

REGION 10 COLORADO RURAL ENTERPRISE ZONE

10 STEPS

DESIGNATION AND ADMINISTRATION OF AN ENTERPRISE ZONE QUALIFIED PROJECT

1. Request for Enterprise Zone Development Project Designation

A request for designation to qualify contributions for State Income tax credits shall be submitted to the Region 10 Enterprise Zone Administrator. A representative of the project wishing to seek Enterprise Zone Development Project designation should contact the Enterprise Zone administration staff to discuss the project, requirements, the Region 10 Comprehensive Economic Development Strategy (CEDS), and the guidelines of the Colorado Economic Development Commission. If the project meets the EZ criteria for possible designation the EZ Administrator will create an application and profile on the Colorado Office of Economic Development and International Trade's (OEDIT) online Salesforce portal. The initial request for designation shall include the following:

A. The proposed Project must complete the online application and upload all the necessary supporting documentation (letters, maps, etc.) to the portal.

B. Letter of support from the Local Political Jurisdiction

An EZ project shall be supported by the local jurisdictions where the project is located and evidenced by a letter of support from the City and County. The purpose of the letter is to ensure that the project is supported by the local jurisdictions and is consistent with local economic development goals and objectives. A representative of the sponsoring local government should present the request for designation to the Region 10 Board of Directors or Executive Committee.

2. Peer Review by Enterprise Zone Administrators

All Projects are submitted for peer review to the EZ Administrators statewide for input and feedback on how the application can be strengthened or whether or not it should move forward.

3. Approval by the Region 10 Colorado Enterprise Zone Administrator

The Region 10 Enterprise Zone Administrator will review each project to ensure that it meets the stated policies of the Colorado Economic Development Commission, and the regional Comprehensive Economic Development Strategy (CEDS). If the project meets the state and regional economic development goals, the request and supporting letters will be submitted to the Region 10 Board of Directors or Executive Committee for approval. If the District does not approve the project, the project cannot be designated.

4. Colorado Economic Development Commission

After approval at the local level, the application will be submitted to the committee of the state enterprise zone administrators for reviewing prior to submission to the Colorado Economic Development Commission. The Colorado Economic Development Commission will review projects for approval or denial of project eligibility. In addition, the Colorado Economic Development Commission retains the right for all projects to be reviewed on an annual basis.

5. Memorandum of Understanding between REGION 10 Enterprise Zone and Project

After approval by the Region 10 Enterprise Zone and the Colorado Economic Development Commission, a Memorandum of Understanding will be executed by the Enterprise Zone Administrator and an authorized

representative of the Project organization. Prior to executing the Memorandum of Understanding, the Project will submit the following information and other documentation requested by the Region 10 Enterprise Zone Administrator.

- A. Articles of Incorporation (or statement explaining ownership of sub-grantee organization if other than a corporation)
- B. Bylaws
- C. Recent (within one year) Certificate of Good Standing
- D. Tax Status information such as Tax Identification number (W-9), Federal Letter of IRS Designation
- E. Corporation Resolution or minutes from the organization's Board of Directors meeting to enter into Memorandum of Understanding.

6. Certification of Sub-Grantee Organization to Receive Contributions Directly

The policy of the Region 10 Enterprise Zone Administrator will be to certify project contributions directly, and the Region 10 Enterprise Zone Administrator retains the authority to approve all EZ certifications.

7. Processing Certifications

Contributions shall be made directly to the designated EZ Project. Using the Project login information for OEDIT's Salesforce portal, contributions will be entered with appropriate documentation for approval. Salesforce will generate donor forms (DR0075) for claiming tax credits, so Projects must decide how to deliver the Certification of Qualified Enterprise Zone Contribution form (DR0075) prior to entering any donations into Salesforce. The Project's profile must be set accordingly. The choices are:

- Option A - Send donation certificates (DR0075) directly to the Project organization's contact email on the portal and the Project will distribute certificates to donors
- Option B - Send donation certificates (DR0075) directly to donors via email - MUST enter email address for each donor when entering contribution

Once the Project's profile is set and ready for logging contributions, and in order for the donor to receive a DR0075 for to claim EZ tax credits for their donation, the following information is needed to submit an EZ contribution for approval. A user guide will be made available.

