THE DISCLOSURE TO THE PUBLIC OF ANY INFORMATION THAT REVEALS THE AMOUNT OF COMPENSATION PAID TO ANY INDIVIDUAL EMPLOYEE OF A BUSINESS, ANY COLORADO INCOME TAX RETURN, ANY INFORMATION REGARDING EXPENDITURES ON RESEARCH AND DEVELOPMENT, OR OTHER PROPRIETARY INFORMATION OF A BUSINESS INCLUDED IN A TAXPAYER'S APPLICATION.

(4) IN REVIEWING APPLICATIONS SUBMITTED PURSUANT TO SUBSECTION (3)(b) OF THIS SECTION, THE COMMISSION SHALL PRIORITIZE APPLICATIONS DEEMED ELIGIBLE FOR A REFUND CERTIFICATE AS FOLLOWS:

(a) FOR FISCAL YEARS 2023-24 AND 2024-25, THE COMMISSION SHALL GIVE HIGHEST PRIORITY TO TAXPAYERS ENGAGED IN SEMICONDUCTOR MANUFACTURING THAT HAVE RECEIVED OR ARE EXPECTED TO RECEIVE MATCHING MONEY UNDER ARPA, THE CHIPS ACT, OR OTHER FEDERAL LEGISLATION THAT PROVIDES INCENTIVES FOR SEMICONDUCTOR MANUFACTURING; AND

(b) FOR FISCAL YEARS 2025-26 THROUGH 2028-29, THE COMMISSION SHALL GIVE HIGHEST PRIORITY TO TAXPAYERS ENGAGED IN ADVANCED MANUFACTURING OR SEMICONDUCTOR MANUFACTURING THAT HAVE RECEIVED OR ARE EXPECTED TO RECEIVE MATCHING MONEY UNDER ARPA, THE CHIPS ACT, OR OTHER FEDERAL LEGISLATION THAT PROVIDES INCENTIVES FOR ADVANCED MANUFACTURING OR SEMICONDUCTOR MANUFACTURING.

(5) THE COMMISSION, TAKING INTO CONSIDERATION THE PRIORITY ASSESSMENT CONDUCTED PURSUANT TO SUBSECTION (4) OF THIS SECTION, SHALL APPROVE OR DENY APPLICATIONS FOR REFUND CERTIFICATES IN ITS DISCRETION BASED ON THE FOLLOWING CRITERIA:

(a) WHETHER THE TAXPAYER WAS PREVIOUSLY AWARDED A REFUND CERTIFICATE UNDER THIS SECTION;

(b) THE TYPE AND AMOUNT OF ALL FEDERAL, STATE, AND LOCAL FINANCIAL ASSISTANCE RECEIVED, APPLIED FOR, OR INTENDED TO BE APPLIED FOR BY THE TAXPAYER, AS DISCLOSED PURSUANT TO SUBSECTION (3)(b)(III) OF THIS SECTION, AND THE MANNER IN WHICH THE GOVERNMENTAL ENTITY OFFERING THE APPLICABLE FINANCIAL ASSISTANCE HAS BENEFITTED OR MAY BENEFIT THEREFROM;

(c) THE SIZE OF THE TAXPAYER'S CURRENT OPERATION IN THE STATE RELATIVE TO THE STATE AS A WHOLE AND THE REGION OF THE STATE IN WHICH THE TAXPAYER IS BASED;

(d) ANY STRATEGIC ECONOMIC BENEFITS THAT THE TAXPAYER PROVIDES WITH EXISTING OPERATIONS TO THE STATE OR REGION IN TERMS OF SUPPLY CHAIN, BENEFITS TO OTHER INDUSTRIES, OR OTHER SPILLOVER BENEFITS; AND

(e) ANY ADDITIONAL FORTHCOMING ECONOMIC DEVELOPMENT BENEFITS THAT THE TAXPAYER MAY PROVIDE TO THE STATE OR REGION BASED ON COMMITMENTS THAT THE TAXPAYER HAS RECENTLY MADE OR PROPOSES TO MAKE IN THE NEAR TERM.

(6) (a) THE COMMISSION MAY APPROVE ALL, PART, OR NONE OF THE AMOUNT OF A TAXPAYER'S APPLICATION FOR A REFUND CERTIFICATE MADE PURSUANT TO SUBSECTION (3)(b) OF THIS SECTION. IF THE COMMISSION APPROVES A TAXPAYER'S APPLICATION IN PART, THE COMMISSION MAY APPROVE ADDITIONAL REFUND CERTIFICATES UP TO THE FULL AMOUNT OF THE TAXPAYER'S ORIGINAL APPLICATION IN A SUBSEQUENT FISCAL YEAR THROUGH FISCAL YEAR 2028-29.

(b) UPON APPROVAL BY THE COMMISSION, AND AFTER THE SATISFACTION OF ANY CONTINGENCIES IMPOSED PURSUANT TO SUBSECTION (10) OF THIS SECTION, THE OFFICE SHALL ISSUE A REFUND CERTIFICATE THAT DESCRIBES THE TAXPAYER'S APPROVED PROJECT, INCLUDING THE INFORMATION REQUIRED UNDER SUBSECTION (3)(b)(II) OF THIS SECTION, AND SETS FORTH THE MAXIMUM AMOUNT OF INCOME TAX CREDITS THAT THE TAXPAYER MAY CLAIM AS A REFUND IN ACCORDANCE WITH THIS SECTION.

(c) IF A TAXPAYER RECEIVING A REFUND CERTIFICATE PURSUANT TO THIS SECTION IS A PARTNERSHIP, LIMITED LIABILITY COMPANY, S CORPORATION, OR OTHER SIMILAR PASS-THROUGH ENTITY, THE TAXPAYER

MAY ALLOCATE THE APPROVED MAXIMUM TOTAL AMOUNT OF CREDIT WHICH THE TAXPAYER MIGHT EARN AND USE TO CLAIM A REFUND IN CONNECTION WITH THE TAXPAYER'S PROJECT AMONG ITS INVESTORS IN ANY MANNER AGREED TO BY THE INVESTORS. THE TAXPAYER SHALL CERTIFY TO THE OFFICE THE AMOUNT OF CREDIT ALLOCATED TO EACH INVESTOR AND THE OFFICE SHALL ISSUE REFUND CERTIFICATES IN THE APPROPRIATE AMOUNTS TO EACH INVESTOR. EACH INVESTOR IS ALLOWED TO CLAIM A REFUND OF EIGHTY PERCENT OF THE AMOUNT OF THE CREDIT SUBJECT TO ANY RESTRICTIONS SET FORTH IN THIS SECTION.

(7) TO CLAIM A REFUND IN CONNECTION WITH AN APPROVED REFUND CERTIFICATE, A TAXPAYER MUST:

(a) COMMENCE THE PROJECT APPROVED BY THE COMMISSION IN THE REFUND CERTIFICATE BEFORE THE REFUND CERTIFICATE IS CANCELED, REVOKED, OR MODIFIED BY THE COMMISSION PURSUANT TO SUBSECTION (2)(c) OF THIS SECTION;

(b) EARN ONE OR MORE INCOME TAX CREDITS IN CONNECTION WITH THE APPROVED PROJECT IN ACCORDANCE WITH SECTION 39-30-104, 39-30-105.1, 39-30-105.5, OR 39-22-531 (2) AND (3)(a)(I)(D), NOT LATER THAN TWELVE YEARS FROM THE DATE THE REFUND CERTIFICATE FOR THE INCOME TAX CREDIT IS APPROVED BY THE COMMISSION;

(c) APPLY THE INCOME TAX CREDITS TO THE TAXPAYER'S STATE INCOME TAX LIABILITY, IF ANY, FOR THE INCOME TAX YEAR IN WHICH A REFUND IS CLAIMED;

(d) SUBMIT ALL REQUIRED RECORDS AND INFORMATION TO THE DEPARTMENT ON OR BEFORE THE DUE DATE, INCLUDING EXTENSIONS, FOR FILING THE TAXPAYER'S STATE INCOME TAX RETURN FOR THE INCOME TAX YEAR IN WHICH AN INCOME TAX CREDIT IN EXCESS OF THE AMOUNT APPLIED FOR PURSUANT TO SUBSECTION (7)(c) OF THIS SECTION WILL BE REFUNDED, INCLUDING:

(I) ALL RECORDS AND INFORMATION NECESSARY TO CLAIM THE INCOME TAX CREDIT EARNED IN CONNECTION WITH THE TAXPAYER'S APPROVED PROJECT, INCLUDING THE REQUIRED CERTIFICATION UNDER SECTION 39-30-103 (7) OR 39-36-104 (5);

(II) THE REFUND CERTIFICATE ASSOCIATED WITH THE PROJECT THROUGH WHICH THE TAXPAYER EARNED THE INCOME TAX CREDIT AND THE AMOUNT OF THE CREDIT;

(III) A REFUND ELECTION STATEMENT ON A FORM PRESCRIBED BY THE DEPARTMENT; AND

(IV) ANY ADDITIONAL DOCUMENTATION REQUIRED BY SECTION 39-36-106 (1)(b) OR OTHERWISE REQUIRED BY LAW;

(e) SUBJECT TO THE LIMITATION IN SUBSECTION (8) OF THIS SECTION, AGREE TO RECEIVE A REFUND OF THE EIGHTY PERCENT OF THE AMOUNT OF THE CREDIT REMAINING AFTER APPLYING THE CREDIT UNDER SUBSECTION (7)(c) OF THIS SECTION AND FORGO THE REMAINING TWENTY PERCENT OF THE AMOUNT CLAIMED AS A REFUND; AND

(8) A TAXPAYER MAY NOT CLAIM CUMULATIVE REFUNDS IN EXCESS OF THE MAXIMUM TOTAL AMOUNT OF INCOME TAX CREDITS THAT THE COMMISSION HAS APPROVED IN THE REFUND CERTIFICATE. ANY CREDIT EARNED IN EXCESS OF THE AMOUNT IN THE REFUND CERTIFICATE AND FORGONE UNDER SUBSECTION (7)(e) OF THIS SECTION IS RETAINED BY THE TAXPAYER AND MAY BE USED IN ACCORDANCE WITH THE STATUTE PURSUANT TO WHICH IT WAS EARNED.

(9) ON OR BEFORE SEPTEMBER 30, 2023, AND ON OR BEFORE SEPTEMBER 30 OF EACH CALENDAR YEAR THEREAFTER THROUGH SEPTEMBER 30, 2029, THE COMMISSION SHALL PROVIDE THE DEPARTMENT ALL RECORDS AND INFORMATION REQUIRED BY THE DEPARTMENT TO ESTABLISH THAT A TAXPAYER IS APPROVED TO CLAIM REFUNDABLE INCOME TAX CREDITS UP TO THE MAXIMUM TOTAL AMOUNT APPROVED BY THE COMMISSION IN CONNECTION WITH THE TAXPAYER'S PROJECT AS SET FORTH IN THE TAXPAYER'S REFUND CERTIFICATE FOR THE PRECEDING CALENDAR YEAR OR ANY FISCAL YEAR ENDING IN THE PRECEDING CALENDAR YEAR. THE REPORT MUST CONTAIN THE FOLLOWING INFORMATION FOR EACH TAXPAYER:

(a) THE TAXPAYER'S NAME;

(b) THE TAXPAYER'S COLORADO ACCOUNT NUMBER AND FEDERAL EMPLOYER IDENTIFICATION NUMBER;

(c) EACH INCOME TAX CREDIT TYPE FOR WHICH THE TAXPAYER MAY REQUEST A REFUND, AS IDENTIFIED PURSUANT TO SUBSECTION (3)(b)(I) OF THIS SECTION AND IN THE TAXPAYER'S REFUND CERTIFICATE;

(d) A DESCRIPTION OF THE TAXPAYER'S PROJECT, INCLUDING THE INFORMATION FROM SUBSECTION (3)(b)(II), APPROVED IN THE REFUND CERTIFICATE AS THE BASIS FOR THE TAXPAYER'S INCOME TAX CREDIT CLAIM; AND

(e) THE MAXIMUM TOTAL AMOUNT OF CREDIT THE TAXPAYER MAY USE TO CLAIM A REFUND PURSUANT TO THIS SECTION AS STATED IN THE REFUND CERTIFICATE.

(10) THE COMMISSION, IN CONSULTATION WITH THE OFFICE, MAY ESTABLISH ADDITIONAL POLICIES, PROCEDURES, REQUIREMENTS, AND GUIDELINES TO ADMINISTER THE APPLICATION PROCESS FOR AND APPROVAL OF REFUND CERTIFICATES PURSUANT TO THIS SECTION INCLUDING, BUT NOT LIMITED TO:

(a) A LIMIT ON THE TOTAL REFUND AMOUNT THAT MAY BE APPROVED BY THE COMMISSION FOR A SINGLE TAXPAYER IN A GIVEN YEAR;

(b) A LIMIT ON THE TOTAL REFUND AMOUNT THAT MAY BE APPROVED BY THE COMMISSION FOR A SINGLE TAXPAYER FOR MULTIPLE YEARS OR ALL YEARS FOR WHICH THE TAXPAYER HAS APPLIED FOR A REFUND CERTIFICATE;

(c) A LIMIT ON THE TOTAL REFUND AMOUNT THAT MAY BE APPROVED BY THE COMMISSION FOR A SPECIFIED SEMICONDUCTOR OR ADVANCED MANUFACTURING ACTIVITY;

(d) THE ADOPTION OF NEW OR MODIFICATION OF EXISTING POLICIES, PROCEDURES, REQUIREMENTS, OR GUIDELINES TO ALIGN WITH FEDERAL STATUTES, REGULATIONS, OR GUIDELINES AS NEEDED TO FACILITATE TAXPAYER ELIGIBILITY FOR FEDERAL FINANCIAL ASSISTANCE UNDER ARPA, THE CHIPS ACT, AND OTHER SIMILAR FEDERAL LEGISLATION, INCLUDING BY ENSURING THAT THE TAX INCENTIVES AVAILABLE PURSUANT TO THIS SECTION QUALIFY AS "COVERED INCENTIVES" ACCORDING TO 15 U.S.C. SEC. 4651 (3); OR

(e) CONTINGENCIES THAT MUST BE SATISFIED BY THE TAXPAYER

BEFORE THE TAXPAYER CAN OBTAIN A REFUND CERTIFICATE.

