



## Montrose Economic Development Corporation Outline of Possible Incentives Available

**Montrose County is a Rural Enterprise Zone, an Opportunity Zone, a designated Rural Jump Start Zone and is a C-PACE program approved area**

The Montrose Economic Development Corporation (MEDC) is the economic development arm for Montrose County. As such, MEDC assists businesses with expansion and job retention, as well as attraction and job creation. MEDC helps identify resources necessary for entrepreneurs to turn plans and inventions into reality and daily connects people/start-up businesses to resources while acting as a liaison between entities. MEDC can produce economic impact analysis information for various businesses/individuals as well as provide current demographic information.

MEDC is the institution recognized by the State of Colorado as the economic development resource for Montrose. We work continually with the Governor’s Office of Economic Development and International Trade (OEDIT), the United States Department of Agriculture (USDA), as well as the Governors Energy Office (GEO), as these venues provide opportunities that allow MEDC to assist businesses of all sizes.

MEDC is always available to assist you with any questions or information that you require in considering Montrose as your possible new location. [Montrose Economic Development Corporation – Sandy Head at \(970\) 249-9438, sandyh@MontroseEDC.org, 1601 Oxbow Drive, Suite 360B, Montrose, CO 81401.](http://MontroseEDC.org)

The incentive options listed below are based on the submittal, review and approval of due diligence information to be received from the Prospect.

Incentive Program	Incentive	Description
<b>Colorado Office of Economic Development &amp; International Trade</b>		
Manufacturing Sales and Use Tax Exemption	Exemption	Colorado provides an exemption from State sales and use tax on purchases of manufacturing machinery, machine tools and parts.
Colorado First Job Training Incentive	\$1,200 / FTE	Competitive Grant - On a first-come-first-serve basis annually. Colorado FIRST grants are for companies that are relocating to or expanding in Colorado and provide funds only to net new hires.
Existing Industry	\$1,000 / FTE.	The Existing Industry training program focuses on providing assistance to existing Colorado companies to help them remain competitive within their industry, adapt to new technology and prevent layoffs.
Strategic Fund	\$6,500 / job. ( Sliding Scale based on salaries paid to employees.)	Performance-based Job Creation Cash Incentive. The Strategic Fund is a cash incentive program; businesses must create and maintain permanent net new jobs for one year before receiving an incentive. Company can apply for either Strategic Fund or JGITC.  <i>* Colorado is a Job Performance state by statute and cannot prepay for jobs created. Dollars are paid one year after the job is created.</i>
Aviation Development Zone Tax Credit	\$1,200 / per new full-time employee	A program providing a state income tax credit of new full-time employee for businesses involved in the maintenance and repair, completion or modification of aircraft located within approved Aviation Development Zone airports.
CDBG-DR – Recover Colorado Workforce		A program equipping local businesses affected by natural disaster with funding for workforce development activities, workforce transportation and resiliency building, helping workers obtain long-term sustainable skills.
CDBG-DR – Disaster Technical Assistance		A funding program for Small Business Development Centers (SBDCs) or other qualified providers who support training and technical assistance relating to disaster recovery preparedness and resiliency.
Commercial Historic Preservation Tax Credit	Tax Credit	A program jointly administered with History Colorado for owners of designated commercial properties that do a certified rehabilitation of their property.

