



Weld County, Colorado

SUMMARY OF KEY BUSINESS ASSISTANCE PROGRAMS

Weld County and its municipalities are actively pursuing opportunities that will strengthen and enhance the local economy. We are prepared to work closely with businesses to make a location/expansion a reality. A summary of potential key municipal, county and state assistance is outlined below. For additional information on any of the programs listed please contact the Upstate Colorado Economic Development office at 970-356-4565.

WELD COUNTY BUSINESS ASSISTANCE PROGRAMS

Municipal Development Incentives

Municipalities throughout Weld County may provide incentives based on an adopted incentive policy or on a case-by-case basis to qualifying companies. Qualifications and incentives will vary depending upon community, but could include partial waivers of development fees, sales/use tax, etc.

Personal Property Tax Rebate Incentive

Through state enabling legislation counties and cities, on a case-by-case basis, can negotiate with qualifying companies a rebate of up to 100% (Weld government & municipalities will consider up to 50%) of the jurisdiction's levy on new taxable personal property, for up to ten years. The property investment of at least \$1 million must be used in connection with the operation of a qualifying new or expanded primary business facility that meets all state and local guidelines.

Weld Enterprise Zone (EZ) State Income Tax Credits

Select Weld locations/communities have state EZ designation. Annually Pre-certified companies that locate or expand within the physical boundaries of the EZ are eligible to earn a variety of state income tax credits based on their specific activities primarily in equipment investment, job creation/training, research and development activities, etc. which are summarized below. Earned credits are applied to the company's Colorado income tax liability, thereby reducing it.

Investment Tax Credits	
Equipment	3% of Eligible Purchases
Commercial Vehicle	1.5% of Eligible Investments (separate application)
Job Training Tax Credit	12% of Qualified Training Expenses
New Business Facility Tax Credits	
Jobs Tax Credit	\$1,100 per Eligible New Job Created
Ag Processing Jobs Credit	\$500 <u>add'l</u> per Eligible New Job Created
Health Insurance Credit	\$1,000 <u>add'l</u> per Eligible New Job Created first two years
R&D Increase Tax Credit	3% of Increased R&D Expenditures
Vacant Building Rehabilitation Tax Credit	25% of Rehab Expenditures (hard costs)
Manufacturing & Mining Sales/Use Tax	Expanded S&U Tax Exemption in EZ
Contributions to EZ Approved Projects	25% credit for Cash /12.5% credit for in-kind contribution

Weld/Larimer Revolving Loan Fund (RLF)

This loan fund is administered by Upstate Colorado Economic Development. The RLF was developed to assist for-profit businesses locating/expanding in rural Weld or Larimer Counties by providing short-term (5-7 years) "gap" financing of up to 45% of project costs up to \$500,000. The business must be creating/retaining jobs. Eligible fund uses include the purchase of borrower-occupied real estate, equipment, inventory, working capital and refinancing existing debt, in some cases. To leverage other lender involvement, the RLF can take a second or third collateral position and interest rates are negotiable based on the national prime rate. A personal guarantee is required, and the borrower must provide at least 10% of the project costs.

Greeley Community Development Loan Fund (GCDF)

Upstate Colorado Economic Development administers this loan fund to assist with the financial needs of for-profit businesses expanding/locating within the Greeley city limits. This short-term (5-7 year) "gap" fund is available to finance up to 45% of the company's total need up to \$125,000. The business must be creating/retaining jobs. Eligible fund uses include the purchase of borrower-occupied real estate, equipment, inventory, working capital and refinancing existing debt, in some cases. To leverage other lender involvement, the GCDF can take a second collateral position and interest rates are negotiable based on the national prime rate. A personal guarantee is required.

Weld County CEF Business Loan Fund

The Colorado Enterprise Fund (CEF) is a non-profit lender specializing in loans up to \$250,000 to support small business. CEF lends to start-up and existing businesses with rates/terms that vary and lending guidelines that can be more flexible than traditional banks. CEF administrators the Weld County Business Loan Fund which is only available to Weld based small businesses who meet CEF program underwriting criteria. Upon becoming a CEF borrower, an online community of expertise, knowledge sharing, resources, and referrals is available to help a business achieve peak performance. Advisory assistance includes: bookkeeping, cash flow management, profitability analysis, technology issues, etc.