(11) THIS SECTION IS REPEALED, EFFECTIVE JANUARY 1, 2045.

SECTION 2. In Colorado Revised Statutes, **add** 24-48.5-134 as follows:

24-48.5-134. Advanced manufacturing and STEM industries task force - creation - duties - definition - repeal. (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "OFFICE" MEANS THE OFFICE OF ECONOMIC DEVELOPMENT CREATED IN SECTION 24-48.5-101.

(b) "TASK FORCE" MEANS THE ADVANCED MANUFACTURING AND STEM INDUSTRIES TASK FORCE CREATED IN SUBSECTION (2)(a) OF THIS SECTION.

(2) (a) THE ADVANCED MANUFACTURING AND STEM INDUSTRIES TASK FORCE IS CREATED IN THE OFFICE. THE TASK FORCE CONSISTS OF THE FOLLOWING MEMBERS:

(I) TWO MEMBERS OF THE HOUSE OF REPRESENTATIVES, ONE APPOINTED BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND ONE APPOINTED BY THE MINORITY LEADER OF THE HOUSE OF REPRESENTATIVES;

(II) TWO MEMBERS OF THE SENATE, ONE APPOINTED BY THE PRESIDENT OF THE SENATE AND ONE APPOINTED BY THE MINORITY LEADER OF THE SENATE;

(III) TWO REPRESENTATIVES OF THE OFFICE WITH EXPERIENCE IN THE ADMINISTRATION OF THE ADVANCED INDUSTRIES ACCELERATION GRANT PROGRAM, CREATED IN SECTION 24-48.5-117 (3), OR OTHER BUSINESS FUNDING AND INCENTIVES, APPOINTED BY THE DIRECTOR OF THE OFFICE;

(IV) AT LEAST FOUR INDUSTRY REPRESENTATIVES FROM BUSINESSES SUPPORTED BY THE ADVANCED INDUSTRIES ACCELERATION GRANT PROGRAM, WHICH MAY INCLUDE ADVANCED MANUFACTURING, AEROSPACE, BIOSCIENCE, ELECTRONICS, ENERGY AND NATURAL RESOURCES, INFRASTRUCTURE ENGINEERING, OR TECHNOLOGY AND INFORMATION

BUSINESSES, APPOINTED BY THE DIRECTOR OF THE OFFICE; AND

(V) THE DIRECTOR OF THE OFFICE OR THE DIRECTOR'S DESIGNEE.

(b) MEMBERS OF THE TASK FORCE SHALL ELECT ONE MEMBER TO SERVE AS CHAIRPERSON.

(c) MEMBERS OF THE TASK FORCE SHALL SERVE WITHOUT COMPENSATION OTHER THAN REIMBURSEMENT FOR REASONABLE AND ACTUAL EXPENSES INCURRED TO ATTEND MEETINGS.

(3) (a) THE TASK FORCE SHALL MEET AT LEAST TWICE DURING THE 2023 INTERIM PERIOD TO:

(I) STUDY THE EFFECTIVENESS OF EXISTING FINANCIAL INCENTIVES, SUPPORT, RESOURCES, AND DEVELOPMENT STRATEGIES FOR ADVANCED MANUFACTURING AND OTHER SCIENCE, TECHNOLOGY, ENGINEERING, AND MATH (STEM) COMPANIES IN COLORADO;

(II) EXAMINE OTHER STATES' STATUTES, REGULATIONS, AND POLICIES INTENDED TO ATTRACT AND PROMOTE THE DEVELOPMENT OF ADVANCED MANUFACTURING AND OTHER STEM COMPANIES; AND

(III) IDENTIFY ANY RECOMMENDED LEGISLATION OR CHANGES IN ADMINISTRATIVE RULES OR POLICIES TO MAKE COLORADO'S ADVANCED MANUFACTURING AND OTHER STEM INDUSTRIES MORE NATIONALLY COMPETITIVE.

(b) THE TASK FORCE SHALL REPORT ITS FINDINGS TO THE GENERAL ASSEMBLY AND THE GOVERNOR IN ACCORDANCE WITH SECTION 24-1-136 (9). THE REPORT SHALL BE SUBMITTED NO LATER THAN DECEMBER 1, 2023, AND SHALL CONTAIN THE TASK FORCE'S RECOMMENDATIONS FOR ALL ISSUES ON WHICH TWO-THIRDS OR MORE OF ITS MEMBERS AGREE. A MINORITY REPORT OF ANY ISSUES INCLUDED IN THE REPORT MUST BE INCLUDED AT THE REQUEST OF ONE OR MORE OF THE DISSENTING MEMBERS.

(c) THE OFFICE SHALL PROVIDE SUCH SERVICES AS THE TASK FORCE MAY REQUEST, INCLUDING:

(I) ADMINISTRATIVE ASSISTANCE, MEETING SPACE, AND OTHER

NECESSARY FACILITIES AND SUPPORT SERVICES;

(II) POSTAGE AND PRINTING;

(III) ARRANGING FOR, COORDINATING, AND KEEPING RECORDS OF MEETINGS; AND

(IV) PREPARATION AND DISTRIBUTION OF NOTICES, AGENDAS, MINUTES, AND REPORTS.

(d) THE OFFICE MAY, IN THE DISCRETION OF THE DIRECTOR, CONTRACT WITH AN INDEPENDENT FACILITATOR TO SUPPORT THE TASK FORCE, INCLUDING BY ASSISTING IN DRAFTING THE REPORT REQUIRED BY SUBSECTION (3)(b) OF THIS SECTION.

(4) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2025.

SECTION 3. In Colorado Revised Statutes, 39-21-113, **amend** (22) as follows:

39-21-113. Reports and returns - rule - repeal. (22) Notwithstanding the provisions of this section, the executive director shall supply the Colorado office of economic development with information relating to the actual amount of any enterprise zone tax credit claimed pursuant to article 30 of this title OR ANY CHIPS ZONE TAX CREDIT CLAIMED PURSUANT TO ARTICLE 36 OF THIS TITLE as well as information submitted to and aggregated by the department pursuant to section 39-30-111 (2) and (3) AND SECTION 39-36-106 (1) AND (3) regarding ~~the carryforward of~~ such income tax credits. Any information provided to the office pursuant to this subsection (22) shall remain confidential, and all office employees shall be subject to the limitations set forth in subsection (4) of this section and the penalties contained in subsection (6) of this section. Nothing in this subsection (22) shall prevent the office from making aggregated data regarding enterprise zone AND CHIPS ZONE tax credits available.

SECTION 4. In Colorado Revised Statutes, 39-30-104, **amend** (2)(c)(I) introductory portion, (2)(c)(III)(A), and (2.5)(a)(I) as follows:

39-30-104. Credit against tax - investment in certain property - definitions. (2) (c) (I) For income tax years commencing on or after

January 1, 2014, except as provided in ~~subparagraph (II) of this paragraph (c)~~ SECTION 24-46-108 AND SUBSECTION (2)(c)(II) OF THIS SECTION, the amount that may be claimed by a taxpayer for an income tax year AND THAT IS NOT APPLIED OR REFUNDED UNDER SECTION 24-46-108 is limited to the lesser of:

(III) (A) Except as otherwise provided in ~~sections 24-46-104.3 and 24-46-107~~ SECTIONS 24-46-104.3, 24-46-107, AND 24-46-108 and subsection (2)(c)(III)(B) of this section, any excess credit allowed pursuant to this subsection (2)(c) shall be an investment tax credit carryover to each of the fourteen income tax years following the unused credit year.

(2.5) (a) (I) Notwithstanding section 39-22-507.5 (7)(b), except as provided in ~~section 24-46-107~~ SECTIONS 24-46-107 AND 24-46-108, and except as otherwise provided in subsections (2.5)(a)(II) and (2.5)(b) of this section, any excess credit allowed pursuant to this section AND NOT APPLIED OR REFUNDED UNDER SECTION 24-46-108 shall be an investment tax credit carryover to each of the twelve income tax years following the unused credit year.

SECTION 5. In Colorado Revised Statutes, 39-30-105.1, **amend** (4)(a)(I) and (4)(a)(II) as follows:

39-30-105.1. Credit for new enterprise zone business employees - definitions. (4) (a) (I) Except as provided in ~~sections 24-46-104.3 and 24-46-107~~ SECTIONS 24-46-104.3, 24-46-107, AND 24-46-108, for any income tax year commencing on or after January 1, 2014, if the total amount of the credits claimed by a taxpayer pursuant to subsections (1)(a)(I), (1)(b), and (3)(a) of this section exceeds the amount of income taxes due on the income of the taxpayer in the income tax year for which the credits are being claimed, the amount of the credits not used as an offset against income taxes in said income tax year ~~is not allowed as a refund but~~ OR REFUNDED UNDER SECTION 24-46-108 may be carried forward as a credit against subsequent years' tax liability for a period not exceeding five years and is applied first to the earliest income tax years possible. Any amount of the credit that is not used during said period is not refundable to the taxpayer.

(II) Except as provided in ~~sections 24-46-104.3 and 24-46-107~~ SECTIONS 24-46-104.3, 24-46-107, AND 24-46-108 for any income tax year commencing on or after January 1, 2014, if the total amount of credits claimed by a taxpayer pursuant to subsections (1)(a)(II) and (3)(b) of this section exceeds the amount of income taxes due on the income of the taxpayer in the income tax year for which the credits are being claimed, the amount of credits not used as an offset against income taxes in said income tax year ~~is not allowed as a refund but~~ AND NOT USED TO CLAIM A REFUND UNDER SECTION 24-46-108 may be carried forward as a credit against subsequent years' tax liability for a period not exceeding seven years and is applied first to the earliest income tax years possible. Any amount of the credit that is not used during said period is not refundable to the taxpayer.

SECTION 6. In Colorado Revised Statutes, 39-30-105.5, **amend** (2) introductory portion as follows:

39-30-105.5. Credit against Colorado income taxes based on expenditures for research and experimental activities. (2) Except as provided in ~~section 24-46-104.3~~ SECTIONS 24-46-104.3 AND 24-46-108, in any one tax year, the amount of such credit allowable for deduction from the taxpayer's tax liability AND NOT APPLIED OR REFUNDED UNDER SECTION 24-46-108 shall be the total of:

SECTION 7. In Colorado Revised Statutes, **add** article 36 to title 39 as follows:

ARTICLE 36
CHIPS Zone Act

39-36-101. Short title. THE SHORT TITLE OF THIS ACT IS THE "CHIPS ZONE ACT".

39-36-102. Tax preference performance statement - legislative declaration. (1) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

(a) SEMICONDUCTORS, OR CHIPS, ARE TINY ELECTRONIC DEVICES THAT ARE FUNDAMENTAL TO MODERN INDUSTRIAL AND NATIONAL SECURITY ACTIVITIES. THESE DEVICES POWER TOOLS AS SIMPLE AS A LIGHT SWITCH AND AS COMPLEX AS A FIGHTER JET OR A SMARTPHONE. SEMICONDUCTORS ARE ALSO ESSENTIAL BUILDING BLOCKS IN EMERGING TECHNOLOGIES SUCH AS ARTIFICIAL INTELLIGENCE, 5G COMMUNICATIONS, AND QUANTUM COMPUTING.

