



City of Wray Economic Development Incentive Policy

Purpose

The City of Wray, Colorado, is committed to encouraging new or existing business expansion in the areas of retail, commercial, agricultural and light industrial/manufacturing that will bring quality economic growth to our community. The City desires to improve its tax base, improve property values, provide new item and service availability for its citizens and expand job growth that will sustain long term economic success and provide beneficial returns to Wray and its citizens.

The purpose of the incentive policy is to encourage the location of new industry and the expansion of existing industry in Wray, Colorado. The policy does not commit or restrict the city from providing additional incentives, but contains specific criteria, guidelines and procedures necessary to effectively and fairly administer the provision of economic development incentives.

Targeted Industries

- Clean industry (manufacturing, warehousing, distribution)
- Advanced technology (examples: biotechnology, computer manufacturing and design, medical technology, research and development, telecommunications)
- National or regional headquarters
- Expansion of existing industry

Eligibility Requirements (Meet any or all of the following)

- Business must invest a considerable investment in capital infrastructure.
- Business creates a significant number of new full-time jobs for the city.
- The annual wage for full-time employees that is at or above eighty percent (80%) current average annual wage for all industries in Yuma County (as documented by the Colorado Department of Labor and Employment).
- The business must be willing to provide an economic impact analysis that estimates the total economic benefits to Wray and the incentive payback period. To be eligible for incentives, the payback period must be within a defined period of time not to exceed five years.
- The business must provide on-going company information for monitoring purposes.
- Application for incentives must be submitted prior to beginning construction.
- Changes in the Colorado tax structure could void the incentive agreement.

The City can negotiate additional incentives for existing businesses that make significant environmental improvements. The City Council feels that encouraging environmentally sound industry is in the best interest of the citizens of Wray.

Administration

Pre-application

Prior to submitting a formal application, a business may inquire as to the eligibility for incentives based on preliminary employment and capital investment figures.

The business shall submit a letter of application to the Wray City Council.

The Council and/or their designee will review the information submitted and respond to the business regarding apparent eligibility and potential amount of incentives if granted. This initial response shall in no way represent definitive findings or be seen as an expression of intent or obligation of the Council to favorably consider or approve a formal request for incentives. The pre-application letter and initial response shall be deemed to be proprietary business information and shall be kept confidential.

Formal Application

The City will consider incentives for businesses that submit a complete application and provide such additional information as may be reasonably requested. The application shall contain the following:

- Name and address of business, principal owners and officers, contact person, telephone and fax numbers
- A general description of the nature of the business, business history and experience.
- Name and address of the owner of the land and building occupied or to be occupied by the business.
- A general description of the proposed building project or improvements, including estimated capital cost.
- A site plan of the proposed building project or improvements.
- If an existing business, average total monthly employment figures for the past 12 months.
- Number of new full time jobs to be created by type or position and an estimate of wages/earnings of these jobs.
- Statement of how the proposed business will maintain or enhance quality of life and provide social, economic, or cultural benefits to community.
- Statement that the business operation will not detract from city's aesthetic environment (addresses City of Wray Annexation/Zoning regulations)
- Economic impact analysis conducted by independent party (i.e. Yuma County Economic Development Corp.)

Application Review Procedures

The Wray City Council has the right to accept or deny any application. The City Council reviews the analysis of the costs and benefits and receives comments from the applicant. The City Council may consider an application in executive session, to preserve the confidentiality of the business during negotiations, until the appropriate time to consider the application in a formal public hearing. Approval shall be in the form of a written resolution.

Monitoring Review

Each incentive agreement shall be subject to an annual monitoring review by an individual appointed by the City Council to determine if the business continues to meet eligibility criteria and remains in compliance with any established terms and conditions.

Incentives

Incentive agreements are limited to **FOUR (4) years**. Companies that continue to expand may reapply for new incentive agreements. For expansions, incentives are calculated based on the amount of each new investment. New or expanding businesses that meet the Eligibility Criteria may apply for the following incentives:

Add scores from the two following matrixes together to determine incentives:

Capital Investment Matrix

Double Original Investment minimum \$150,000.00	2
\$250,000 - \$400,000 Capital Investment	2
\$400,001 - \$500,000 Capital Investment	3
\$500,001 - \$750,000 Capital Investment	4
\$750,001 - \$1 Million – Capital Investment	5
\$1 Million + Capital Investment	6

Salaries paid to full time Employees Matrix

Salaries	5 jobs	6-10 jobs	11 – 20 jobs	21 – 30 jobs	31 + jobs
\$50,000 +	4	5	6	7	8
\$40,000 - \$49,999	3	4	5	6	7
\$30,000 - \$39,999	2	3	4	5	6
\$25,000 - \$29,999	1	2	3	4	5

Applicable Rebate Scoring Matrix

RANKING INDEX	%BUILDING PERMIT FEE REDUCTION	%SALES/USE TAX REBATE		% PROPERTY TAX REBATE		% UTILITY CONNECTION REBATE
		IN TOWN	OUT OF TOWN	REAL	PERSONAL	
3	15	30	15	30/25/20/15	30/25/20/15	15
4	20	40	20	40/35/30/25	40/35/30/25	20
5	25	50	25	50/45/40/35	50/45/40/35	25
6	30	60	30	60/55/50/45	60/55/50/45	30
7	35	70	35	70/65/60/55	70/65/60/55	35
8	40	80	40	80/75/70/65	80/75/70/65	40
9	45	90	45	90/85/80/75	90/85/80/75	45
10	50	100	50	100/95/90/85	100/95/90/85	50



Application for Economic Incentive Rebates

BUSINESS NAME: _____

OWNER / OFFICER: _____

TELEPHONE NUMBER: _____

FAX NUMBER: _____

TYPE OF BUSINESS & HISTORY: _____

OWNER OF PROPERTY / BUILDINGS: if other than above _____

How will this business maintain / enhance the quality of life in the City of Wray?

How will this business meet the City of Wray annexation / zoning requirements?

EMPLOYMENT DATA:

1. NEW BUSINESS

A. NUMBER OF ADMINISTRATIVE EMPLOYEES _____

AVERAGE SALARY \$ _____

B. NUMBER OF SUPERVISORY EMPLOYEES _____

AVERAGE SALARY \$ _____

C. NUMBER OF GENERAL LABOR EMPLOYEES _____

AVERAGE SALARY \$ _____

2. EXISTING BUSINESS: see attachment "B" on page

CONSTRUCTION DATA:

1. TOTAL COST OF CAPITAL IMPROVEMENT

A. LAND \$ _____
(if owned or purchased)

B. BUILDINGS \$ _____

C. INFRASTRUCTURE \$ _____
(curb, gutter, water, sewer, etc.)

D. MACHINERY \$ _____
(processing, etc.)

MATRIX SCORE FOR CAPITAL INVESTMENT _____

MATRIX SCORE FOR EMPLOYMENT _____

TOTAL MATRIX SCORE _____

ATTACHMENTS:

1. SITE PLAN OF PROPOSED BUILDINGS OR IMPROVEMENTS DRAWN TO SCALE
2. AVERAGE TOTAL MONTHLY EMPLOYMENT FIGURES FOR THE PREVIOUS 12 MONTHS. "EXISTING BUSINESS ONLY"
3. ECONOMIC IMPACT ANALYSIS - TO BE CONDUCTED BY YUMA COUNTY ECONOMIC DEVELOPMENT CORPORATION
4. COPY OF RESOLUTION IF APPROVED BY CITY COUNCIL