- Business or Contributor's name
- Last 4 digits of Social Security Number or Colorado Account Number for individuals, and the complete tax ID # for businesses.
- Street address / City, State / Zip Code / phone number / email address
- Date and amount of donation
 - If the in-kind or cash donation is greater than \$5,000 you must upload a copy of the check or back documentation of in-kind contributions if the donation.
 - To maintain efficient processing, the minimum cash donation is \$50 (may be a combination of donations within a reporting period); the minimum in-kind donation is \$100 (may not be aggregated to meet the minimum).
 - In the case of in-kind contributions, the local Project organization shall require the donor to submit a description of the in-kind contribution and a statement of value. Per IRS regulation, the donor will be required to provide a "qualified appraisal" for in-kind contributions in excess of \$5,000. The minimum value of in-kind donations accepted will be \$250. Donated stock

certificates, securities etc. are considered by the Colorado Department of Revenue as in-kind donations.

Once approved, a DR0075 form will be generated and emailed according to the Project's preferred delivery method.

8. Administrative Fee

The REGION 10 Enterprise Zone Administrator shall be entitled to receive a one percent (1%) administrative fee on the value of all cash contributions, plus \$1 per form, for overhead and administrative costs. The Region 10 Board of Directors, acting as REGION 10 Enterprise Zone Administrator shall be entitled to negotiate each administrative fee on a case-by-case basis. Failure of a project to pay the administrative fee within thirty days may result in the REGION 10 Enterprise Zone Administrator declining to certify contributions from that project until the administrative fee is current.

9. Criteria for Evaluation of Qualifying Project

Eligible Projects include:

- Job Assistance for the homeless: assist homeless shelters to provide job training, placement and employee-related support services to the homeless. Shelters that provide only overnight services do not qualify.
- Implement the economic development plan of the enterprise zone -- must be directly related to job creation or job preservation;
- Business Assistance (Management Training and Counseling, Incubator, Small Business Finance Funds, Feasibility Studies, etc.)
- Rural Health Care Facilities in designated Health Professional Shortage Areas
- Infrastructure Projects (water, sewer, transportation, telecommunications, etc.)
- Job Training
- Community Development Capital projects

10. Comprehensive Economic Development Goals (CEDS)

Goals meeting the regional CEDS include:

- Business Development, including incubators, economic development organizations, business training, access to capital, creative industries, advanced manufacturing support
- Tourism, including tourism attraction (museums, festivals, etc)
- Transit/Transportation, including air support, multi-modal projects
- Agriculture Diversification, increasing regional revenues from agriculture
- Education including workforce development/training for businesses, including veterans training (note: per state policies, higher education does not apply, other than for workforce training)
- Community Development including access to healthcare for underserved areas, essential community facilities capital projects, housing, main street/downtown development.

Note: Projects should be able to show how their project impacts economic development within the region utilizing the above goals. Job creation will be a consideration, although jobs created directly by the organization applying do not qualify for project eligibility.

Region 10 Enterprise Zone 2020 Goals

Source: Region 10 Comprehensive Economic Development Strategy (CEDS)

1. Support a diverse economy including support for agriculture, tourism, outdoor recreation, healthcare and manufacturing to increase number of regional jobs and maintain employment levels.
2. Support entrepreneurship with training, access to capital and innovative models of service such as incubators, innovation centers, co-working, etc. to increase number of jobs and median income.
3. Create communities that attract and support residents, businesses, and visitors including vibrant downtowns, affordable housing, quality air and transit services, and community facilities to maintain and grow population and sales taxes.
4. Maintain and improve infrastructure including aviation, broadband, transportation, trails, water/sewer facilities, public lands, and renewable energy to attract visitors and support residents and businesses measured by public and private investment.
5. Develop and attract a skilled and talented workforce including training and educational opportunities, support for emerging and transitioning workforce including homeless, displaced and other vulnerable populations to increase median income.