(b) IN 2022, THE FEDERAL GOVERNMENT ENACTED THE "CREATING HELPFUL INCENTIVES FOR PRODUCING SEMICONDUCTORS AND SCIENCE ACT", OR "CHIPS AND SCIENCE ACT", PROVIDING FOR OVER FIFTY BILLION DOLLARS TO BE EXPENDED IN STRENGTHENING AND REVITALIZING THE COUNTRY'S POSITION IN SEMICONDUCTOR RESEARCH, DEVELOPMENT, AND MANUFACTURING;

(c) THE "CHIPS AND SCIENCE ACT" IS EXPECTED TO UNLOCK HUNDREDS OF BILLIONS OF DOLLARS OF PRIVATE SECTOR SEMICONDUCTOR INVESTMENT ACROSS THE COUNTRY;

(d) ENACTMENT OF A SEMICONDUCTOR MANUFACTURING ZONE, OR CHIPS ZONE, PROGRAM OF TAX INCENTIVES WILL MAXIMIZE THE OPPORTUNITY FOR COLORADO BUSINESSES TO DRAW DOWN FEDERAL DOLLARS UNDER THE CHIPS ACT AND CAPTURE SOME OF THE BILLIONS OF DOLLARS OF PRIVATE FUNDS EXPECTED TO BE SPENT IN GROWING THE COUNTRY'S SEMICONDUCTOR MANUFACTURING INDUSTRY;

(e) THE THREE TAX CREDITS AVAILABLE UNDER THE PROGRAM, FOR QUALIFIED INVESTMENTS, BUSINESS FACILITY EMPLOYEES, AND EXPENDITURES IN RESEARCH AND EXPERIMENTAL ACTIVITIES WILL ENCOURAGE INVESTMENT TO EXPAND COLORADO'S SEMICONDUCTOR MANUFACTURING CAPACITY AND MAKE COLORADO A NEW CENTER FOR INNOVATION AND RESEARCH IN THIS CRITICAL INDUSTRY;

(f) INVESTING IN SEMICONDUCTOR MANUFACTURERS IN THIS MANNER ALSO MEANS INVESTING IN COLORADO WORKERS, AS GROWTH IN THE SEMICONDUCTOR MANUFACTURING SECTOR WILL NECESSARILY RESULT IN THE CREATION AND RETENTION OF HIGH-SKILLED, WELL-COMPENSATED MANUFACTURING JOBS IN THE STATE;

(g) IN ACCORDANCE WITH SECTION 39-21-304 (1), WHICH REQUIRES ANY BILL THAT CREATES A NEW TAX EXPENDITURE TO INCLUDE A TAX PREFERENCE PERFORMANCE STATEMENT AS PART OF A STATUTORY LEGISLATIVE DECLARATION, THE GENERAL ASSEMBLY FURTHER DECLARES THAT:

(I) THE GENERAL LEGISLATIVE PURPOSES OF THE TAX CREDITS ALLOWED BY THIS ARTICLE 36 ARE:

(A) TO INDUCE CERTAIN DESIGNATED BEHAVIOR BY TAXPAYERS;

(B) TO IMPROVE INDUSTRY COMPETITIVENESS; AND

(C) TO CREATE OR RETAIN JOBS.

(II) THE SPECIFIC LEGISLATIVE PURPOSES OF THE TAX CREDITS ALLOWED BY THIS ARTICLE 36 ARE:

(A) TO IMPROVE THE COMPETITIVENESS OF COLORADO'S SEMICONDUCTOR MANUFACTURING INDUSTRY;

(B) TO INDUCE INVESTMENT IN NEW AND EXISTING SEMICONDUCTOR MANUFACTURING BUSINESSES IN THE STATE; AND

(C) TO CREATE WELL-PAYING JOBS IN THE PRIVATE SECTOR AS A RESULT OF SUCH INVESTMENT; AND

(III) THE TAX CREDIT CERTIFICATION FORMS REQUIRED FROM TAXPAYERS TO BE EXECUTED BY THE CHIPS ZONE ADMINISTRATOR PURSUANT TO SECTION 39-36-104 (5), THE ANNUAL REPORTS THAT THE ZONE ADMINISTRATOR IS REQUIRED TO MAKE TO THE COLORADO ECONOMIC DEVELOPMENT COMMISSION PURSUANT TO SECTION 39-36-104 (3)(b), AND THE ANNUAL REPORTS THAT THE DIRECTOR OF THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT MUST MAKE TO THE GENERAL ASSEMBLY AND THE LEGISLATIVE AUDIT COMMITTEE UNDER SECTION 39-36-104 (3)(c), WILL PROVIDE OBJECTIVE ECONOMIC DEVELOPMENT DATA POINTS THAT WILL ALLOW THE GENERAL ASSEMBLY AND THE STATE AUDITOR TO MEASURE THE EFFECTIVENESS OF THE CHIPS ZONE TAX CREDITS.

39-36-103. Definitions. (1) AS USED IN THIS ARTICLE 36, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "CERTIFICATION" MEANS THE WRITTEN TAX CREDIT CERTIFICATE DOCUMENTING A TAXPAYER'S INCOME TAX CREDIT CLAIM PURSUANT TO SECTION 39-30-104, 39-30-105.1, OR 39-30-105.5 AND THE ESTIMATED VALUE OF EACH CREDIT CERTIFIED BY THE CHIPS ZONE ADMINISTRATOR, FOR WHICH THE TAXPAYER RECEIVED PRECERTIFICATION IN ACCORDANCE WITH SECTION 39-36-104 (5)(b).

(b) "CHIPS ACT" MEANS THE FEDERAL "CREATING HELPFUL INCENTIVES TO PRODUCE SEMICONDUCTORS AND SCIENCE ACT OF 2022", PUB.L. 117-167, AS AMENDED.

(c) "CHIPS ZONE" MEANS A SEMICONDUCTOR MANUFACTURING ZONE APPROVED BY THE COMMISSION PURSUANT TO SECTION 39-36-104 (2)(a).

(d) "COMMISSION" MEANS THE COLORADO ECONOMIC DEVELOPMENT COMMISSION CREATED IN SECTION 24-46-102 (1).

(e) "DEPARTMENT" MEANS THE COLORADO DEPARTMENT OF REVENUE.

(f) "DIRECTOR" MEANS THE DIRECTOR OF THE OFFICE.

(g) "OFFICE" MEANS THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT CREATED IN SECTION 24-48.5-101.

(h) "PRECERTIFICATION" MEANS THE WRITTEN PRECERTIFICATION OF A TAXPAYER'S PROPOSED PROJECT AND ANY RELATED INCOME TAX CREDIT CLAIMS PURSUANT TO SECTION 39-30-104, 39-30-105.1, OR 39-30-105.5, BY THE CHIPS ZONE ADMINISTRATOR IN RELIANCE ON THE TAXPAYER'S REPRESENTATIONS PURSUANT TO SECTION 39-36-104 (5)(a).

(i) "REFUND CERTIFICATE" HAS THE SAME MEANING AS SET FORTH IN SECTION 24-46-108 (1)(h).

(j) "SEMICONDUCTOR MANUFACTURING" HAS THE SAME MEANING AS SET FORTH IN SECTION 24-46-108 (1)(i).

(k) "TAXPAYER" MEANS A PERSON ENGAGED IN SEMICONDUCTOR MANUFACTURING THAT IS SUBJECT TO TAX UNDER ARTICLE 22 OF THIS TITLE 39.

39-36-104. Zones established - zone administrator - review - termination. (1) (a) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2023, BUT BEFORE JANUARY 1, 2036, ANY MUNICIPALITY, COUNTY, OR GROUP OF CONTIGUOUS MUNICIPALITIES OR COUNTIES MAY PROPOSE AN AREA OF SUCH MUNICIPALITY, COUNTY, OR GROUP OF

MUNICIPALITIES OR COUNTIES TO BE DESIGNATED AS A CHIPS ZONE IN ACCORDANCE WITH THE POLICIES AND PROCEDURES ESTABLISHED BY THE OFFICE AND PURSUANT TO THIS ARTICLE 36.

(b) TO PROPOSE AN AREA FOR DESIGNATION AS A CHIPS ZONE, A LOCAL GOVERNMENT SHALL SUBMIT A DEVELOPMENT PLAN TO THE DIRECTOR. THE PLAN MUST INCLUDE THE FOLLOWING ITEMS:

(I) THE BOUNDARIES OF THE PROPOSED ZONE;

(II) THE PROPOSED ZONE'S POTENTIAL FOR SEMICONDUCTOR MANUFACTURING BUSINESS DEVELOPMENT AND JOB CREATION;

(III) HOW THE PROPOSED ZONE WILL SUPPORT AND BE CONSISTENT WITH MAINTENANCE OF THE AREA'S ECONOMY; AND

(IV) ANY OTHER PERTINENT INFORMATION THE DIRECTOR OR THE COMMISSION MAY REQUIRE, WHICH MAY INCLUDE INFORMATION RELATED TO LOCAL PLANNING, CAPACITY, AND INFRASTRUCTURE.

(2) (a) THE COMMISSION, AFTER CONSULTATION WITH THE OFFICE, MAY APPROVE THE DESIGNATION OF A CHIPS ZONE.

(b) ALL DECISIONS CONCERNING THE DESIGNATION OR TERMINATION OF A CHIPS ZONE OR ANY PORTION OF A CHIPS ZONE SHALL BE MADE BY THE COMMISSION UPON THE RECOMMENDATION OF THE OFFICE.

(3) (a) THE DIRECTOR, OR THE DIRECTOR'S DESIGNEE, SHALL SERVE AS THE ZONE ADMINISTRATOR FOR ALL APPROVED CHIPS ZONES. THE COMMISSION SHALL WORK WITH THE ZONE ADMINISTRATOR TO ENSURE THAT EACH ZONE HAS ECONOMIC DEVELOPMENT OBJECTIVES WITH OUTCOMES THAT CAN BE MEASURED.

(b) THE ZONE ADMINISTRATOR SHALL SUBMIT AN ANNUAL REPORT TO THE COMMISSION SUMMARIZING THE ZONE ADMINISTRATOR'S REVIEW OF DOCUMENTATION, INCLUDING THE MOST RECENT STATISTICS AVAILABLE FOR TAXPAYERS CLAIMING CHIPS ZONE CREDITS, ON:

(I) THE NUMBER OF SEMICONDUCTOR MANUFACTURING JOBS CREATED IN THE ZONE;

(II) THE NUMBER OF SUCH JOBS RETAINED IN THE ZONE;

(III) THE AVERAGE ANNUAL COMPENSATION LEVEL, INCLUDING BENEFITS, OF THE SEMICONDUCTOR MANUFACTURING JOBS CREATED OR RETAINED WITHIN THE ZONE;

(IV) AN ANALYSIS OF CAPITAL INVESTMENT IN THE ZONE, INCLUDING THE AMOUNT OF INVESTMENT IN QUALIFYING PROPERTY FOR WHICH TAX CREDITS ARE CLAIMED PURSUANT TO SECTION 39-30-104;

(V) THE NUMBER OF BUSINESS FACILITY EMPLOYEES FOR WHICH TAX CREDITS ARE CLAIMED PURSUANT TO SECTION 39-30-105.1;

(VI) THE AMOUNT OF INVESTMENT TAX CREDITS CLAIMED PURSUANT TO SECTION 39-30-104 AND THE AMOUNT OF CREDITS FOR EMPLOYEES CLAIMED PURSUANT TO SECTION 39-30-105.1;

(VII) THE NUMBER AND AMOUNT OF TAX CREDITS BASED ON EXPENDITURES FOR RESEARCH AND EXPERIMENTAL ACTIVITIES CLAIMED PURSUANT TO SECTION 39-30-105.5; AND

(VIII) ANY OTHER INFORMATION REASONABLY REQUIRED BY THE COMMISSION TO EVALUATE THE EFFECTIVENESS OF EACH ZONE IN ACCOMPLISHING THE ECONOMIC OBJECTIVES OF THE ZONE.

(c) NOTWITHSTANDING THE REQUIREMENT IN SECTION 24-1-136 (11)(a)(I), THE DIRECTOR, OR THE DIRECTOR'S DESIGNEE, ON BEHALF OF THE COMMISSION, SHALL SUBMIT AN ANNUAL REPORT TO THE GENERAL ASSEMBLY ON OR BEFORE NOVEMBER 1, 2023, AND ON OR BEFORE NOVEMBER 1 OF EACH CALENDAR YEAR THEREAFTER THROUGH NOVEMBER 1, 2036, SUMMARIZING THE INFORMATION SUBMITTED BY THE ZONE ADMINISTRATOR TO THE COMMISSION EACH YEAR PURSUANT TO SUBSECTION (3)(b) OF THIS SECTION. THE DIRECTOR, OR THE DIRECTOR'S DESIGNEE, ON BEHALF OF THE COMMISSION SHALL MAKE AN ANNUAL PRESENTATION TO THE LEGISLATIVE AUDIT COMMITTEE THAT REVIEWS AND SUMMARIZES THE INFORMATION IN THE REPORT SUBMITTED TO THE GENERAL ASSEMBLY PURSUANT TO THIS SUBSECTION (3)(c).

(d) THE STATE AUDITOR SHALL SUBMIT A REPORT TO THE GOVERNOR AND THE GENERAL ASSEMBLY, AT THE DISCRETION OF THE STATE AUDITOR

AND THE LEGISLATIVE AUDIT COMMITTEE, EVALUATING THE IMPLEMENTATION OF THE CHIPS ZONE PROGRAM, MAKING RECOMMENDATIONS FOR STATUTORY CHANGES, IF ANY, AND INCLUDING ANY INFORMATION REQUESTED BY THE GOVERNOR OR THE GENERAL ASSEMBLY. THE EVALUATION MUST BE BASED UPON THE DATA INCLUDED IN THE ANNUAL REPORT SUBMITTED BY THE DIRECTOR ON BEHALF OF THE COMMISSION TO THE GENERAL ASSEMBLY PURSUANT TO SUBSECTION (3)(c) OF THIS SECTION AND OBJECTIVE, VERIFIABLE DATA SUBMITTED BY THE ZONE ADMINISTRATOR AND MAINTAINED BY THE OFFICE OR OBTAINED FROM THE DEPARTMENT. THE REPORT MUST ALSO INCLUDE INFORMATION CONCERNING THE NUMBER AND AMOUNT OF TAX CREDITS CLAIMED AND ALLOWED UNDER THE PROGRAM. FOR PURPOSES OF PREPARING THE REPORT REQUIRED BY THIS SUBSECTION (3)(d), THE STATE AUDITOR SHALL HAVE ACCESS TO ALL RECORDS AND DOCUMENTS APPLICABLE TO THE PROGRAM, WHETHER MAINTAINED BY THE COMMISSION, OFFICE, LOCAL GOVERNMENTS, OR THE ZONE ADMINISTRATOR.

