



## PUBLIC HEARING AGENDA ITEM

<b>DATE OF PUBLIC HEARING:</b> April 18, 2017
<b>SUBJECT:</b> Incentive Agreement with New Deal Deicing
<b>FROM:</b> Norman Wright, Director of Community & Economic Development Kristin Sullivan, Deputy Director of Community & Economic Development
<b>AGENCY/DEPARTMENT:</b> Community & Economic Development Adams County Economic Development
<b>HEARD AT STUDY SESSION ON:</b> July 2016
<b>AUTHORIZATION TO MOVE FORWARD:</b> <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
<b>RECOMMENDED ACTION:</b> That the Board of County Commissioners Approve an Incentive Agreement with New Deal Deicing

### **BACKGROUND:**

New Deal Deicing is a Denver based company specializing in the manufacturing and distribution of Solid Runway Deicer for airports. New Deal Deicing currently offer Aerospace Materials Standards (AMS) certified NEWDEAL Sodium Formate / Sodium Acetate Blend Solid Airfield Deicer that meets current Federal Aviation Administration (FAA) regulations. Designed for airport users, NEWDEAL Runway Deicer is a non-chloride, low corrosion, environmentally friendly deicer that can be utilized as a long-term anti-icer or de-icer on any Aircraft Operations Area (AOA) pavement surface. The company intends to build a manufacturing and distribution facility to grow and expand their operations.

In July 2016, Adams County Economic Development negotiated an incentive offer to New Deal Deicing. Their site selection process concluded with Front Range Airport as their preferred location.

The company plans to make a \$5,000,000 capital investment in the project, retain three employees, and add eight new employees. The average salary for these jobs is \$50,000, which is above the county average wage. Under the County's incentive matrix, this deal would qualify for a business and personal property tax rebate for six years in the amount of 50% of taxes paid. ACED has recommended that this be deemed a project of significance, which would qualify it for a 100% rebate of business personal property taxes paid over a five-year period. This recommendation is based on the catalytic nature of the project and its potential for attracting additional investment to Front Range Airport. This incentive is performance based and will only be paid to the company if the capital investment and job creation occurs as outlined in the agreement. It is also only paid as a rebate of actual taxes paid, therefore reducing risk to Adams County in the event that anything changes with the project.

**AGENCIES, DEPARTMENTS OR OTHER OFFICES INVOLVED:**

Adams County Economic Development  
County Attorney's Office

**ATTACHED DOCUMENTS:**

Resolution  
Incentive Agreement

**FISCAL IMPACT:**

Please check if there is no fiscal impact ☒. If there is fiscal impact, please fully complete the section below.

**Fund: 01****Cost Center: 7051**

	<b>Object Account</b>	<b>Subledger</b>	<b>Amount</b>
Current Budgeted Revenue:			
Additional Revenue not included in Current Budget:			
<b>Total Revenues:</b>			<hr/>

	<b>Object Account</b>	<b>Subledger</b>	<b>Amount</b>
Current Budgeted Operating Expenditure:			
Add'l Operating Expenditure not included in Current Budget:			
Current Budgeted Capital Expenditure:			
Add'l Capital Expenditure not included in Current Budget:			
<b>Total Expenditures:</b>			<hr/>

**New FTEs requested:** ☐ YES ☒ NO

**Future Amendment Needed:** ☐ YES ☒ NO

**Additional Note:**

The company has not yet built the facility and therefore no tax liability has been created yet. The first year this agreement would be payable is 2019; therefore the estimated incentive payment will be included in the annual budget for that year and for each year thereafter. No budget amendment for 2017 is needed.