

*Governor's
Office of Economic Development
Office of Rural Development*

Rural Grants and Incentives

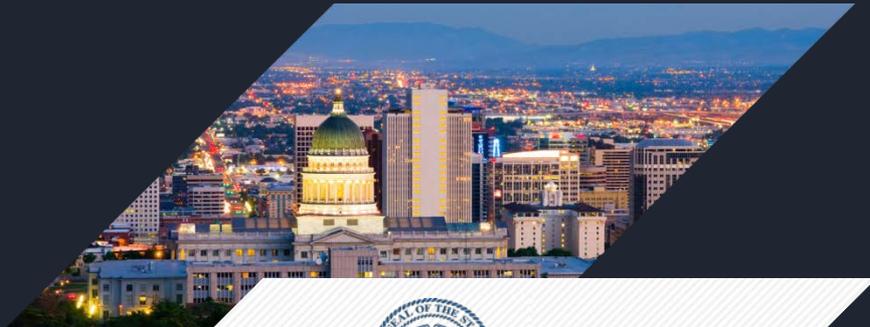
What they are and how to take advantage of them.

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Utah Governor's Office of
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RURAL FAST TRACK

The fastest way for growing companies to receive money.

Business Development Incentive

Purpose: Create High-Paying Jobs

A small business:

- in business in Utah for at **least two years** and
- employing at least **2 full time employees** and
- a **proven profitable business**, can receive a

50% matching grant (up to \$50,000)

4th, 5th and 6th class counties are automatically eligible (pop. less than 31,000)

In 3rd class counties, (pop. between 31,000-125,000) business must be located in;

- city with population **less than 20,000**; and
- city with less than **\$70,000 median house** income

This grant can be used for:

- Expanding a business
- Purchasing equipment
- Buying a building

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Policies and Rules:

Pre-Application

- Company must submit a [PRE-APPLICATION](#) and be approved

Full Application [Link](#)

- Must include a [letter of support](#) from local economic development representative
- Company must [demonstrate profitability](#) over past two years by sharing state/federal taxes and Profit and Loss statements
- Must demonstrate at least [one directly created job](#) paying at least [110%](#) of county average wage
- Company cannot commence approved project until the RFT agreement is completely executed
- Grant payments are made after qualifying expenditures and new hire are verified and site visit is completed.
- Company payments made prior to RFT agreement will NOT qualify for RFT grant
- For additional RFT grants, the company must wait [24 months](#) from last grant payment to apply for new grant.

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What Qualifies?

YES

- Equipment
- Buildings (new and expansion)
- Work Vehicles (must be a specialty vehicle)
- Value - Added Agriculture
- Leisure and hospitality (only in certain counties- see slide)

NO

- No Retail
- No personal vehicles
- No computers, software, office furniture, etc.

(Project must create new job(s) paying 110% of county average wage)

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What Qualifies?

Leisure and Hospitality Business Eligibility:

- Must be located in 4th, 5th or 6th class county

AND

- Hospitality employment greater than 125% of the state average (9.5%)

Counties	Total County Employment	Leisure and Hospitality Employment	L&H % of County Employment	Population 2010 Census	2011 Median Income
Daggett	401	116	28.9	1,059	\$44,750
Piute	247	37	15.0	1,556	\$36,667
Rich	612	131	21.4	2,264	\$53,924
Wayne	893	262	29.3	2,778	\$49,847
Garfield	2,289	958	41.9	5,172	\$46,029
Beaver	2,094	357	17.0	6,629	\$43,225
Kane	3,009	987	32.8	7,125	\$45,439
Grand	4,824	1,715	35.6	9,225	\$42,004
San Juan	4,074	512	12.6	14,746	\$37,611
State of Utah	1,248,930	118,618	9.5	2,763,885	\$57,783

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Job Creation Incentive

Incentive is available if the project **creates and retains for at least 12 months** new high-paying jobs in a rural county.