(e) TAXPAYERS CLAIMING CHIPS ZONE CREDITS SHALL PROVIDE INFORMATION REASONABLY REQUIRED BY THE ZONE ADMINISTRATOR, THE OFFICE, OR THE COMMISSION TO EVALUATE THE EFFECTIVENESS OF EACH ZONE IN ACCOMPLISHING THE MEASURABLE ECONOMIC DEVELOPMENT OBJECTIVES TO BE ACHIEVED IN THE ZONE.

(4) (a) SUBJECT TO THE REQUIREMENTS OF SUBSECTION (5) OF THIS SECTION, EVERY TAXPAYER THAT PERFORMS AN ACT IN A CHIPS ZONE THAT WOULD QUALIFY FOR THE INCOME TAX CREDIT UNDER SECTION 39-30-104, 39-30-105.1, OR 39-30-105.5 IF THE ACT WAS PERFORMED IN AN ENTERPRISE ZONE, CREATED PURSUANT TO SECTION 39-30-103 OR 39-30-103.2, IS ALLOWED THE CREDIT PURSUANT TO THE CORRESPONDING SECTION AND THIS ARTICLE 36 WITH RESPECT TO THAT ACT.

(b) NOTWITHSTANDING SUBSECTION (4)(a) OF THIS SECTION OR ANY OTHER PROVISION IN THIS ARTICLE 36, A TAXPAYER MAY NOT CLAIM AN INCOME TAX CREDIT PURSUANT TO THIS ARTICLE 36 FOR PERFORMING AN ACT IN AN ENTERPRISE ZONE FOR WHICH THE TAXPAYER IS ALLOWED TO CLAIM AN INCOME TAX CREDIT PURSUANT TO ARTICLE 30 OF THIS TITLE 39.

(5) (a) BEFORE A TAXPAYER ENGAGES IN ANY ACTIVITY IN A CHIPS ZONE FOR WHICH THE TAXPAYER INTENDS TO CLAIM AN INCOME TAX CREDIT PURSUANT TO SECTION 39-30-104, 39-30-105.1, OR 39-30-105.5, AN

AUTHORIZED COMPANY OFFICIAL OF THE TAXPAYER'S BUSINESS OR THE TAXPAYER WHO IS THE OWNER OF THE BUSINESS MUST SUBMIT A PRECERTIFICATION FORM TO THE CHIPS ZONE ADMINISTRATOR AS SPECIFIED IN SUBSECTION (3)(a) OF THIS SECTION IN ACCORDANCE WITH THE PRECERTIFICATION PROCESS SET FORTH IN SECTION 39-30-103 (7).

(b) (I) A TAXPAYER THAT ENGAGES IN AN ACTIVITY IN A CHIPS ZONE THAT WAS PRECERTIFIED PURSUANT TO SUBSECTION (5)(a) OF THIS SECTION FOR WHICH THE TAXPAYER INTENDS TO CLAIM AN INCOME TAX CREDIT PURSUANT TO SECTION 39-30-104, 39-30-105.1, OR 39-30-105.5, MUST SUBMIT TO THE CHIPS ZONE ADMINISTRATOR ALL NECESSARY RECORDS AND INFORMATION TO ESTABLISH THAT THE TAXPAYER IS ENTITLED TO THE INCOME TAX CREDIT AND ALL DOCUMENTATION REQUIRED TO BE INCLUDED IN THE CHIPS ZONE ADMINISTRATOR'S ANNUAL REPORT PURSUANT TO SUBSECTIONS (3)(b)(I) THROUGH (3)(b)(VII) OF THIS SECTION.

(II) THE CHIPS ZONE ADMINISTRATOR, TAKING INTO CONSIDERATION THE ECONOMIC DEVELOPMENT OBJECTIVES ESTABLISHED PURSUANT TO SUBSECTION (3)(a) OF THIS SECTION FOR THE ZONE IN WHICH THE TAXPAYER ENGAGED IN THE ACTIVITY TO BE CERTIFIED, SHALL APPROVE OR DENY THE TAXPAYER'S CERTIFICATION REQUEST IN WRITING WITHIN THIRTY DAYS OF ITS SUBMISSION.

(c) A TAXPAYER SHALL SUBMIT THE APPROVED CERTIFICATION FROM THE CHIPS ZONE ADMINISTRATOR, INCLUDING ALL INFORMATION REQUIRED UNDER SUBSECTIONS (5)(a) AND (5)(b) OF THIS SECTION, ALONG WITH ANY ADDITIONAL DOCUMENTATION REQUIRED UNDER SECTION 39-36-106 (1)(b) OR OTHERWISE REQUIRED BY LAW, TO THE DEPARTMENT NO LATER THAN THE DUE DATE, INCLUDING EXTENSIONS, FOR FILING THE TAXPAYER'S STATE INCOME TAX RETURN FOR THE TAX YEAR IN WHICH A TAX CREDIT ALLOWED UNDER THIS ARTICLE 36 IS CLAIMED.

(6) (a) NOTWITHSTANDING SUBSECTION (2)(b) OF THIS SECTION, ALL CHIPS ZONES APPROVED BY THE COMMISSION PURSUANT TO SUBSECTION (2)(a) OF THIS SECTION, TERMINATE AUTOMATICALLY ON DECEMBER 31, 2040.

(b) A TAXPAYER THAT COMPLETES AN ACTIVITY IN A CHIPS ZONE THAT WAS PRECERTIFIED PURSUANT TO SUBSECTION (5)(a) OF THIS SECTION PRIOR TO THE DATE OF TERMINATION OF THE CHIPS ZONE UNDER

SUBSECTION (6)(a) OF THIS SECTION MAY SEEK CERTIFICATION TO CLAIM AN INCOME TAX CREDIT PURSUANT TO SECTION 39-30-104 OR 39-30-105.1 IN ACCORDANCE WITH THE PROCESS SET FORTH IN SECTION 39-30-103 (6)(a). NOTHING IN THIS SUBSECTION (6)(b) AUTHORIZES THE COMMISSION TO GRANT TAX BENEFITS THAT HAVE BEEN REPEALED BY THE GENERAL ASSEMBLY OR TO GRANT TAX BENEFITS IN EXCESS OF THE LIMITS OF ESTABLISHED LAW.

39-36-105. Electronic submissions - certification data to department of revenue. (1) (a) ON OR BEFORE SEPTEMBER 1, 2023, AND ON OR BEFORE SEPTEMBER 1 OF EACH CALENDAR YEAR THEREAFTER THROUGH SEPTEMBER 1, 2035, THE DIRECTOR, OR THE DIRECTOR'S DESIGNEE, SHALL TRANSMIT TO THE DEPARTMENT DATA REGARDING INCOME TAX CREDITS ALLOWED PURSUANT TO THIS ARTICLE 36 THAT ARE CERTIFIED BY THE CHIPS ZONE ADMINISTRATOR FROM JANUARY 1 THROUGH JUNE 30 OF THE SAME CALENDAR YEAR.

(b) ON OR BEFORE MARCH 31, 2024, AND ON OR BEFORE MARCH 31 OF EACH CALENDAR YEAR THEREAFTER THROUGH MARCH 31, 2036, THE DIRECTOR, OR THE DIRECTOR'S DESIGNEE, SHALL TRANSMIT TO THE DEPARTMENT DATA REGARDING INCOME TAX CREDITS ALLOWED PURSUANT TO THIS ARTICLE 36 THAT ARE CERTIFIED BY THE CHIPS ZONE ADMINISTRATOR FROM JULY 1 THROUGH DECEMBER 31 OF THE PREVIOUS CALENDAR YEAR.

(c) THE DATA REQUIRED TO BE TRANSMITTED BY THE DIRECTOR, OR THE DIRECTOR'S DESIGNEE, TO THE DEPARTMENT UNDER SUBSECTIONS (2)(a) AND (2)(b) MUST BE IN THE FORM OF ELECTRONIC REPORTS THAT INCLUDE THE FOLLOWING INFORMATION:

(I) THE TAXPAYER'S NAME;

(II) THE TAXPAYER'S COLORADO ACCOUNT NUMBER AND FEDERAL EMPLOYER IDENTIFICATION NUMBER;

(III) THE TYPE AND AMOUNT OF EACH INCOME TAX CREDIT ALLOWED UNDER THIS ARTICLE 36 AND CERTIFIED BY THE CHIPS ZONE ADMINISTRATOR FOR THE TAXPAYER FOR THE TAX YEAR; AND

(IV) ANY ASSOCIATED TAXPAYERS' NAMES, COLORADO ACCOUNT

NUMBERS, AND FEDERAL EMPLOYER IDENTIFICATION NUMBERS OR SOCIAL SECURITY NUMBERS IF THE CREDIT ALLOWED UNDER THIS ARTICLE 36 IS ALLOCATED FROM A PASS-THROUGH ENTITY TO ITS PARTNERS, SHAREHOLDERS, MEMBERS, OR OTHER CONSTITUENT TAXPAYERS.

39-36-106. Department of revenue - electronic filings - report - rules. (1) (a) FOR THE 2023 INCOME TAX YEAR AND EACH INCOME TAX YEAR THEREAFTER THROUGH THE 2035 INCOME TAX YEAR, ANY TAXPAYER THAT CLAIMS ONE OR MORE INCOME TAX CREDITS PURSUANT TO THIS ARTICLE 36 SHALL FILE A STATE INCOME TAX RETURN WITH THE DEPARTMENT IN AN ELECTRONIC FORMAT.

(b) A TAXPAYER MUST SUBMIT THE ELECTRONIC STATE INCOME TAX RETURN REQUIRED UNDER SUBSECTION (1)(a) OF THIS SECTION TOGETHER WITH:

(I) A CERTIFICATION FORM EXECUTED BY THE CHIPS ZONE ADMINISTRATOR PURSUANT TO SECTION 39-36-104 (5)(b) FOR EACH INCOME TAX CREDIT CLAIMED PURSUANT TO THIS ARTICLE 36;

(II) ANY WAIVER CERTIFICATE ISSUED BY THE COMMISSION TO THE TAXPAYER UNDER SECTION 39-30-104 (2)(c)(III)(B) WAIVING THE LIMIT ON THE AMOUNT OF THE TAXPAYER'S QUALIFIED INVESTMENT TAX CREDIT FOR THE INCOME TAX YEAR;

(III) A REFUND ELECTION STATEMENT ON A FORM PRESCRIBED BY THE DEPARTMENT FOR EACH TAX CREDIT CLAIMED PURSUANT TO THIS ARTICLE 36 FOR WHICH THE TAXPAYER ELECTS TO RECEIVE A REFUND PURSUANT TO SECTION 24-46-108;

(IV) A REFUND CERTIFICATE ISSUED BY THE COMMISSION TO THE TAXPAYER UNDER SECTION 24-46-108 APPROVING EACH INCOME TAX CREDIT CLAIMED PURSUANT TO THIS ARTICLE 36 FOR WHICH THE TAXPAYER ELECTS TO RECEIVE A REFUND; AND

(V) A CARRYFORWARD SCHEDULE INCLUDING THE TYPE AND AMOUNT OF EACH INCOME TAX CREDIT CLAIMED PURSUANT TO THIS ARTICLE 36 THAT THE TAXPAYER INTENDS TO USE IN A SUBSEQUENT TAX YEAR.

(2) THE DOCUMENTS REQUIRED UNDER SUBSECTION (1)(b) OF THIS

SECTION MUST BE FILED WITH THE DEPARTMENT NOT LATER THAN THE DUE DATE, INCLUDING EXTENSIONS, FOR FILING THE TAXPAYER'S STATE INCOME TAX RETURN FOR THE INCOME TAX YEAR IN WHICH THE INCOME TAX CREDITS ARE CLAIMED PURSUANT TO THIS ARTICLE 36.

(3) (a) FOR THE 2023 INCOME TAX YEAR AND EACH INCOME TAX YEAR THEREAFTER THROUGH THE 2035 INCOME TAX YEAR, THE DEPARTMENT SHALL AGGREGATE AND REPORT DATA ON ALL OF THE INCOME TAX CREDITS THAT ARE CLAIMED PURSUANT TO THIS ARTICLE 36 FOR EACH INCOME TAX YEAR. THE DEPARTMENT SHALL CATEGORIZE SUCH AGGREGATED DATA BY THE DATE THAT THE INCOME TAX CREDIT WAS CERTIFIED BY THE CHIPS ZONE ADMINISTRATOR, THE SPECIFIC INCOME TAX CREDIT ALLOWED PURSUANT TO THIS ARTICLE 36 THAT EACH TAXPAYER WAS AUTHORIZED TO CLAIM, AND THE TOTAL AMOUNT OF THE INCOME TAX CREDITS CLAIMED FOR EACH INCOME TAX CREDIT ALLOWED PURSUANT TO THIS ARTICLE 36.

(b) THE DEPARTMENT SHALL SUBMIT THE DATA COLLECTED PURSUANT TO SUBSECTION (1)(b)(V) OF THIS SECTION AND THE DATA AGGREGATED PURSUANT TO SUBSECTION (3)(a) OF THIS SECTION TO THE OFFICE ON AUGUST 1, 2023, AND ON AUGUST 1 EACH YEAR THEREAFTER THROUGH AUGUST 1, 2036.

