



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, \[sandyh@MontroseEDC.org\]\(mailto:sandyh@MontroseEDC.org\), 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
Colorado Office of Economic Development & International Trade		
Enterprise Zone Sales and Use Tax Exemption for Manufacturing and Mining	Exemption	Colorado State sales and use tax exemption for manufacturing and mining non-capitalized machinery, parts, and tools to repair machinery.
Colorado First Job Training Incentive	\$1,650 / FTE	The Colorado First Job Training Program provides funds for net new hire training and focuses on businesses relocating to or expanding in Colorado and in need of training workers with the skills necessary to increase their productivity, to increase their wages, and to reduce their need for public support.
Existing Industry	\$1,400 / FTE.	The Existing Industry Job Training Program provides funding for incumbent worker training and supports established Colorado businesses with adapting to new technology and preventing layoffs.
Strategic Fund Job Growth	Up to \$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.
Commercial Historic Preservation Tax Credit	Tax Credit	The Commercial Historic Preservation Tax Credit helps rehabilitate historic, owner-occupied commercial properties that do a certified rehabilitation of their property. (Jointly administered with History Colorado)
Colorado Creative Districts	Grant program	Certifies communities that contribute to the state's economy through creativity, culture, and the arts. The program helps communities increase jobs, incomes, and investments in creative places. A cash award of up to 10,000 for newly certified districts (local match required).

Incentive Program	Incentive	Description
Space to Create Colorado		Space to Create Colorado assists communities with the development of affordable live-work and commercial spaces. Non-residential spaces are available for creative enterprises and organizations that serve critical community needs. The program is the nation's first state-led initiative for affordable housing for creative sector workers in rural areas. Space to Create Colorado will support nine projects throughout Colorado's rural communities.
Job Growth Incentive Tax Credit (JGITC)	Tax Credit	<p>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.</p> <p>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's average annual wage. All new jobs must be maintained for at least one year after the positions are hired to qualify.</p>
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 Program	Grant	This grant helps Colorado-based advanced industries technology businesses who want to export or are currently exporting. This grant is for small and medium-sized businesses. It reimburses for international business development and marketing costs. Businesses can apply for up to \$15,000 and up to 50% of the approved expenses.
State Trade Expansion Program	Financial Assistance	The STEP grant program has helped thousands of small businesses obtain grants and find customers in the international marketplace since 2011. Through awards to U.S. states and territories, STEP helps small businesses overcome obstacles to exporting by providing grants to cover costs associated with entering and expanding into international markets.
Rural Jump Start Designation	<p>The Rural Jump-Start program offers to Eligible Businesses 8 years of:</p> <ul style="list-style-type: none"> state income taxes for the new business state sales and use tax for the business 100% of county personal property taxes for the business municipal personal property taxes for the business (in participating municipalities) 100% of state income taxes for the employee 	<p>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.</p> <p>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 five net new jobs and add to the economic base of Montrose County, while exporting goods and services out of the area.</p>
State Tax Credits - Enterprise Zone		
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 Tax Credit	\$1,100 / job	Businesses increasing their workforce may earn a state income tax credit \$1,100 per net new employee.
New Employee Credit Agricultural	\$500 / job	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 operating in an enterprise zone.

Incentive Program	Incentive	Description
Job Training Tax Credit	12% of eligible training costs	Businesses can earn a state income tax credit for 12% of eligible job-staining costs for employees working within the enterprise zone.
Investment Tax Credit	3% of equipment purchase costs	Businesses who invest in business personal property can earn a state income tax credit of 3% of the value of the qualified investment. The amount of the tax credit that can be claimed in any tax year is limited and may be carried forward up to 14 years.
Commercial Vehicle Investment Tax Credit	1.5% Tax Credit	Can earn a state income tax credit for 1.5% of the price of new commercial trucks, truck tractors, tractors, semi-trailers, and associate parts registered in Colorado and used in an enterprise zone.
Vacant Commercial 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. You can carry forward for up to 5 years.
Research & Development Increase Tax Credit	3% of increase in reach and development expenses	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.
Local Incentives		
Region 10 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.
City of Montrose	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"> Downtown Opportunity Fund: Businesses located within the Downtown Development District. Montrose Opportunity Fund: Entities within the City limits.
	Incentives	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.
Montrose County 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.
Colorado Mesa University – Montrose Campus	Education/Training	Will consider developing training programs to address specific skill set needs for new companies.
Montrose Economic Development Corporation	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 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!