



# Town of Johnstown

[REDACTED]

Project [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

Dear [REDACTED],

The purpose of this letter is to offer support for the location of Project [REDACTED] within the Town of Johnstown, Colorado. The Town of Johnstown has experienced continued growth and success in attracting major retailers, employers, and residents to our community through strategic public-private partnerships and competitive leveraging of assets.

Below is the proposed incentive package the Town is offering for consideration. Please be aware all incentive packages require and are subject to the execution of an incentive agreement that is at the discretion and approval of the Town Council.

- The Town will provide a personal property tax rebate for a term of up to 10 years.
  - Up to a 10-year term; 75% rebate per year
  - Potential revenue analysis based on a \$28,500,000 new machinery/equipment investment and a 10-year term:

Machinery/Equipment Investment	\$ 28,500,000.00
Larimer County Assessment Rate (29%)	\$ 8,265,000.00
Taxes collected by Johnstown over 10-year period (23.947 mill)	\$ 1,092,529.00
<b>Potential rebate to Project [REDACTED] over a 10-year period</b>	<b>\$ 819,397.00</b>

*\*Please note this analysis is an assumption based on 2021 depreciation schedule and of the Personal Property estimates Project [REDACTED] provided.*

- The Town will provide a onetime 50% rebate for new manufacturing machinery/equipment purchases made within the first 5 years of the facility becoming operational.
  - The Town will require Project [REDACTED] to request this incentive each year to Council and an incentive agreement to be executed prior to the funds being rebated.
  - Potential revenue analysis based on YR 2-6 new machinery/equipment investment:  
**Potential rebate to Project [REDACTED] \$211,811.**

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	Estimated New Machinery/Equipment Purchases	Taxes Collected by Johnstown (23.947 mill)	*Rebate to Project
YR 2	\$ 16,500,000.00	\$ 114,586.40	\$ 57,293.20
YR 3	\$ 14,500,000.00	\$ 100,697.14	\$ 50,348.57
YR 4	\$ 10,000,000.00	\$ 69,446.30	\$ 34,723.15
YR 5	\$ 10,000,000.00	\$ 69,446.30	\$ 34,723.15
YR 6	\$ 10,000,000.00	\$ 69,446.30	\$ 34,723.15

*\*Please note this analysis is an assumption based on the Personal Property estimates Project provided for Years 2-6.*

- The Town will provide a onetime 50% reduction on the building permit fee. Building permit fee does not include costs associated with building plan submittal/review, water/sewer connection fees or dedication requirements, and impact fees.
  - New building construction est. \$28,000,000, building permit fee \$107,809
  - **Potential cost savings estimate for Project \$53,905**
- **Total Town of Johnstown Incentive Package Value \$1,085,113.00**
- The Town will also serve as a liaison to identify all potential local, county, and State incentives available to your business and assist in petitioning the requests. Available incentives and resources may include but are not limited to:
  - [Redacted] of 1% Use Tax
    - Property Owners may reimburse Project 1% on the Use Tax fee that is collected by the Town and paid to the property owners.
  - Larimer County Personal Business Property Tax Rebate
    - Up to a 5-year term; maximum 25% rebate per year
    - Potential 25% rebate based on a \$28,500,00 new machinery/equipment investment and a 5-year term: **\$175,407**
  - Larimer County Economic and Workforce Development (LCEWD)
    - LCEWD provides a broad menu of customized labor services to employers - most at NO CHARGE. Services include: job posting, employee recruitment, screening and referrals, work-based learning services, job fairs, wage analysis, etc. Through their Elevate business training program, LCEWD offers leadership, communication, and human resources training solutions. The work-based learning program provides employers an opportunity to offset labor costs during

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the training period through subsidized internship. Federal tax credits may also be available for hiring a variety of special category job applicants. LCEWD can determine if applicants meet federal guidelines and assist in program administration.

- Colorado State University (CSU)
  - CSU is committed to engaging and collaborating with the regional business community to improve and advance our community. Specifically, through the Infectious Disease Research Center (IDRC), CSU provides a safe, secure, state of art facility for university investigators, government scientists and industry representatives to collaboratively research the basic biology, biochemistry, molecular biology and epidemiology of bacteria and viruses that cause human and animal diseases. The IDRC provides the highest quality research environment for developing new scientific discoveries, vaccines, methods of diagnosis, and therapeutic agents for infectious agents. Colorado State University is among the world's leaders in researching West Nile Virus, drug-resistant Tuberculosis, Yellow Fever, Dengue, Hantavirus, Plague, Tularemia and other diseases.
- Front Range Community College (FRCC)
  - As leader in workforce training programs, FRCC can assist with training needs by aligning effective industry practices with their academic resources. Courses focus on meeting strategic business goals to improve individual, team and organizational performance and are offered on campus, in your business or online. FRCC also supports businesses in the development and administration of nationally recognized apprenticeship training programs and offers career services to effectively recruit students.
- OEDIT: Job Growth Incentive Tax Credit
  - Up to 50% credit of FICA per net new job for up to 8 years
  - Estimated value will depend on average annual wage of net new employees
- OEDIT: [Colorado Skill Advance Program](#) assists businesses in creating customized job training for new or existing employees.
  - The Colorado First grant funds can assist in training net new hire for businesses relocating or expanding in Colorado.
  - The Existing Industry grant funds can assist in upskilling current workforce and training them on adapting new technology.
  - Program Administered through Front Range Community College
    - Average grant award of \$75,000

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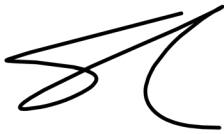
- Application period: July to March

Should the Town grant the proposed incentives Project [REDACTED] agrees to:

- Locate within the Town of Johnstown
- Create a minimum of 250 jobs within 6 years from operational start date
- Additional metrics and performance measures may be identified in the execution of the Incentive Agreement.

The Town of Johnstown is eager to work with Project [REDACTED] and welcome them to our community. Please let us know how the Town can be of service and if any additional information is needed.

Regards,



Sarah Crosthwaite  
Economic Development Manager  
Town of Johnstown

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