(4) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT, IN CONSULTATION WITH THE COMMISSION AND THE OFFICE, MAY PROMULGATE RULES AS NECESSARY FOR THE DEPARTMENT TO ADMINISTER AND ENFORCE ANY PROVISIONS OF THIS ARTICLE 36.

39-36-107. Repeal of article. THIS ARTICLE 36 IS REPEALED, EFFECTIVE JANUARY 1, 2041.

SECTION 8. In Colorado Revised Statutes, 39-22-531, **amend** (6); and **add** (3)(a)(I)(D) as follows:

39-22-531. Colorado job growth incentive tax credit - rules - definitions - repeal.

(3) (a) (I) (D) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2024, BUT PRIOR TO JANUARY 1, 2029, IF THE PROJECT CONSTITUTES ADVANCED MANUFACTURING, AS DEFINED IN SECTION

24-46-108 (1)(a), OR SEMICONDUCTOR MANUFACTURING, AS DEFINED IN SECTION 24-46-108 (1)(i), THE PROJECT MUST BRING A NET JOB GROWTH OF AT LEAST TWENTY JOBS TO THE STATE WITH AN AVERAGE YEARLY WAGE OF SEVENTY-FIVE PERCENT OR SUCH GREATER AMOUNT OF THE AVERAGE YEARLY WAGE OF THE COUNTY IN WHICH THE TAXPAYER IS LOCATED, AS THE COMMISSION DEEMS PROPER UNDER ITS DISCRETION.

(6) Except as provided in ~~sections 24-46-104.3 and 24-46-107~~ SECTIONS 24-46-104.3, 24-46-107, AND 24-46-108, if the amount of the credit allowed in this section exceeds the amount of income taxes otherwise due on the taxpayer's income in the income tax year for which the credit is being claimed, the amount of the credit not used as an offset against income taxes in the current income tax year AND NOT USED TO CLAIM A REFUND PURSUANT TO SECTION 24-46-108 may be carried forward and used as a credit against subsequent years' income tax liability for a period not to exceed ten years and shall be applied first to the earliest income tax years possible. Any credit remaining after said period shall not be refunded or credited to the taxpayer.

SECTION 9. Appropriation. (1) For the 2023-24 state fiscal year, $117,583 is appropriated to the office of the governor for use by economic development programs. This appropriation is from the general fund and is based on an assumption that the division will require an additional 1.3 FTE. To implement this act, the department may use this appropriation for the economic development commission - general economic incentives and marketing.

(2) For the 2023-24 state fiscal year, $300,108 is appropriated to the department of revenue. This appropriation is from the general fund. To implement this act, the department may use this appropriation as follows:

(a) $103,381 for use by the executive director's office for personal services related to administration and support, which amount is based on an assumption that the office will require an additional 1.4 FTE;

(b) $8,560 for use by the executive director's office for operating expenses related to administration and support;

(c) $155,525 for tax administration IT system (GenTax) support; and

(d) $32,642 for the purchase of document management services.

(3) For the 2023-24 state fiscal year, $32,642 is appropriated to the department of personnel. This appropriation is from reappropriated funds received from the department of revenue under subsection (2)(d) of this section. To implement this act, the department of personnel may use this appropriation to provide document management services for the department of revenue.

SECTION 10. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.

Julie McCluskie
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Steve Fenberg
PRESIDENT OF
THE SENATE

Robin Jones
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

APPROVED____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO

ECONOMIC VITALITY COMMITTEE

SUBJECT: LOUISVILLE ECONOMIC SNAPSHOT

DATE: FEBRUARY 21, 2025

PRESENTED BY: VANESSA ZARATE, CECD, ECONOMIC VITALITY MANAGER

SUMMARY:
Economic Vitality consistently monitors the economy, market trends and business needs within Louisville and beyond. We provide and work with information such as business trends, real estate, demographics, and market factors. This update is meant to act as a snapshot of the current status and economic ecosystem in Louisville.

The City of Louisville has an estimated 9.1 million square feet of commercial real estate. Louisville currently has an overall commercial vacancy rate of $11%, compared to 11.5% in 2024. The ten-year average vacancy rate is 10.3%. Across all building types, the average asking rent is XX, compared to $19.98/SF in 2024.

The City of Louisville has an estimated 1.8M square feet of office space with a current vacancy rate of 21%, compared to 17.2% in 2024. The average asking rent is $28/SF, compared to $30.83/SF in 2024. Boulder County has an estimated 19.9 million square feet of office space with a vacancy rate of 15% and an average asking rate of $20/SF, both up from 2024.

Louisville has an estimated 5.7 million square feet of industrial and flex space. The current vacancy rate is 6%, compared to 8.9% in 2024. The average asking rent is $14/SF, compared to $14.34/SF in 2024. Boulder County has an estimated 30.2 million square feet of industrial and flex space and has a current vacancy rate of 9.6% with an asking rent of $14.56/SF.

There is an estimated 1.6 million square feet of retail space in Louisville. The current vacancy rate is 10.2%, compared to 14.2% in 2024. Average asking rent is $22/SF, compared to $27.68/SF in 2024. Boulder County has an estimated 18.4 million square feet of retail with a vacancy rate of 6.7% and asking rent of $22/SF, down from $25.39/S in 2024.

If you would like specific updates, please let me know.

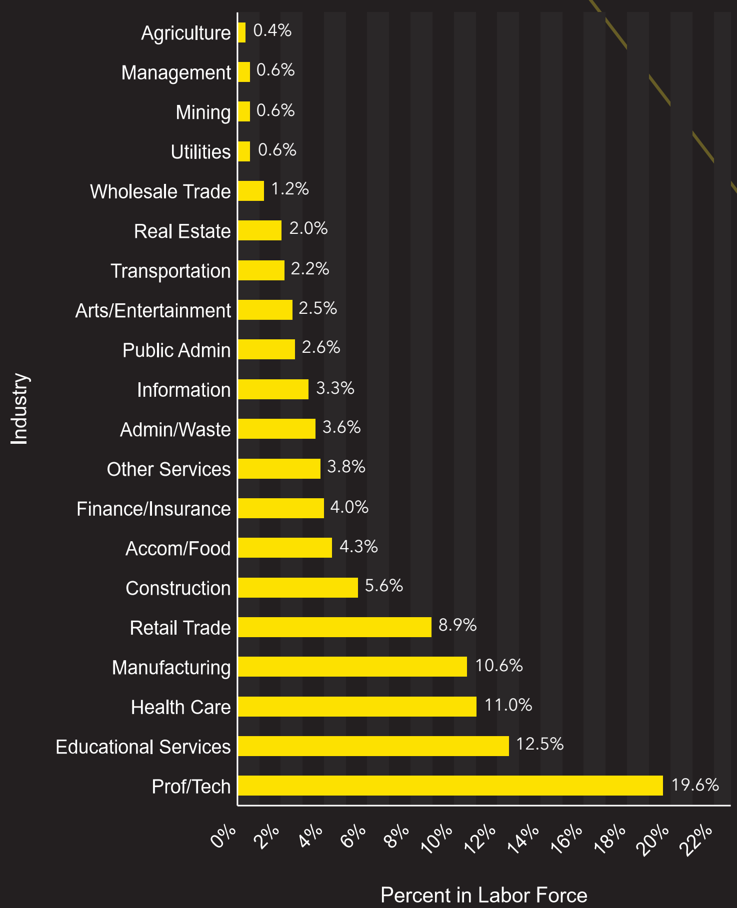
ATTACHMENT(S):
1. Economic Development Overview
2. Louisville Tapestry Report
3. Employment Overview
4. Retail Demand Outlook

Economic Development Profile

749 Main St, Louisville, Colorado, 80027

Ring of 2.5 miles

Labor Force by Industry



Employment

10.3%
Services

10.2%
Blue Collar

79.5%
White Collar

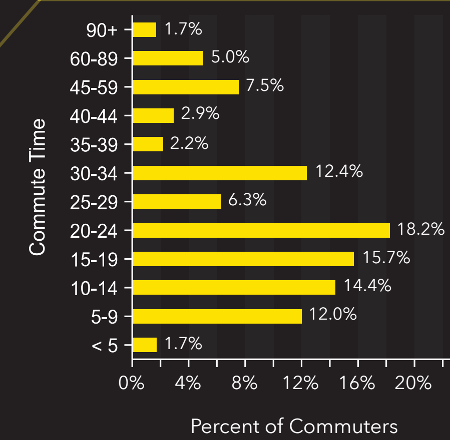
WorkforceOverview

Businesses

2,173
Total Businesses

22,948
Total Employees

Commute Time: Minutes



Transportation to Work

3.2%
Took Public Transportation

6.1%
Carpooled

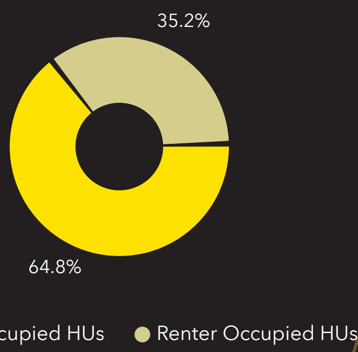
1.8%
Walked to Work

1.8%
Bike to Work

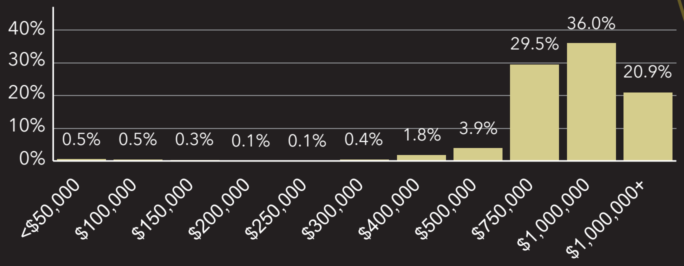
58%
Drove Alone to Work

Source: This infographic contains data provided by Esri (2024), Esri-Data Axle (2024), ACS (2018-2022), Esri-U.S. BLS (2024), AGS (2024).

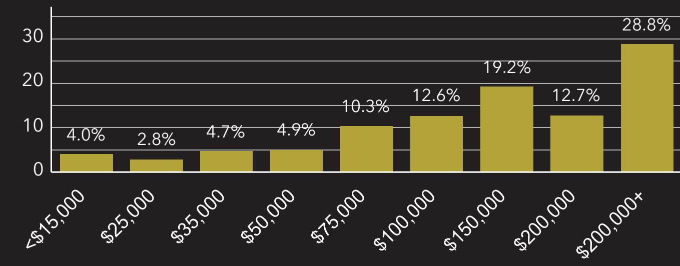
Home Ownership



Home Value

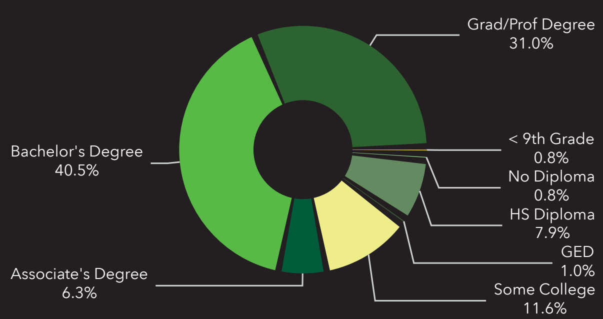


Household Income

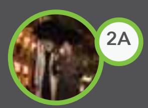


Community Overview

Educational Attainment



Tapestry segments

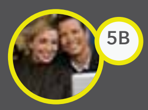


Urban Chic
3,589 households

19.9%
of Households

Professional Pride
3,058 households

17.0%
of Households



In Style
2,833 households

15.7%
of Households

Key Facts

Total Housing Units

Housing Affordability Index

Households Below the Poverty Level

$

Median Age

Median Disposable Income

Total Population

Wealth Index

Diversity Index

Total Crime Index

Source: This infographic contains data provided by Esri (2024), Esri-Data Axle (2024), ACS (2018-2022), Esri-U.S. BLS (2024), AGS (2024).

TAPESTRY SEGMENTATION

The Fabric of America's Neighborhoods

Tapestry LifeMode

learn more...