Weld County Small Business Incentive Program (BIP)

This Weld business assistance program is designed to provide financial assistance by reducing upfront development costs (land use applications, building permits and some impact fees) for eligible small businesses locating or expanding in unincorporated, rural Weld County. The maximum award amount is \$40,000 and based upon new/retained job creation. After consulting with the Small Business Development Center (SBDC), any business owner or tenant with 25 or fewer employees is eligible to complete the program application, which includes submittal of a business plan and forward to the Weld Planning Department for review.

Private Activity Bond (PAB) Financing

The Manufacturing Revenue Bond Program can provide favorable, tax-exempt Private Activity Bond financing to small manufacturers. The program can help finance real estate, machinery and equipment associated with new or expanding manufacturing facilities. Along with bond counsel, support of a local government jurisdiction, which Weld County will provide on a case-by-case basis, and State approval is required. Issuing tax-exempt bonds can be time consuming and costly. As a general guideline project size should be between \$3 million and \$10 million. The State has established application deadlines in January and August of each year.

Weld WORKS (WW) Labor Team

The WW Labor Team is a small "working group" of labor, education and economic development professionals partnering to help employers quickly recruit, train and further develop their workforce. The team identifies labor development opportunities by comprehensively reviewing and managing various local, county and state Workforce Assistance Programs. Technical labor assistance is provided to new companies looking to locate to the region and existing employers expanding facing employment challenges. Core members include Employment Services of Weld County, Upstate Colorado Economic Development and Aims Community College. Other organizations (municipal, university, college, etc.) will be included, as warranted.

Aims Community College

Aims is dedicated to providing an educated and trained workforce for business and industry through its regularly scheduled 200+ degree and certificate programs that offer more than 4,000 daytime, evening, weekend and online course offerings. Aims designs courses to achieve one of two goals: transfer as credit to a four-year university or certify students to step directly into a job role. Through the Center for Workforce Development & Community Partnerships, Aims works closely with local employers to customize programs to meet their specific needs. Some of the most popular training programs include: Communications Skills, Technical Industrial training, Software, Management/Leadership, Language, and Business Skills Development training. In addition, Aims provides administrative support to Weld business for the Colorado FIRST Customized Job Training program and is a key member of the Weld WORKS Labor Team, which provides technical labor assistance to help employers quickly recruit, train and further develop their workforce.

Employment Services of Weld County (ESWC)

ESWC is funded by the Department of Labor and Employment, plus other federal programs, and provides a broad menu of customized labor services to employers - most at NO CHARGE. Services include: Job Posting, Employee Recruitment, Screening and Referrals, Job Fairs, etc. Through their Assessment and Learning Lab, ESWC offers a flexible, self-paced learning alternative for employers' interested in offering a variety of training including computerized instruction and GED

preparation. In addition, the Assessment and Learning Lab has a variety of behavioral trait assessments for job candidates. The On-the-Job Training Program (OJT) provides employers an opportunity to offset labor costs during the training period by up to 50% while assisting job candidates acquire specific training. Federal tax credits may also be available for hiring a variety of special category job applicants. ESWC can determine if applicants meet federal guidelines and assist in program administration. ESWC is a key member of the Weld WORKS Labor Team which provides technical labor assistance to help employers quickly recruit, train and further develop their workforce.

Bright Futures Education Stipend

This program was designed to provide assistance to ensure the educated, trained and skilled workforce needed by Weld employers and is an investment in our long-term economic success. Bright Futures provides an educational stipend to each high school graduate, GED recipient or honorably discharged US veteran who wants to pursue post-secondary education/training from an accredited higher education institution or certified training program. Eligible students must be a resident of Weld County and attend an eligible higher education program. The Bright Futures cash stipend is \$2,000/year for up to four years. A 50% personal property tax credit is also available to encourage business and individuals to help fund this educational stipend and participate in increasing/improving the local talent pool.

NOCO Manufacturing Partnership

Founded in 2013, the NoCo Manufacturing Partnership has grown to a collaborative network representing over 200 manufacturing companies. The Partnership has two primary areas of focus to achieve its purpose of making manufacturing great. The first focus is workforce development. Through career awareness tours, internships, curriculum development, and partnerships with educators and other workforce professionals, The Partnership works to encourage and develop the manufacturing industry's next generation of workers. The second focus is creating a thriving environment for both Northern Colorado Manufacturers and communities we live in. Through its website, newsletter, lunch & learn events, tours, and other B2B activities, the group drives a passionate and collaborative partnership of manufacturers to share best practices and work on common issues. The Partnership has also established one of the most successful manufacturing trade shows in the state, NOCOM.