Incentive Program	Incentive	Description
Colorado Creative Districts	Grant program	This program offers vetted districts across the state access to grant funding, tailored technical assistance, networking and training programs, and access to advocacy tools to support the growth and infrastructure of the state's creative economy.
Space to Create		This program is the first state driven initiative in the nation to develop affordable housing and workspaces for artists and art organizations. Designed to position Colorado as the leader in artist-led community transformation in rural communities, this program will facilitate the development of nine projects over the course of eight years.
Job Growth Incentive Tax Credit (JGITC)	Tax Credit	The performance-based Job Growth Incentive Tax Credit provides a state income tax credit to businesses undertaking job creation projects that would not occur in Colorado without this program. This program provides a state income tax credit equal to 50% of FICA paid by the business on the net job growth for each calendar year in the credit period. A business must undertake a job creation project for which Colorado is competing with at least one other state for the project.  Businesses located in a Rural Enterprise Zone, such as Montrose, Colorado, have to create at least 20 new jobs in Colorado, with an average yearly wage of at least 100% of the county average wage. All new jobs must be maintained for at least one year after the positions are hired to qualify.
Procurement Technical Assistance Center (PTAC)		A program which provides Federal, State and local government contract procurement assistance in the form of education and counseling for Colorado companies.
Advanced Industries Export Accelerator Program	Grant program	This is a financial assistance program for aspiring and current Colorado exporters. The grant program supports eligible small and medium-sized business through funds to offset international business development and marketing costs.
State Trade Expansion Program	Financial Assistance	A financial assistance program for aspiring and current Colorado exporters entering into a new international market. This program supports small and medium-sized business through grant funds to offset international business development and marketing costs.
Rural Jump Start Designation	The Rural Jump-Start program offers to Eligible Businesses 8 years of:  "0" state income taxes. "0" state sales and local sales & use tax. "0" county & municipal personal property taxes. "0" state income taxes for your employees.	The Rural Jump-Start program, specific tax relief can be granted to qualifying new businesses and new hires of these businesses that are located in a Jump-Start designated Zone, such as Montrose County, and align with local or regional state higher education institutions.  A business new to the State of Colorado or a Colorado based business ready to expand may qualify for the Jump-Start program in Montrose County if it generates new business in the State of Colorado. The business's product, service or technology has to be new to Colorado, even if the company is not. The business cannot be substantially similar in operation to, or directly competes with the core function of another business currently operating in Colorado. It must create a minimum of 5 net new jobs and add to the economic base of Montrose County, while exporting goods and services out of the area.
<b>State Tax Credits - Enterprise Zone</b>		
Contributions to Enterprise Zone projects	Tax Credit	A taxpayer who makes a contribution to certain eligible enterprise zone development projects may claim a tax credit of 25% of the value of the contribution, up to \$100,000.
New Employee Credit	\$1,100 / job	Businesses increasing their workforce may earn a state income tax credit \$1,100 per net new employee.
Agricultural Processor New Employee Credit	\$500 / job	EZ – Agricultural Processor: An additional tax credit of \$500 per net new employee may be claimed by businesses adding value to agricultural commodities through manufacturing or processing.
Employer Sponsored Health Insurance Credit	\$1,000 / per net new employee.	Offers businesses a tax credit per net new employee insured under a qualified health plan for which the employer pays at least 50% of the cost. This credit is available for the first two years the business is located in an enterprise zone.
Job Training Tax Credit	12% of eligible training costs	Employers who carry out a qualified job training program for their enterprise zone employees.

Incentive Program	Incentive	Description
Investment Tax Credit on Equipment Purchases	3% of equipment purchase costs	Excess credits may be carried back three years and forward twelve.
Commercial Vehicle Investment Tax Credit	1.5% Tax Credit	Purchases of qualifying commercial vehicles.
Vacant Building Rehabilitation Tax Credit	25% credit for the cost of rehabilitation	Encourages redevelopment of vacant commercial property with a 25% credit for the cost of rehabilitation of a building that is at least 20 years old and has been completely vacant for at least 2 years. The credit is limited to \$50,000 per building.
Research & Development Increase Tax Credit	3% of increased R&D expenditures	Businesses conducting research and development may earn a tax credit on the increase in such expenditures as compared to that of the prior 2 years.
<b>Local Incentives</b>		
<b>Region 10</b> Revolving Loan Fund / CDBG / Micro-Loans	Financing/Grants  Grant	Financing to new and existing businesses in the Region 10 service area utilizing Revolving Loan Funds, CDBG funds administered by the Office of Economic Development and International Trade, Small Business Administration Micro-Loans and other financing support.  Also provides consulting, education and technical assistance for small businesses, as well as administration of Enterprise Zone tax credits.
<b>City of Montrose</b>	Abatement	May consider abatement of the 3.3% sales and use tax on manufacturing equipment brought in for the first 3 years. This abatement not available within the Colorado Outdoor Park.
	Revolving Loan Funds	Micro lending programs available. Up to \$20,000 to assist businesses with building and property improvements. Loans offer flexible terms and timelines at ½ of the prime rate. Deferred payment arrangements are possible. The program is divided into two segments: <ul style="list-style-type: none"> <li>Downtown Opportunity Fund: Businesses located within the Downtown Development District.</li> <li>Montrose Opportunity Fund: Entities within the City limits.</li> </ul>
	Incentives	May consider Job Creation incentives: Up to \$5,000 per job to businesses creating new full-time jobs at or above the median salary for Montrose County. Businesses must maintain new jobs for at least 12 months before incentives are provided.  May consider in-kind property improvements: External improvements to the overall appearance of business property. Improving “curb appeal”.  May consider additional incentives tailored to individual businesses such as relocation and office space. Building permits and other fees.
<b>Montrose County</b>  May consider other incentives on a case-by-case basis.	Abatement Business Personal Property Tax  Grant	May consider an abatement of the County portion of the business personal property tax. Property located at or within a business facility and used in connection with the operation of the new business facility for the current property tax year of the abatement for a negotiated time period up to 35 years.  May provide a cash grant for Marketing.
<b>Colorado Mesa University – Montrose Campus</b>	Education/Training	Will consider developing training programs to address specific skill set needs for new companies.
<b>Montrose Economic Development Corporation</b>	Project Facilitation	The Montrose Economic Development Corporation is dedicated to the economic vitality of all of Montrose County. We work with prospects to provide the resources/information needed to make informed decisions. We will be your one-stop-shop for all of your needs and will serve as your personal representative and liaison between your company and government entities in applying for the available incentives to see you through your relocation or expansion. You will be our number one priority!