Tapestry LifeMode	Households	HHs %	% US HHs	Index
Affluent Estates (L1)	4,553	25.30%	10.11%	250
Upscale Avenues (L2)	5,799	32.23%	5.50%	586
Uptown Individuals (L3)	1,743	9.69%	3.91%	248
Family Landscapes (L4)	479	2.66%	7.91%	34
GenXurban (L5)	3,167	17.60%	11.14%	158
Cozy Country Living (L6)	0	0.00%	11.81%	0
Sprouting Explorers (L7)	184	1.02%	7.53%	14
Middle Ground (L8)	1,992	11.07%	10.81%	102
Senior Styles (L9)	0	0.00%	5.79%	0
Rustic Outposts (L10)	77	0.43%	7.94%	5
Midtown Singles (L11)	0	0.00%	6.24%	0
Hometown (L12)	0	0.00%	5.88%	0
Next Wave (L13)	0	0.00%	3.88%	0
Scholars and Patriots (L14)	0	0.00%	1.57%	0

Key Facts

$839,524
Median Home Value

$123,005
Median HH Income

6.8
Home Value to Income Ratio

41.1
Median Age

17,994
Households

Education

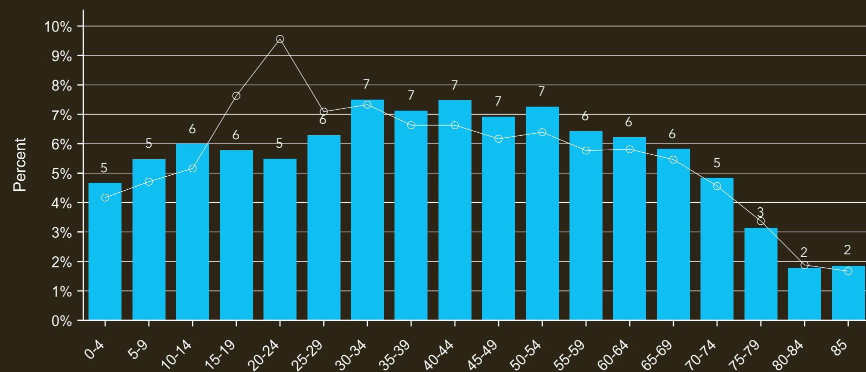
1.6%
No High School Diploma

8.9%
High School Graduate

17.9%
Some College/ Associate's Degree

71.5%
Bachelor's/Grad/ Prof Degree

Age Profile



Dots show comparison to Boulder County

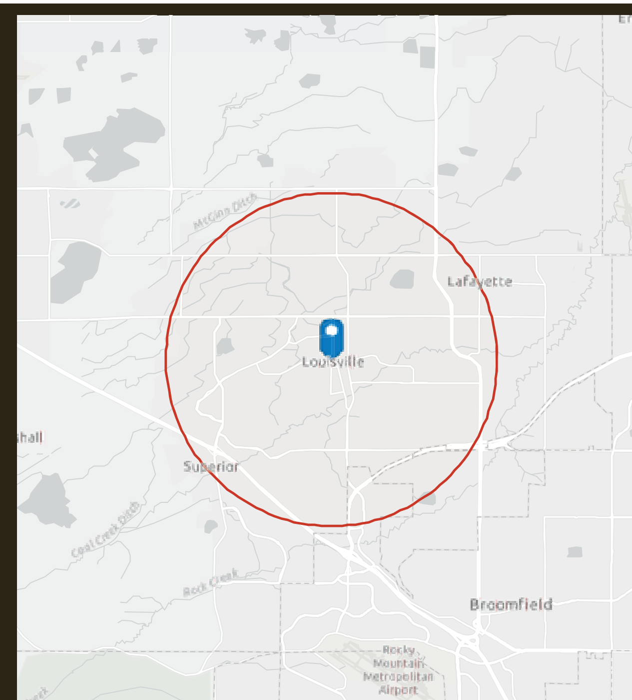
2024 Households by income (Esri)

The largest group: $200,000+ (28.8%)

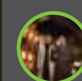
The smallest group: $15,000 - $24,999 (2.8%)

Indicator	Value	Diff
<$15,000	4.0%	-2.2%
$15,000 - $24,999	2.8%	-2.1%
$25,000 - $34,999	4.7%	-0.7%
$35,000 - $49,999	4.9%	-2.4%
$50,000 - $74,999	10.3%	-0.3%
$75,000 - $99,999	12.6%	+0.2%
$100,000 - $149,999	19.2%	+1.3%
$150,000 - $199,999	12.7%	+0.6%
$200,000+	28.8%	+5.7%

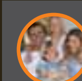
Bars show deviation from Boulder County



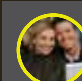
Tapestry segments



2A Urban Chic — 3,589 households — **19.9%** of Households



1B Professional Pride — 3,058 households — **17.0%** of Households



5B In Style — 2,833 households — **15.7%** of Households

Source: This infographic contains data provided by Esri (2024).

Employment Overview

749 Main St, Louisville, Colorado, 80027

Ring of 2.5 miles

INCOME

$74,362
Per Capita Income

$123,005
Median Household Income

$521,474
Median Net Worth

EDUCATION

1.7%
No High School Diploma

7.9%
High School Diploma

17.9%
Some College/Associate's Degree

71.5%
Bachelor's/Grad/Prof Degree

BUSINESS

2,173
Total Businesses

22,948
Total Employees

KEY FACTS

43,099
Population

41.1
Median Age

17,994
Households

$101,273
Median Disposable Income

COMMUTERS

14.8%
Spend 7+ hours commuting to and from work per week

58.4%
Drive Alone to Work

EMPLOYMENT

79.5%
White Collar

10.2%
Blue Collar

10.3%
Services

JOBLESS
2.6%
Unemployment Rate

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Source: This infographic contains data provided by Esri (2024, 2029), Esri-Data Axle (2024), Esri-MRI-Simmons (2024), ACS (2018-2022).

Retail Demand Outlook

749 Main St, Louisville, Colorado, 80027 2
749 Main St, Louisville, Colorado, 80027
Ring: 2.5 mile radius

Prepared by Esri
Latitude: 39.97757
Longitude: -105.13257

Top Tapestry Segments	Percent	Demographic Summary	2024	2029
Urban Chic (2A)	19.9%	Population	43,099	43,950
Professional Pride (1B)	17.0%	Households	17,994	18,704
In Style (5B)	15.7%	Families	10,847	11,097
Enterprising Professionals (2D)	12.3%	Median Age	41.1	42.6
Metro Renters (3B)	9.7%	Median Household Income	$123,005	$147,379

	2024 Consumer Spending	2029 Forecasted Demand	Projected Spending Growth
Apparel and Services	$65,023,755	$78,498,150	$13,474,395
Men's	$11,939,988	$14,415,928	$2,475,940
Women's	$21,600,793	$26,063,422	$4,462,629
Children's	$9,340,307	$11,280,250	$1,939,943
Footwear	$13,514,245	$16,317,702	$2,803,457
Watches & Jewelry	$7,300,454	$8,816,633	$1,516,179
Apparel Products and Services (1)	$1,327,969	$1,604,215	$276,246
Computer			
Computers and Hardware for Home Use	$7,734,027	$9,335,180	$1,601,153
Portable Memory	$119,739	$144,724	$24,985
Computer Software	$455,729	$551,520	$95,791
Computer Accessories	$676,232	$815,829	$139,597
Entertainment & Recreation	$112,911,218	$135,981,026	$23,069,808
Fees and Admissions	$24,866,082	$29,932,179	$5,066,097
Membership Fees for Clubs (2)	$8,900,627	$10,725,515	$1,824,888
Fees for Participant Sports, excl. Trips	$3,877,931	$4,658,534	$780,603
Tickets to Theatre/Operas/Concerts	$2,342,791	$2,821,372	$478,581
Tickets to Movies	$708,961	$855,150	$146,189
Tickets to Parks or Museums	$1,085,128	$1,306,749	$221,621
Admission to Sporting Events, excl. Trips	$2,161,505	$2,606,241	$444,736
Fees for Recreational Lessons	$5,766,505	$6,931,180	$1,164,675
Dating Services	$22,633	$27,437	$4,804
TV/Video/Audio	$34,256,656	$41,291,264	$7,034,608
Cable and Satellite Television Services	$19,039,124	$22,917,106	$3,877,982
Televisions	$3,991,023	$4,815,384	$824,361
Satellite Dishes	$29,263	$35,401	$6,138
VCRs, Video Cameras, and DVD Players	$140,609	$169,495	$28,886
Miscellaneous Video Equipment	$475,654	$574,964	$99,310
Video Cassettes and DVDs	$167,098	$201,521	$34,423
Video Game Hardware/Accessories	$1,200,807	$1,455,494	$254,687
Video Game Software	$546,792	$664,007	$117,215
Rental/Streaming/Downloaded Video	$4,584,288	$5,534,559	$950,271
Installation of Televisions	$53,262	$63,869	$10,607
Audio (3)	$3,980,523	$4,801,397	$820,874
Rental and Repair of TV/Radio/Sound Equipment	$48,214	$58,065	$9,851
Pets	$28,099,474	$33,827,158	$5,727,684
Toys/Games/Crafts/Hobbies (4)	$4,779,050	$5,763,819	$984,769
Recreational Vehicles and Fees (5)	$5,488,696	$6,592,790	$1,104,094
Sports/Recreation/Exercise Equipment (6)	$8,317,091	$10,010,473	$1,693,382
Photo Equipment and Supplies (7)	$1,833,736	$2,212,333	$378,597
Reading (8)	$4,177,055	$5,031,501	$854,446
Catered Affairs (9)	$1,093,379	$1,319,511	$226,132
Food	$307,933,040	$371,360,906	$63,427,866
Food at Home	$197,557,538	$238,197,913	$40,640,375
Bakery and Cereal Products	$25,455,147	$30,682,911	$5,227,764
Meats, Poultry, Fish, and Eggs	$42,064,990	$50,736,126	$8,671,136
Dairy Products	$18,801,257	$22,660,753	$3,859,496
Fruits and Vegetables	$40,340,665	$48,627,405	$8,286,740
Snacks and Other Food at Home (10)	$70,895,478	$85,490,717	$14,595,239
Food Away from Home	$110,375,503	$133,162,993	$22,787,490
Alcoholic Beverages	$19,104,829	$23,062,937	$3,958,108

Data Note: The Consumer Spending data is household-based and represents the amount spent for a product or service by all households in an area. Detail may not sum to totals due to rounding. This report is not a comprehensive list of all consumer spending variables therefore the variables in each section may not sum to totals.
Source: Esri forecasts for 2024 and 2029; Consumer Spending data are derived from the 2021 and 2022 Consumer Expenditure Surveys, Bureau of Labor Statistics.

February 04, 2025

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Retail Demand Outlook

749 Main St, Louisville, Colorado, 80027 2
749 Main St, Louisville, Colorado, 80027
Ring: 2.5 mile radius

Prepared by Esri
Latitude: 39.97757
Longitude: -105.13257

	2024 Consumer Spending	2029 Forecasted Demand	Projected Spending Growth
Financial			
Value of Stocks/Bonds/Mutual Funds	$1,438,583,301	$1,727,965,586	$289,382,285
Value of Retirement Plans	$4,724,424,171	$5,670,036,005	$945,611,834
Value of Other Financial Assets	$260,573,471	$312,915,986	$52,342,515
Vehicle Loan Amount excluding Interest	$88,600,526	$106,862,995	$18,262,469
Value of Credit Card Debt	$79,825,572	$96,142,572	$16,317,000
Health			
Nonprescription Drugs	$4,412,855	$5,315,787	$902,932
Prescription Drugs	$9,454,496	$11,378,690	$1,924,194
Eyeglasses and Contact Lenses	$3,395,870	$4,087,057	$691,187
Home			
Mortgage Payment and Basics (11)	$388,149,600	$465,729,169	$77,579,569
Maintenance and Remodeling Services	$132,263,333	$158,621,737	$26,358,404
Maintenance and Remodeling Materials (12)	$21,548,002	$25,830,503	$4,282,501
Utilities, Fuel, and Public Services	$151,464,652	$182,472,926	$31,008,274
Household Furnishings and Equipment			
Household Textiles (13)	$3,582,873	$4,322,028	$739,155
Furniture	$26,663,853	$32,129,184	$5,465,331
Rugs	$1,386,320	$1,667,843	$281,523
Major Appliances (14)	$15,384,523	$18,497,911	$3,113,388
Housewares (15)	$2,941,391	$3,543,936	$602,545
Small Appliances	$2,197,479	$2,654,979	$457,500
Luggage	$600,345	$723,673	$123,328
Telephones and Accessories	$2,678,959	$3,239,116	$560,157
Household Operations			
Child Care	$16,799,364	$20,238,193	$3,438,829
Lawn and Garden (16)	$18,726,820	$22,493,953	$3,767,133
Moving/Storage/Freight Express	$3,674,640	$4,434,951	$760,311
Housekeeping Supplies (17)	$23,865,861	$28,772,950	$4,907,089
Insurance			
Owners and Renters Insurance	$20,575,225	$24,707,040	$4,131,815
Vehicle Insurance	$54,019,954	$65,170,305	$11,150,351
Life/Other Insurance	$18,440,864	$22,170,259	$3,729,395
Health Insurance	$127,916,036	$153,944,041	$26,028,005
Personal Care Products (18)	$15,383,403	$18,564,725	$3,181,322
School Books (19)	$1,194,376	$1,442,481	248,105
Smoking Products	$10,136,573	$12,264,917	$2,128,344
Transportation			
Payments on Vehicles excluding Leases	$75,278,290	$90,742,735	$15,464,445
Gasoline and Motor Oil	$83,749,829	$100,981,491	$17,231,662
Vehicle Maintenance and Repairs	$38,761,199	$46,715,628	$7,954,429
Travel			
Airline Fares	$19,506,977	$23,503,655	$3,996,678
Lodging on Trips	$28,481,408	$34,283,451	$5,802,043
Auto/Truck Rental on Trips	$3,322,945	$4,005,747	$682,802
Food and Drink on Trips	$21,231,493	$25,584,937	$4,353,444

Data Note: The Consumer Spending data is household-based and represents the amount spent for a product or service by all households in an area. Detail may not sum to totals due to rounding. This report is not a comprehensive list of all consumer spending variables therefore the variables in each section may not sum to totals.
Source: Esri forecasts for 2024 and 2029; Consumer Spending data are derived from the 2021 and 2022 Consumer Expenditure Surveys, Bureau of Labor Statistics.

February 04, 2025

(1) Apparel Products and Services includes shoe repair and other shoe services, apparel laundry and dry cleaning, alteration, repair and tailoring of apparel, clothing rental and storage, and watch and jewelry repair.

