

\$9.6 MILLION IN INCENTIVES

State looks to land aerospace, defense jobs

3 of 5 companies look at Arapahoe County

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The Colorado Economic Development Commission on Thursday approved \$9.6 million in state incentives for five aerospace companies planning to create 741 net new jobs as they expand or establish new operations in metro Denver.

The new positions are high-paying, with average salaries ranging from \$102,000 to \$151,000. The incentives, mostly state tax credits, average \$12,980 per job created.

Beehive Industries, a Centennial aerospace company, plans to invest \$100 million in a new manufacturing facility to make engines for unmanned aircraft, including missiles. It received the largest award — \$4.2 million in Job Growth Incentive Tax Credits (JGITC).

With active wars in Ukraine and Iran draining global missile stockpiles, Beehive has seen government demand for its rocket engines rise fourfold. The company expects to hire 220 employees in Arapahoe County at an average annual wage of \$151,073.

About 133 of the company's 401 employees are in Colorado, which is competing with Ohio and Tennessee for the new facility.

"We're ... manufacturing engines for the defense industry, and we have a lot of success in this development over the last several years, and we're looking to expand to support the numerous demands that we're seeing in the industry right now," Heather Somervill, an executive with Beehive, told the commission.

The second largest award, worth up to \$1.8 million in state tax credits, went to a Colorado startup with 20 employees that applied under the codename Project Limestone. The company develops reusable satellites, building on reusable rocket engines to lower mission costs.

Although the company wasn't named, the most likely candidate is Lux Aeterna, an Adams County firm based in the Welby area. The company has targeted Broomfield and is also exploring Tulsa as a location for its R&D and manufacturing operations.

It expects to pay an average annual wage of \$124,833 with the new jobs.

Voyager Technologies, which used the codename Project Scout, received approval for \$920,000 in awards from the state's Strategic Fund, which is being matched by local tax breaks and other incentives in Arapahoe County. Strategic Fund grants, while similarly linked to the number of jobs created, pay out in cash rather than in state tax credits, which aren't that useful to companies reporting losses.

Voyager is an aerospace and defense company looking to expand its Centennial headquarters and create 191 jobs paying an annual average wage of \$130,500.

It is also considering California, Alabama and Arizona.

Matt Magaña, a Voyager executive, told commissioners that the company's founders are based in Colorado and that Voyager is building a 150,000-square-foot manufacturing facility in Pueblo, where the EDC met on Thursday.

Project Parsec, a startup with two employees, is also looking at setting up its headquarters in Arapahoe County, with plans to create 137 jobs paying an average annual wage of \$102,007. The company is considering California, Alabama and Arizona as alternative homes.

A fast-growing European aerospace startup, which applied under the name Project Trench, is looking at metro Denver for its U.S. operating base and 73 jobs paying an average annual wage of \$119,795. Rival states include Louisiana, Ohio and Florida. The commission awarded the company \$1.37 million in Job Growth Incentive Tax Credits.

Jeff Kraft, director of business and funding and incentives at the Colorado Office of Economic Development and International Trade, told commissioners that there is a "robust pipeline" of companies looking at Colorado, which continues to consistently beat its rivals.