



Montrose Economic Development Corporation

Outline of Possible Incentive Available

Montrose County is a Rural Enterprise 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, we assist businesses with expansion, job retention, attraction, and job creation. MEDC helps identify resources necessary for entrepreneurs to turn plans and inventions into reality and connects individuals/start-up businesses to resources while acting as a liaison between entities. We can produce economic impact analysis and demographic information to assist businesses/individuals.

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

We are 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 – 401 E. Main Street, Montrose, CO 81401, Sandy Head at (970) 249-9438, sandyh@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	Notes
Colorado Office of Economic Development & International Trade		
Enterprise Zone Sales and Use Tax Exemption for Manufacturing and Mining	Exemption	The statewide sales and use tax exemption for purchases of manufacturing equipment is expanded to include non-capitalized equipment and parts if the business is located within a zone. The enterprise zone statutes also expand manufacturing to include mining.
Skill Advance Colorado Job Training Grant	\$2,800 / FTE	The 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. Eligible the first year in business.
Existing Industry	\$2,500 / 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. Eligible to apply for every other year.
Strategic Fund Job Growth	Up to \$6,500 cash per job. (Sliding Scale based on average wages paid in comparison to County average wage.) 2024 Avg Wage \$50,258	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. The program covers a 5-year time period. Company can apply for either Strategic Fund or JGITC. * Colorado is a Job Performance state by statute and cannot prepay for jobs created. Dollars are paid one year after the job is created
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)

Incentive Program	Incentive	Notes
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).
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)	An 8-year job creation incentive that provides a state income tax credit equal to 50% of the FICA. It is paid by the business on the net new job growth for each calendar year in the credit period.	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. Company can apply for either the JGITC or Strategic Fund.
Apex Accelerator		Helps Colorado businesses sell products and services to the federal, state, and local governments. Counselors provide free, confidential counseling and education about government contracts.
Advanced Industries Export Program		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 - STEP	Grant	Help small businesses expand internationally by funding international business development activities. The purpose of this grant is to offset the cost of expanding internationally for small businesses. The max amount a company can receive in a year is \$10,000. Examples of global business development activities include attending trade shows, holding international business meetings, researching new markets, updating marketing materials for new markets, compliance testing.
Rural Jump Start Designation	The Rural Jump-Start program offers to Eligible Businesses up to 8 years of: • 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	This program duplicates many of the above incentives. It does allow for the abatement of State Income Taxes, however the Enterprise Zone tax credits allow for much of that. A company cannot utilize both programs. The other added advantage is not paying state income taxes for the employees. Colorado State income tax rate is 4.25%. Companies are eligible for a \$20K grant plus \$2,500 per net new job for the grant period. We can help with an analysis of both programs.

Incentive Program	Incentive	Notes
State Tax Credits – Enterprise Zone		
Contributions to Enterprise Zone projects	Tax Credit	A taxpayer who contributes 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 of \$1,100 per net new employee. Credits carry forward 5 years.
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. Credits carry forward 5 years.
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. Credits carry forward 5 years.
Job Training Tax Credit	12% of eligible training costs	Businesses can earn a state income tax credit for 12% of eligible job-training costs for employees working within the enterprise zone.
Investment Tax Credit	3% of qualifying equipment purchase costs. Maximum credit allowed \$750K	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.
Colorado C-PACE Program		Colorado C-PACE provides financing for eligible energy efficiency, water conservation, and renewable energy improvements. As a result, the program makes investing in newer, cleaner technologies more cost efficient for owners. Financing is repaid through a voluntary special assessment (lien) on the owner's property tax bill. The lien attaches to the property and transfers with ownership. Owners can select long-term financing (up to 20 years) for as much as 100% of improvement costs. This arrangement spreads the cost of clean energy improvements over a longer period than traditional debt financing.
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 up to a maximum credit of \$50,000.	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 research 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.

Incentive Program	Incentive	Notes
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.
	Abatement	May consider abatement of building permits and other fees.
	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 1/2 of the prime rate. Deferred payment arrangements are possible. The program is divided into two segments: 1. Downtown Opportunity Fund: Businesses located within the Downtown Development District. 2. Montrose Opportunity Fund: Entities within the City limits.
	In-kind Incentives	May consider assisting with in-kind horizontal property improvements and external improvements to the overall appearance of business property, improving "curb appeal." May consider additional incentives tailored to individual businesses.
Montrose County County Portion of Real Property Tax	Rebate Business Real Property Tax for a negotiated time frame.	County "may" agree to issue a rebate to the Company equal to one hundred percent (100%) of the County's portion of the real property tax assessed against the property.
County Portion of Personal Property Tax	Rebate Business Personal Property Tax for a negotiated time frame.	County "may" agree to issue a rebate to the Company equal to one hundred percent (100%) of the County's portion of the personal property taxes assessed against the FF&E
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!