



City of Longmont and Longmont Economic Development Partnership Primary Employer Incentive Programs

The City of Longmont has a well-established history of facilitating new job growth to enable the continual improvement of the community's prosperity and quality of life. In order to attract new jobs within the highly competitive Front Range of Colorado, Longmont has established several primary job growth and development incentive programs. These incentives are offered to new or expanding employers who pledge to make a new or renewed investment in Longmont.

What is a primary job?

A primary job is a full-time equivalent position (FTE) in a company or firm which derives the majority of its sales/income from outside the Boulder County region.

How is a company eligible for the primary employer incentive programs?

The program is intended to provide existing employers which are expanding or employers new to Longmont with a tangible benefit associated with choosing Longmont over other locations that are under consideration. The program is generally discussed with the employer prior to the signing of a lease and/or purchase of property.

How do primary employers initiate a request for an incentive?

The City has a fully developed partnership with the Longmont Economic Development Partnership which works with employers that are considering Longmont. The Longmont Economic Development Partnership and the City will work directly with companies to discuss their eligibility for the program.

What are the requirements to take part in the incentive programs?

The programs are all based on ordinances that have been adopted by the Longmont City Council. To be considered for any incentive, a company will have to provide:

- At least 10 net new FTE positions within two years
- Pay an average wage for the positions of at least 105% above the Longmont average wage (\$53,856). (The average full-time wage in Longmont is approximately \$51,292)

(For applicants receiving either State of Colorado or county economic development incentives for the project under consideration, the required average wage level shall be at least five percent above the average wage for the county where the business is located, instead of five percent above the average wage for Longmont.)

How are the incentives granted and administered?

Incentives are granted via a written agreement between the City of Longmont and the employer. Incentive amounts under \$75,000 may be approved administratively by City of Longmont staff and all incentive amounts over \$75,000 must be approved by the Longmont City Council. Employers and the City agree on a time period to achieve the planned job growth. The payments to employers are typically in the form of rebates of fees/taxes paid.

Summary of Primary Employer Incentives

Development Fee Rebates

This program enables new and expanding primary employers to receive a rebate of permit fees and City sales taxes collected in association with the construction of new space or buildings. Fees eligible for rebate include: building permit/plan review and City sales tax (2% which is the unrestricted portion of the total sales tax). The fees/taxes are paid at the time a building permit is issued and are rebated to the employer when a certificate of occupancy is issued.

Personal Property Tax Rebates

This program allows a 50% rebate for each of four years, of the City's portion of personal property taxes for new and expanding primary employers.

Primary employers may choose between the Development Fee Rebate or the Personal Property Tax Rebate programs. Incentives may not be granted from both programs.

R&D Sales and Use Taxes

New businesses are exempt from paying the City 3.53% sales and use tax on the purchase and use of measurement and inspection equipment or research and development equipment for the first two years. Employers can apply for an additional three years of sales and use tax rebates at any time during the life of the employer in Longmont, as long as it meets the FTE job creation and salary requirements of the program.

Manufacturing Equipment

Exempts the employer from paying the City 3.53% sales and use tax on the purchase and use of machinery and machine tools with a cost in excess of \$1,000 to be directly used in Longmont.

Priority Review for Economic Development Projects

The City of Longmont and the Longmont Economic Development Partnership provide a variety of economic incentives for primary employers. One of those incentives includes the moniker of "Priority Project". A project deemed a priority will be regarded in the development system as a prime concern for both staffing assignments and process time in which a priority project may take precedence over other projects in the system upon evaluation of the current project load and schedule.

For more information and to initiate the application process, please contact Jessica Erickson, Longmont Economic Development Partnership, 303-651-0128 / jessica@longmont.org, and Shawn Lewis, City of Longmont, 303-651-8760 / shawn.lewis@longmontcolorado.gov.