Small Business Development Center (SBDC) - East Colorado (Greeley)

The East Colorado Small Business Development Center (SBDC) is 1 of 15 SBDC-offices providing business resources to small business owners and entrepreneurs in Colorado. The East Colorado SBDC provides free, confidential business consulting, affordable training, and connection to wide-ranging resources. The SBDC network is dedicated to helping new and existing small businesses grow and prosper in Colorado. The East Colorado SBDC's main office is located in Greeley, with 30 satellite offices scattered across the Eastern Plains.

STATE ASSISTANCE PROGRAMS – ELIGIBLE IN WELD COUNTY

Colorado Sales/Use Tax Exemption on Manufacturing Equipment

Purchases of eligible machinery or machine tools and parts thereof, are exempt from state sales/use tax when the machinery will be used in manufacturing. Qualifying equipment must be used "directly and predominantly" to manufacture tangible personal property for sale or profit; must be capitalized; and be included on a purchase order or invoice totaling more than \$500. If located within an Enterprise Zone the exemption is broader and includes materials for the construction/repair of manufacturing equipment, mining equipment and the equipment does not have to be capitalized to qualify. To claim this exemption complete the Sales Tax Exemption on Purchases of Machinery and Machine Tools (DR1191) form as directed.

Colorado FIRST/Existing Industry Customized Job Training Grant Program

Training grant dollars are available for qualifying new/expanding primary sector companies. Grants are awarded to assist with the cost of training new or retraining existing employees. The company must contribute at least 40% (cash or in-kind) of the training costs and the program may then contribute up to \$1,400/employee trained to a maximum of \$200,000/company per year. Training awards are based upon actual training needs/costs. Eligible grant uses can include instructor's wages, curriculum development, training supplies, etc. and require substantive instruction. Federal or state mandated training is not eligible. The new/retained jobs must be permanent, full-time and pay an average wage greater than \$16.50/hr. (in Weld County). The company must provide a health insurance plan and the state requires a confidential financial review and on-site visit. Aims Community College is the administrator of this program on behalf of Weld companies and can determine eligible training activities and assist in writing/administrating the grant. Grant dollars are awarded on a competitive basis.

Colorado Strategic Fund (SF) Grant Program

The program offers a performance-based incentive commitment to eligible businesses making a significant capital investment that create new full-time, permanent jobs paying at or above the average county wage and other specified requirements. The program is designed to support highly desirable and high-impact job creation. The cash incentive may range from \$2,000-\$5,000 per net new full-time job created based on the average wage rate, location and other factors up to a total award of \$500,000. There must be a strong level of local matching commitments and the business must demonstrate project feasibility and financial capability. Business decisions clearly moving forward without this assistance will not be considered for funding if an announcement has been made prior to an introduction to the Economic Development Commission (EDC) who makes all award decisions. Businesses that receive approval must execute a contract with the state which will authorize disbursement of funds when specified contract terms have been met.

Colorado Job Growth Incentive State Income Tax Credit

This program offers state income tax credits to primary sector businesses undertaking job creation projects where a CO location is competing with at least one other state and this tax credit is a "major factor" in the business decision to locate or retain the project in CO. Qualifying businesses may be eligible to claim up to 50% of qualifying employee FICA costs for up to 96 consecutive months as a state income tax credit. To qualify, businesses must create at least 20 new FTE jobs during the 96 consecutive month credit period with average yearly wages of at least 100% of the county average wage rate. The jobs must be maintained for at least one year. In addition, the local community must provide rationale outlining the project's economic importance. The project is subject to state Economic Development Commission (EDC) approval. Business decisions clearly moving forward without assistance will not be considered for tax credits. Business already receiving an incentive from the EDC may not receive an incentive from this program for the same new FTE jobs.

Advanced Industries (AI) Accelerator Grant Programs

This program was created to promote growth & sustainability in advanced industries by helping drive innovation, accelerate commercialization, encourage public-private partnerships and increase access to early stage capital.

Colorado's advanced industries include: aerospace, advanced manufacturing, bioscience, electronics, energy and natural resources (including Cleantech), infrastructure engineering and technology and information. For qualifying companies/projects, the state offers four types of grants (\$15,000-\$500,000) and two global business programs. Grants are available for Proof of Concept, Early-stage Capital & Retention, Infrastructure Funding and AI Exports.