-**\$1,000** for each new full-time job paying **110%** of the county's average annual wage

-**\$1,250** for each new full-time job paying **115%** of the county's average annual wage

-**\$1,500** for each new full-time job paying **125%** of the county's average annual wage

- Position must be in place for at least 12 months (not person, but position)
- Funds will be disbursed after 12 months and review of employee documentation
- Full time employee = 32 hours/week

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Zone designation

Any city or county with;

- 15,000 or less population
- located in a county with 50,000 or less population,
- or an Indian Tribe for tribal lands may be eligible.

-Application for designation must be made by a city or county.

-Applications will be reviewed and approved on the basis of economic development need and other considerations based on a variety of economic distress factors.

ENTERPRISE ZONES

Job Creation Tax Credits

(maximum 30 full time positions per tax year):

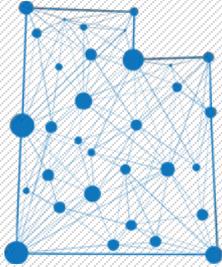
- ❖ A \$750 tax credit for each new full time position filled for at least six months during the tax year.
- ❖ An additional \$500 tax credit if the new position pays at least 125% of the county average monthly wage for the respective industry.
- ❖ An additional \$750 tax credit if the new position is in a business which adds value to agricultural commodities through manufacturing or processing.
- ❖ An additional \$200 tax credit, for two consecutive years, for each new position insured under an employer sponsored health insurance program if the employer pays at least 50% of the premium.
 - ❖ (Construction jobs are not eligible)

ENTERPRISE ZONES

Other Tax Credits:

- ❖ A **tax credit of 25% of the first \$200,000** spent on **rehabilitating a building** which has been vacant for at least two years, and which is located within an enterprise zone.
- ❖ An annual investment **tax credit of 10% of the first \$250,000** in investment, and **5% of the next \$1,000,000** qualifying investment in plant, equipment, or other depreciable property.
 - ❖ (Retail and Public Utility companies are not eligible)

Economic Development Tools



LOCATE.UTAH.GOV

Explore broadband availability and other economic development information

A screenshot of the LOCATE.UTAH.GOV website interface. The top left features the logo and text: "BROADBAND OUTREACH CENTER ECONOMIC DEVELOPMENT MAP LOCATE.UTAH.GOV". The top right shows "SURE SITES" and "Ask An Expert" with a phone icon. Below that, the "Current Location" is listed as "63 W Fireclay Ave Murray, UT 84107 Salt Lake County" with a "Get Summary" button. The main area is a map of Utah with a red location pin in the Salt Lake City area. To the right of the map is a search bar with "street address" and "zip or city" input fields, a "Find Address" button, and a list of filter categories: "Broadband", "Utilities", "Transportation", "Workforce", and "Lifestyle", each with a toggle switch. The bottom left has logos for "edcUTAH" and "Utah Governor's Office of Economic Development". The bottom right has links for "Utah.gov", "Terms of Use", "Privacy Policy", "Accessibility Policy", and "Translate".

The online map can be filtered by :

- Fiber Availability
- Other Broadband
- Utilities
- Transportation
- Workforce
- Lifestyle

Customized reports can also be created of any location in the state.

Business Expansion and Retention:

B.E.A.R

BEAR is the opportunity to speak one-on-one with businesses to find ways to help them succeed.

BEAR outreach specialists gather business data via surveys, analyze the data and provide specific support based on individual business needs.

The purpose of this funding is to achieve the following desired outcomes in targeted industries:

- 1. Business growth from new startups;**
- 2. Expansion of existing businesses;**
- 3. Job creation and/or job retention; and**
- 4. Business need fulfillment**



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RECYCLING MARKET DEVELOPMENT ZONES

This zone legislation was established to **incent businesses to use recycled materials** in their manufacturing processes and **create new products for sale**. It also benefits business or individuals that collect, process, distribute recycled materials. Composting is considered to be eligible recycling operation.

Utah communities with Recycling Market Development Zones will improve their ability to assist their local businesses and attract new ones in the rapidly growing recycling industry. Eligible recycling businesses that are located in designated Recycling Market Development Zones qualify for:

- **5% Utah state income tax credit on the cost of machinery and equipment**
- **20% Utah state income tax credit (up to \$2,000) on eligible operating expenses**
- **Technical assistance from state recycling economic development professionals**