

AGENDA ITEM SUMMARY

City Council



STAFF

SeonAh Kendall, Director, Economic Sustainability
Tyler Menzaes, Senior Manager, Economic Sustainability
Carisa Clinton, Senior Grants Analyst

SUBJECT

First Reading of Ordinance No. 148, 2025, Making Supplemental Appropriation of Colorado Office of Economic Development and International Trade for the Colorado CHIPS Community Support Program Marketing Grant Funds in the General Fund.

EXECUTIVE SUMMARY

The purpose of this item is to appropriate \$25,000 of unanticipated revenue from the Colorado Office of Economic Development and International Trade for the Colorado Creating Helpful Incentives to Produce Semiconductors (CHIPS) Community Support Program Marketing grant. This grant provides funding to the Economic Health Office for marketing and promotional activities targeted at semiconductor ecosystem companies and advanced industries.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

BACKGROUND / DISCUSSION

Colorado General Assembly adopted HB23-1260 on May 2023 to create a state income tax credit opportunity for businesses in semiconductor and advance manufacturing, as well as creation of CHIPS Zones, for eligible businesses within a geographical area. With the adoption of Resolution 2023-052, Fort Collins proposed the first CHIPS Zone to encourage and support investments in semiconductor manufacturing.

Colorado and particularly the Front Range is among a handful of places in the U.S. with a strong concentration of semiconductor manufacturing and design. In late 2023, the Colorado Office of Economic Development & International Trade (OEDIT) announced the creation of the Colorado CHIPS Community Support Program to spur investment in semiconductors and other advanced technologies in the state. To support future growth, OEDIT launched three grant programs to spread the development of semiconductor and advanced industry ecosystems across the state, including a competitive process to award marketing grants (Marketing Grants to tribal and local governments).

The City's Economic Health Office applied for a Marketing Grant, for which OEDIT awarded \$25,000 to the City to perform marketing efforts to raise awareness of the local community to stakeholders in the semiconductor and advanced industries outside of Colorado to attract new businesses and increase

semiconductor production within our region. The marketing activities that are planned include bringing awareness to local companies in the semiconductor industry, which includes research and development, as well as manufacturing.

CITY FINANCIAL IMPACTS

This item authorizes the City Manager to accept the grant and obligate the City to comply with the terms and conditions of the grant of the award and appropriates \$25,000 in unanticipated revenue and authorizes expenditures against those revenues for the purpose of providing promotional activities by the Economic Health Office towards attracting semiconductor ecosystem companies and advanced industries to the City.

The Marketing Grant is reimbursement based, meaning General Fund expenses will be reimbursed for eligible expenses incurred up to \$25,000.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

None.

PUBLIC OUTREACH

None.

ATTACHMENTS

1. Ordinance No. 148, 2025