Colorado Community Development Block Grant (CDBG) Infrastructure Assistance

This infrastructure grant program is designed to help create new/retain existing permanent jobs by helping to provide required infrastructure to encourage new business development and expansion in non-entitlement, rural communities (all of Weld is eligible except Greeley). Grants may be provided for the construction and/or improvement of public infrastructure (water/sewer lines, roads, etc.) Assisted businesses must demonstrate project feasibility and financial capability of proposed plans that will result in creating/retaining jobs primarily for low-to moderate-income persons. At least one full-time equivalent job must be created/retained for every \$20,000 of CDBG assistance. The minimum award is \$100,000 and the maximum is approximately \$500,000. Support of a local government jurisdiction and willingness to provide a partial match is required. This can be a lengthy (4-6 month), time-consuming process and should only be considered for projects that have adequate time to meet criteria. Funding decisions are made by the Governor's Financial Review Committee. Upstate will provide grant application and implementation assistance to eligible communities and projects throughout Weld County.

Colorado Export Office Services

The state Office of Economic Development and International Trade (OEDIT) international staff helps companies obtain the information, skills, resources and contacts they need to successfully export goods and services worldwide. Services include the opportunity to apply for small export development grants, trade show and foreign mission trip opportunities, export counseling, education, etc.

Colorado Minority Business Office (MBO)

The Minority Business Office (MBO) is dedicated to advancing the efforts of Colorado's minority and women-owned businesses. The office has an established network of public, private and government resources that can be leveraged by businesses of all types and sizes. The office can provide assistance in attaining the various city, state, federal and private certifications available for minority and women-owned businesses and help determine which ones will allow the company to participate in the types of government contracts of interest. The MBO also provides information, tools and events that help private businesses find the right minority and women-owned businesses to fit their needs.

FEDERAL ASSISTANCE PROGRAMS – ELIGIBLE IN WELD COUNTY

SBA 7A Loan Guarantee Program

The most flexible and commonly used SBA business financing program; the 7A loan program guarantees a portion (up to 90%) of the loan made and administered by commercial lending institutions, thereby reducing loan risks without tightening credit standards and reducing available credit. Use of funds include: working capital, business acquisitions, machinery/equipment purchase construction, debt refinance, etc. Loan maturity is up to 10 years for working capital and general up to 25 years for fixed assets. Eligible business must be for-profit, have a net worth less than \$8.5 million and net profit less than \$3 million and the owner/user must occupy 51% of an existing building or 60% if new construction.

SBA 504 Loan Guarantee Program

Administered by a non-profit Certified Development Company (CDC), this program provides growing businesses with long-term, fixed-rate financing for major fixed assets, such as land and buildings, etc. CDC's work with the SBA and private-sector lenders to provide financing to small businesses who are creating jobs. Typically, a 504 project includes a loan secured by a senior lien from a private-sector lender covering up to 50% of the project cost, a loan secured with a junior lien from the CDC (backed by a 100% SBA-guaranteed debenture) covering up to 40% of the cost, and a contribution of at least 10% equity from the small business being helped.

USDA Rural Development Business and Industry Guaranteed Loan Program

In rural areas (50,000 population or less), this federal program will guarantee loans by eligible local lenders up to \$10 million. The primary purpose of the program is to create/maintain employment and improve the economic and environmental climate in rural communities. This is achieved by expanding the existing private credit structure capability to make/service quality loans. The program typically guarantees losses of up to 80% of the original loan amount. Typically, loan guarantees are limited to a minimum of \$500,000 and a maximum of \$10 million per borrower. The program administrator may approve loans up to \$25 million.

USDA Energy Efficiency Improvement Project Loan Guarantee/Grant Program

Companies located in rural areas (50,000 population or less) who are making verifiable (energy audit or assessment) improvements to a facility, building or process that reduces energy consumption are eligible to apply for a USDA loan guarantee and/or grant assistance. The maximum grant award (no more than 25% of eligible project costs) is \$250,000. The maximum guaranteed loan award (no more than 75% of eligible project costs) is \$25 million and the maximum combination grant/guaranteed loan (no more than 75% of total eligible project costs) is \$25 million. Assistance is awarded on a competitive basis and additional requirements exist.

For additional information please contact:



Supporting Job Opportunities in Greeley & Weld County Communities

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