

Job Creation Performance Incentive Fund

Purpose

The Job Creation Performance Incentive Fund (PIF) provides a performance-based incentive payment to qualifying companies that have created net new full-time permanent jobs (jobs) paying above average wages. The program is designed to support and encourage new business development, business expansions and relocations that have generated new jobs throughout the State.

Funding Source

New Jobs Incentive Cash Fund.*

The State's Role

The Colorado Office of Economic Development and International Trade (OEDIT) provides administrative support for the Colorado Economic Development Commission (EDC). The EDC has oversight authority for this program. The OEDIT's Business Finance Staff will facilitate the application review/disbursement process generally within 60 business days after receipt of an application.

Requirements

After maintaining its net new full-time permanent jobs for one year, an employer may submit an incentive application. The first month in which an application (incorporating these guidelines and the Incentive Tables below) may be submitted is November 2008. Incentives will be awarded to applicants in the order in which the EDC receives complete, accurate and eligible applications (first come, first served) until all program funds have been expended. Eligible applications that are received after funds have been expended will be placed first in line until new funding is available.

Employers located in an enterprise zone must hire at least five net new full-time permanent jobs within six months and employers located in a non-enterprise zone must hire at least 10 net new full-time permanent jobs within six months. Businesses with multiple locations within Colorado may combine locations to meet the minimum job creation requirements as long as all jobs are hired within the same six month period. If one or more of the businesses' locations are in a non-enterprise zone, the minimum job creation requirement is 10 net new full-time permanent jobs.

Net new full-time permanent jobs are those jobs that are in addition to the businesses' three year full-time employee average (from the preceding three years).

If a business is affiliated with a parent company or subsidiary that is also located in Colorado, the net new full-time permanent jobs must be in addition to a three-year average of all Colorado Affiliated entities. In addition, if a business has multiple locations, the net new full-time permanent jobs must be in addition to a three-year average of all Colorado locations.

The employer must maintain all of the net new full-time jobs for at least one year in order to claim the incentive.

Incentive Tables

The following tables reflect potential incentive levels based on the annual average wage rate of net new full-time permanent jobs compared to the county average wage rate (county source: QCEW Annual Tables provided by the Dept. of Labor and Employment). The annual average wage rate calculation does not include benefits.

Enterprise Zone	
Average Wage Rate %	\$ Incentive/ Eligible Job
100%	\$1,500
110%	\$2,500
120%	\$3,500
130% or >	\$4,500

Non-Enterprise Zone	
Average Wage Rate %	\$ Incentive/ Eligible Job
110%	\$2,000
130%	\$3,000
150% or >	\$4,500

Process

Businesses should review the state's Website for specific requirements and application instructions beginning in November 2008.

The OEDIT Business Finance Staff will facilitate the application review/disbursement process generally within 60 business days after receipt of a complete application.

A business can submit multiple applications as long as they meet the program requirements.

Businesses already receiving an incentive from the EDC may not receive an incentive from the Job Creation Performance Incentive Fund for the same net new full-time permanent jobs.

*An amount equal to 15% of each annual allocation will be used by the Commission to award performance-based incentives to employers who open a business or expand or relocate an existing business from an out-of-state location and create new jobs in an enterprise zone that is not within the counties of Denver, Boulder, Douglas, Arapahoe, Jefferson or Broomfield.