(2) Membership Fees for Clubs includes membership fees for social, recreational, and health clubs.

(3) Audio includes satellite radio service, radios, stereos, sound components, equipment and accessories, digital audio players, records, CDs, audio tapes, streaming/downloaded audio, musical instruments and accessories, and rental and repair of musical instruments.

(4) Toys and Games includes toys, games, arts and crafts, tricycles, playground equipment, arcade games, online entertainment and games, and stamp and coin collecting.

(5) Recreational Vehicles & Fees includes docking and landing fees for boats and planes, payments on boats, trailers, campers and RVs, rental of boats, trailers, campers and RVs, and camp fees.

(6) Sports/Recreation/Exercise Equipment includes exercise equipment and gear, game tables, bicycles, camping equipment, hunting and fishing equipment, winter sports equipment, water sports equipment, other sports equipment, and rental/repair of sports/recreation/exercise equipment.

(7) Photo Equipment and Supplies includes film, film processing, photographic equipment, rental and repair of photo equipment, and photographer fees.

(8) Reading includes digital book readers, books, magazine and newspaper subscriptions, and single copies of magazines and newspapers.

(9) Catered Affairs includes expenses associated with live entertainment and rental of party supplies.

(10) Snacks and Other Food at Home includes candy, chewing gum, sugar, artificial sweeteners, jam, jelly, preserves, margarine, fats and oils, salad dressing, nondairy cream and milk, peanut butter, frozen prepared food, potato chips and other snacks, nuts, salt, spices, seasonings, olives, pickles, relishes, sauces, gravy, other condiments, soup, prepared salad, prepared dessert, baby food, miscellaneous prepared food, and nonalcoholic beverages.

(11) Mortgage Payment and Basics includes mortgage interest, mortgage principal, property taxes, homeowners insurance, and ground rent on owned dwellings.

(12) Maintenance and Remodeling Materials includes supplies/tools/equipment for painting and wallpapering, plumbing supplies and equipment, electrical/heating/AC supplies, materials for roofing/gutters, materials for plaster/panel/siding, materials for patio/fence/brick work, landscaping materials, and insulation materials for owned homes.

(13) Household Textiles includes bathroom linens, bedroom linens, kitchen linens, dining room linens, other linens, curtains, draperies, slipcovers and decorative pillows.

(14) Major Appliances includes dishwashers, disposals, refrigerators, freezers, washers, dryers, stoves, ovens, microwaves, window air conditioners, electric floor cleaning equipment, sewing machines, and miscellaneous appliances.

(15) Housewares includes flatware, dishes, cups glasses, serving pieces, nonelectric cookware, and tableware.

(16) Lawn and Garden includes lawn and garden supplies, equipment and care service, indoor plants, fresh flowers, and repair/rental of lawn and garden equipment.

(17) Housekeeping Supplies includes soaps and laundry detergents, cleaning products, toilet tissue, paper towels, napkins, paper/plastic/foil products, stationery, giftwrap supplies, postage, and delivery services.

(18) Personal Care Products includes hair care products, nonelectric articles for hair, wigs, hairpieces, oral hygiene products, shaving needs, perfume, cosmetics, skincare, bath products, nail products, deodorant, feminine hygiene products, adult diapers, other miscellaneous care products and personal care appliances.

(19) School Books includes school books for college, elementary school, high school, vocational/technical school, preschool and other schools.

Data Note: The Consumer Spending data is household-based and represents the amount spent for a product or service by all households in an area. Detail may not sum to totals due to rounding. This report is not a comprehensive list of all consumer spending variables therefore the variables in each section may not sum to totals.
Source: Esri forecasts for 2024 and 2029; Consumer Spending data are derived from the 2021 and 2022 Consumer Expenditure Surveys, Bureau of Labor Statistics.

February 04, 2025

City of Louisville
COLORADO • SINCE 1878

ECONOMIC VITALITY COMMITTEE

SUBJECT: STAFF UPDATES

DATE: FERUARY 21, 2025

PRESENTED BY: VANESSA ZARATE, CECD, ECONOMIC VITALITY MANAGER
AUSTIN BROWN, ECONOMIC VITALITY SPECIALIST

SUMMARY:
In the following, staff provides updates on recent activity related to economic vitality functions.

LRC Property Improvement Program
The Louisville Revitalization Commission approved their Property Improvement Program in 2024, with a $350,000 budget for 2025. This program is aimed at assisting with permanent, interior renovations to properties within the Highway 42 Urban Renewal boundary. The LRC recently received and approved their first application, for interior demo and remodel of 604 Main Street, Crystal Springs Brewing. Crystal Springs will be removing an interior wall to make better use/more usable space of the existing square footage.

IEDC Real Estate Development and Reuse
Economic Vitality Manager Vanessa Zarate was asked to be one of the instructors for this month's International Economic Development Council's Real Estate Development and Reuse course. She will be showcasing how to develop greenfield and adaptive reuse projects. There are currently over 50 participants signed up from 26 states, Puerto Rico and Canada.

Enterprise Zone Designation
The Enterprise Zone is a tax credit program offered to qualifying businesses through the Office of Economic Development and International Trade. The Enterprise Zone program was created by the Colorado legislature to encourage development in distressed areas of the state and the boundaries need to be re-evaluated every ten years. Louisville is in the North Metro Enterprise Zone and is working with our counterparts in the zone to re-evaluate eligible census tracts for inclusion or removal of the zone. Louisville Economic Vitality has submitted all eligible tracts for inclusion, to include all our commercial corridors. Each zone is capped at the number of people that are included in the included census tracts and we will continue to work with all our counterparts to include as much of Louisville in the new zone boundaries as possible.

DCI Metro Mobile Tour
Louisville will be one of the stops on this year's Downtown Colorado Inc's Metro Mobile Tour, along with Erie, Lafayette and Superior. The Economic Vitality teams are working with DCI staff to host a tour of the communities to highlight what is happening in our

downtowns, how we achieved our wins, anticipated new development and hurdles we might have faced. The tour is set for September 11th from 8 a.m. – 5 p.m. Please reach out to Manager Zarate if there are questions.

833 Main- Chase Parking Lot
The City is working with ownership of the building at 833 Main Street to lease some of the parking spaces for the year. There is a tenant that has moved into the building that will be using the building as is, and utilizing the front parking spaces right by the front door. The City is working with ownership to lease the spaces in the back of the building and those along Waterloo. We anticipate leasing the spaces starting mid-February throughout the year, unless property gets a new tenant or undergoes construction.

Upcoming Dates
- Thursday, February 27: Business Beat- South Boulder Road

ATTACHMENT(S):
None.

ECONOMIC VITALITY COMMITTEE

SUBJECT: DEVELOPMENT UPDATES

DATE: FEBRUARY 21, 2025

PRESENTED BY: VANESSA ZARATE, CECD, ECONOMIC VITALITY MANAGER

SUMMARY: UPDATE
In the following, Staff provides updates on recent activity related to construction and development. These updates are for the most frequently asked about sites and not for every site in a review process or under construction. All updates and timeframes are subject to change.

Site	Update
800-804 Main Street (former Wildwood Guitars)	No new updates. Some interested parties have toured the space.
809 Main Street (old Waterloo)	Project is continuing construction for the build-out of the restaurant space. There has been interest in the site, with multiple tours, but no LOI or leases signed to date.
816 Main Street (former Empire)	Staff is working with ownership and interested parties towards a sale. No contract or lease signed to date.
833 Main Street (former Chase)	The LRC has entered into a contract with Trestle Strategy Group to work with staff and the building owner on potential paths forward for the building. Staff is exploring options for leasing the back parking for the year.
1301 Courtesy Road (Delo Boom)	Delo Boom is working through City processes to construct 140 units of housing. The project will consist of studios through three-bedrooms and 13.5% affordable units.
950 Spruce Street	Construction has completed with the retail and office spaces currently being marketed for rent.
947 Pine Street (former gas station)	Plans call for renovation into Birdie Bar, an eatertainment use with a bar/restaurant and simulated (virtual) golf games. The project is under construction with a hopeful Summer 2025 opening.

1303 Empire Road (Ironton)	Ironton has approved plans for a new distillery and event center. Ironton is hoping to start construction Q1.
540 County Road (Louisville Grain Elevator)	The Grain Elevator has new owners that have engaged the City to turn the building into an activated space. Stay tuned.
1171 W Dillon Road (former Lowe's)	The New King Soopers Marketplace is currently in the City's planning process and has submitted a planned unit development for review, hoping to start construction 2025. This new King Soopers hopes to be open early 2026.
1164 W Dillon Road (Cinebarre)	University of Colorado has purchased the site and is currently working on public engagement for their plans for the site.
550 McCaslin Boulevard (former Sam's Club)	Relish broke ground on the construction on Friday, June 14th. Relish is planning to open indoor and outdoor pickle ball courts with a food hall. The food hall has building permits into the City for buildout and hopes to open Q2 2025.
575 McCaslin Boulevard (former Carrabba's)	Staff is working with the broker representation to market and attract a new user to the building. No lease signed to date.

If you would like to add a site to these updates, please let me know.

ATTACHMENT(S):
None.

From the Denver Business Journal:
https://www.bizjournals.com/denver/news/2025/01/07/sierra-space-ceo-steps-down.html

Manufacturing

Sierra Space CEO steps down

Sierra Space CEO Tom Vice poses for a portrait at the company's mission control space center on Feb. 18 in Louisville.
SETH MCCONNELL | DENVER BUSINESS JOURNAL

By Greg Avery – Managing Editor, Denver Business Journal
Jan 7, 2025 **Updated** Jan 7, 2025 9:13am MST

Listen to this article 3 min

The CEO of one of Colorado's biggest space companies stepped down last week and the Louisville-based business is being run by its billionaire co-founders as its ambitious space plane nears its first launch.

Tom Vice retired as top executive at Sierra Space last week. Fatih Ozmen and Eren Ozmen, a married couple who co-founded Sierra Space, are acting as interim CEO and president of the company, respectively, to "ensure a smooth transition" while the company identifies a new permanent CEO to replace Vice, it said in an emailed statement.

"… we thank him for his leadership and wish him well in his retirement," the company said. "Sierra Space has experienced substantial growth and success through several key defining points throughout its history, becoming a leader in the space industry with significant investments made since its inception."

Fatih Ozmen is Sierra Space's board chairman.

The company has developed the autonomous Dream Chaser space plane, which NASA has hired to handle seven cargo delivery missions to the International Space Station. It assembled the first Dream Chaser in Louisville and hired Vice to run the growing company in mid-2021.

Sierra Space CEO Tom Vice addresses hundreds of company workers in front of the first Dream Chaser space plane the company is readying truck out of its Louisville space flight and production center. Sierra Space celebrated the spacecraft's completion Oct. 30, 2023, ahead of the Dream Chaser's departure to a NASA testing facility.
GREG AVERY

The Ozmens had just spun Sierra Space out of its larger, privately held military defense contracting business, Sierra Nevada Corp., based in Sparks, Nevada.

Making Sierra Space a standalone business allowed the company to attract the backing of major investors interested in its Dream Chaser space vehicle and the space station technologies Sierra Space is developing. Some of that tech is being designed for use on the Orbital Reef private space stations, a project Jeff Bezos' Blue Origin plans to place into orbit later this decade.

The first Dream Chaser, known as Tenacity, has been tested at NASA's Neil Armstong Test Facility in Ohio and is expected to be launched from Florida on its first ISS cargo resupply mission by this summer.

At of the start of 2024, the company had just over 1,300 employees in its metro-area offices in Louisville and Broomfield locations and offices in Centennial. It employed about 2,200 companywide and maintains locations in Wisconsin, Virginia and North Carolina.

Vice joined Sierra Space with nearly 35 years of experience in defense and space manufacturing, most recently as president of aerospace systems at Northrop Grumman and as leader of Aerion Corp., which was developing supersonic civilian passenger planes.

Under Vice's leadership, Sierra Space hired hundreds of people and expanded its business to include satellite manufacturing and automated solar panel production.

He spoke frequently about Sierra Space's reusable space plane and its development of private space stations being transformative.

"I deeply believe in our mission to build a platform in space to benefit life on Earth," Vice told the Denver Business Journal in November. "[In the orbital age], we will completely redefine the human experience in hospitality, tourism, sports and entertainment, and open space to millions as a new destination to explore, vacation and learn."

THE LIST

Denver- area Aerospace Companies

Total Denver-area employees as of Jan. 1, 2024

Rank	Prior Rank	Business name
1	**1**	Lockheed Martin
2	**2**	BAE Systems Space & Mission Systems
3	**3**	Raytheon Mission Solutions & Payloads

View This List

From the Denver Business Journal:
https://www.bizjournals.com/denver/news/2025/01/10/colorado-bioscience-economic-grant-cuts.html

Technology

Trade group sounds alarm over potential cuts to Colorado business grants

State lawmakers will debate budget allocations for business programs and more this spring.

The skyline of downtown Denver.
SETH MCCONNELL | DENVER BUSINESS JOURNAL

By Analisa Romano – Senior Reporter, Denver Business Journal
Jan 10, 2025

Listen to this article 5 min

An expected state budget deficit could shrink a program aimed at supporting Colorado businesses this year.

The Colorado Bioscience Association warned that the state's anticipated budget deficit in the 2025-26 fiscal year — estimated by state economists reach as high as $750 million — could create a harmful gap in economic development programs.

Top among the group's concerns is the Advanced Industries Accelerator Program, a grant program that supports startups in industries like software, aerospace and bioscience with awards that typically range from about $100,000 to $500,000.

The grants have been a lifeline for many Colorado life science innovators, particularly in their efforts to reach milestones like federal clearance for medical products or bringing them to market, said Elyse Blazevich, CEO of the Colorado Bioscience Association.

Blazevich said her group has been in discussions with the Colorado Office of Economic Development and Trade (OEDIT) about potential cuts to its programs. Cuts to the Advanced Industries program are on the table as temporary solutions to help with the immediate budget shortfall, she said.

For the next fiscal year, the budget allocation request for OEDIT stands at $63.6 million, compared to $65.7 million in the current year, according to a budget schedule from the Governor's Office.

The proposal calls for keeping more income tax withholding and limited gaming revenue — the revenue sources for the Advanced Industries program — in the General Fund to rebalance the budget.

This year, that revenue contributed to $11.8 million for the Advanced Industries program. Next year, a total of $9.4 million is proposed to be allocated to the program, according to figures from the Governor's Office.

OEDIT estimates that the program should be restored to full funding after two years.

"During a tight budget environment, the administration's budget proposal continues this important program, supporting the industry and Colorado’s strong economy," said OEDIT Executive Director Eve Lieberman in a statement. "We are committed to continuing that support through programs like the Advanced Industries Accelerator program so we can create good-paying jobs for Coloradans and grow industries that will enable us to thrive into the future.”

The Bioscience Association is urging state lawmakers, particularly those on the Joint Budget Committee, to find innovative ways to stave off even temporary cuts. The governor's budget proposal must first be approved by state legislators this spring before final allocations.

"We know that it's incredibly capital intensive to bring a single product to market, and so pulling this critical source of funding [...] for any one of these companies could ultimately end up in that company not surviving, worst case scenario," Blazevich said.

Since the program's inception in 2013, it has helped recipients raise $3.4 billion in follow-on capital and helped to create and retain close to 12,000 jobs, according to OEDIT.

"They fully recognize the value of this program," Blazevich said of leaders at OEDIT. "They know the ROI that it drives, and they want to see the program continue as well."

Colorado's advanced industries account for nearly a third of the state's total wage earnings and sales revenue, according to figures provided by OEDIT.

In the most recent round of Advanced Accelerator grants announced in November, 13 of 19 are linked to the life sciences industry. An example is Denver-based Secure Closure Inc., which developed a device for heart procedures.

The Bioscience Association points to statewide capital fundraising as more evidence of the need to continue supporting an industry that shows signs of maturing.

Colorado life sciences companies raised $2.15 billion in 2024, marking the second time that companies collectively crossed the $2 billion fundraising threshold in the last four years, according to an announcement from the Colorado Bioscience Association in December.

"As the community evolves and matures, we're seeing companies advance through later stage milestones and reach positive clinical data that's contributing to the ability for those companies to go public and then do follow-on rounds for post-IPO debt and equity," Blazevich said.

She listed capital raises in 2024 such as Boulder-based Enveda's $130 million in November, $55 million for Louisville-based Biodesix and $240 million for Boulder-based Edgewise Therapeutics as evidence of a growing and maturing bioscience ecosystem.

THE LIST

Largest Denver-Area Biotechnology/Bioscience Cos.

FTEs companywide

Rank	Prior Rank	Company name
1	1	Medtronic
2	2	Pfizer Inc.
3	3	Terumo Blood and Cell Technologies

View This List

JANUARY 10, 2025 | 3:21:47 PM

Preliminary results show sales boost for Biodesix

Biodesix headquarters. Courtesy Koelbel and Co.

By BizWest Staff

LOUISVILLE — Biodesix Inc. (Nasdaq: BDSX), a life-sciences company that specializes in developing tools to detect lung disease, reported its preliminary, unaudited revenue results this week for the fourth quarter and full 2024 fiscal year, both of which show improvement.

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Silicon Flatirons: Regulation in the Wild West of space

Downtown Greeley to celebrate "Freezy Daze" event on Saturday

Senate confirms Colorado oil, gas CEO as energy secretary

CALENDAR

4 FEB The State of Broomfield – Annual Meeting

6 FEB Coffee Talk – First Thursday of Every Month!

14 FEB Loveland's Annual Valentine's Day Group Wedding & Vow Renewal Ceremony

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For the fourth quarter of last year, Biodesix reported sales of $20.4 million, up 39% compared with the same period in 2023. The company posted full-year sales of $71.3 million, up 45% year over year.

“Biodesix capped off a strong fourth quarter and 2024, successfully delivering on our three key initiatives. We grew revenue for both our Lung Diagnostics tests and our Biopharma Services, implemented operational efficiencies, and made progress on our path to profitability through our cost-disciplined approach,” Biodesix CEO Scott Hutton said in a prepared statement.

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LATEST HEADLINES

Louisville city manager candidates talk about economic vitality at event

By **ANDREA GRAJEDA** | agrajeda@prairiemountainmedia.com | Prairie Mountain Media

UPDATED: January 24, 2025 at 9:36 AM MST

More than 60 residents heard from four Louisville city manager job finalists about their thoughts for the local business community and economic revitalization at an event Wednesday.

Residents could speak to the candidates one-on-one at the event, and many residents said they want a city manager who actively listens to them, as they said they are the ones who love the community and can provide valuable information on how to address issues.

The four candidates, Jay Harrington, Diana Langley, Jason Rogers and Sara Ott, shared their visions for Louisville at the event. The four are currently doing similar jobs elsewhere – Harrington is the county manager in Routt County; Langley is the city manager in Yuba City, Calif.; Ott is the city manager in Aspen; and Rogers is the city manager in Commerce City.

Harrington said there are not many towns left in Colorado that have a Main Street that is not the state highway. Those that do – including Louisville – can shut down the main drag to hold community events.

"(Louisville) is a pretty unique community and opportunity," Harrington said.

Harrington said balancing growth while helping maintain small-town charm is always a challenge in a place like Louisville, but he said wants to work to create that balance, if he gets the job.

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Langley said it is Louisville's sophistication and small-town charm that drew her toward wanting to serve the community. She said several residents have mentioned that they want the city to improve its economic development activities. To address that, Langley said she wants to help develop a new program to help fill vacant storefronts. She said the city already has programs to aid new and existing businesses as well.

In a Louisville resident survey, residents highlighted that they want businesses within the city that meet their needs, Langley said. She said she would want to ensure that could be made possible.

Rogers said Louisville truly has a sense of community that he does not see often. He said it seems that neighbors care about each other, and he sees that some families have been in Louisville for generations.

"What can the city do to help support the continued evolution of the generations to come?" Rogers asked, rhetorically.

Rogers also pointed to wanting to help the city leverage opportunities for economic vitality. He said the city needs to revitalize the McCaslin Boulevard corridor to bring in more businesses and to ensure that the business community thrives.

Ott said that while she does not have all the answers toward a solution, the city's tax base needs to be looked at in regards to the city's long-term planning. She said there is a large reliance on taxes from online sales, and she would want to diversify that sales base.

"How do you get ahead, so that the property tax questions don't necessarily have to come to the local residents?" Ott asked.

Hiring a new city manager is one of the most important decisions the council gets to make, Councilmember Dietrich Hoefner said at the event. The council will meet Monday to select one candidate for the job and to negotiate a contract. The city manager's start date also is expected to be decided at the Monday meeting.

The advertised salary range for the job is between $232,459.22 to $330,186.98, according to Louisville Communications Manager Grace Johnson. It appears that the salary is similar to that of city managers in neighboring Lafayette, where the city manager make $210,000, according to public information on a government website; and Erie, where the city manager also made 211,036 when retirement benefits are included as of 2020, according to public information on a government website.

Former City Manager Jeff Durbin was placed under administrative leave in June 2024 after a council executive session, a confidential meeting. The topic for the session, stated in the agenda, was to discuss personnel matters involving an employee appointed by the council.

In July 2024, Durbin offered to resign from his role, and the council accepted the resignation. No formal reason for his resignation has been provided from the city. The council appointed Samma Fox, the former deputy city manager, as interim city manager after Durbin's resignation.

Originally Published: January 23, 2025 at 3:00 PM MST

LATEST HEADLINES

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Louisville gets Council's input on potential land use changes ahead of Comprehensive Plan update

The Louisville City Council discussed how to preserve the city's character while improving business vitality during a discussion on the Future Land Use Plan. (Matthew Jonas/Staff Photographer)

By **ANDREA GRAJEDA** | agrajeda@prairiemountainmedia.com | Prairie Mountain Media
UPDATED: January 27, 2025 at 2:07 PM MST

Ahead of the final draft of the Louisville Comprehensive Plan update, the Louisville City Council has provided staff feedback on future land use for key areas in the city. The draft and final plan is set for this summer.

Planning Manager Jeff Hirt said at the council's Tuesday meeting that the goal of the session was to get the council's input on the Future Land Use Plan, as it is one of the most foundational aspects of the city's Comprehensive Plan.

"It's a very Louisville-specific balance we are looking for," Hirt said.

Jessica Garrow, planner with Design Workshop, a firm the city hired to help shape the Comprehensive Plan, said community feedback on future land use for the city highlighted preserving community character, environmental sustainability, transportation, open space, preserving community amenities like the senior center, civic leadership and economic vibrancy.

Alison Cotey, planner with Design Workshop, said the city's population is aging and decreasing, as families are being priced out of Louisville, which is putting the city's sense of community at risk. She added that there are not many residents who both live and work in the city.

Cotey and Garrow presented three scenarios the city could pursue in regard to future land use. One scenario would see the city stay as is, another would push toward promoting a variety of housing types throughout the city and another would emphasize seeking ways to increase both jobs and housing in the city.

Chloe Cashdollar, left, her sister Silvie, right, and mother, Haley, celebrated the New Year a little early with dancing and balloons at the Louisville Public Library on Dec. 31, 2024. Officials say the city's population is aging and decreasing, as families are being priced out. (Cliff Grassmick/Staff Photographer)

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00:00 02:00

Cotey said that while residents were in favor of high-density housing, there are concerns over how to balance new growth, while also maintaining the city's character.

Councilmember Dietrich Hoefner said downtown Louisville is one of the most beloved areas of the city, but the city's current zoning does not allow creation of similar environments in other parts of Louisville. He said the city should "legalize Main Street," and allow other commercial districts to have dense retail space, which helps foster a sense of community.

Many Louisville residents are in favor of high-density housing, but there are also concerns over how to balance new growth, while also maintaining the city's character. (Cliff Grassmick/Staff Photographer)

"Why don't we allow that kind of development that we really like in other commercial districts and allow folks the flexibility to build what makes sense, rather than having overly prescriptive design guidelines?" Hoefner asked.

The council also addressed how to revitalize areas such as the McCaslin Boulevard corridor, making neighborhoods more walkable and adding affordable and senior housing.

Staff and Design Workshop planners will begin drafting the Comprehensive Plan in July, with more opportunities for public comment throughout the summer. The council will continue to discuss the Comprehensive Plan and Future Land Use Plan at upcoming meetings.

Originally Published: January 25, 2025 at 2:00 PM MST

LATEST HEADLINES

SUBSCRIBER ONLY

Louisville chooses candidate for city manager position

By **ANDREA GRAJEDA** | agrajeda@prairiemountainmedia.com | Prairie Mountain Media

UPDATED: January 28, 2025 at 6:04 PM MST

The Louisville City Council chose a candidate from California for its city manager job on Monday and plans to work on employment agreement negotiations.

The council unanimously agreed to conditionally approve Diana Langley for the job, pending employment agreement conditions and a contract. Mayor Chris Leh and Councilmember Judi Kern will help City Attorney Kathleen Kelly negotiate the contract.

The council plans to approve the employment agreement contract at a future meeting. Interim City Manager Samma Fox is expected to return to her role as deputy city manager once Langley is formally appointed. Langley is currently the city manager in Yuba City, Calif.

The advertised salary range for the job was $232,459.22 to $330,186.98, according to Grace Johnson, Louisville communications manager. The salary will be part of contract negotiations with the council.

During the Monday meeting, Leh said that while the council approves and sets policies, city staff is in charge of enforcing and following those policies. Leh said that the city manager ensures the city runs smoothly. He was looking for a leadership style that would motivate and empower staff to do their best work, who can learn from their mistakes and can collaborate with the council.

“The decision of who to hire as city manager is probably the single most important decision a council can make,” Leh said.

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00:00 02:00

The council all agreed that all four candidates interviewed for the role were highly skilled and qualified and would all fit in with the city.

Residents were able to meet and chat with the candidates during an event Jan. 22. The council interviewed the candidates the next day. Candidate Jason Rogers withdrew Jan. 24 for reasons not shared.

Kern said choosing a candidate has been a “lovely, difficult decision.” Kern and Councilmember Barbara Hamlington said Langley’s calm and tactical leadership style will be a great fit for the city.

Councilmember Josh Cooperman said it is important to him to get a city manager that the city staff prefers, as the staff will be the ones primarily interacting with the person. He said he appreciates Langley’s experience as a civil engineer, and that she worked her way up to being a city manager. He said this gives her deep knowledge about what it is like to be a staff member.

Councilmember Dietrich Hoefner said all of the candidates were great, but Langley stood out to him. He said interviewing Langley was like interviewing someone who already lives in Louisville and understands the city.

Originally Published: January 28, 2025 at 12:04 PM MST