



REDI Grant Program Rural Economic Development Initiative



Purpose

The purpose of the Rural Economic Development Initiative (REDI) Program is to help eligible rural communities develop plans and undertake projects to create jobs, drive capital investment, and increase wages to help grow and create resiliency and diversity in the local economy. The program will fund:

- Community asset analysis to determine potential economic development opportunities.
- Stakeholder convening for solution development resulting in new or updated local plans.
- Competitive grant funding for community infrastructure, business facilities and job training.

Requirements

1. Only projects located in an eligible rural community can apply. To be eligible, the community must meet **both** criteria: **a. Rural**, and **b. Impacted**.
 - a. Rural Population Criteria:** Any rural area **except** a municipality exceeding 20,000 in population located in a county with a population of 50,000 or more. Exceptions may be made if a community is clearly rural in character.
 - b. Impacted Criteria:**
 - A community that houses a corrections facility or a closed corrections facility, or
 - A community where there is clear evidence of over dependence on a Single Large Employer (SLE) meeting certain criteria, or
 - A community overly dependent on an imminently at-risk or shuttering Single Dominant Industry (SDI).

July 2014 Update: Community definition expanded to include surrounding areas or communities if the economies are heavily interdependent. SLE criteria extended to include communities where 10% or more of all primary jobs come from a SLE.

2. Project applications will be evaluated on readiness and the ability to attain concrete results in:
 - Ability to create diversity and resiliency in the economy.
 - New jobs created by a new or existing and expanding employer.
 - Capital investment benefitting a regional key industry.
 - Increase in average wages.
 - Collaboration and growth that benefits more than one community within a region.
 - Compatibility with relevant community and economic development plans.
 - Evidence of strong support from local government.
 - Degree to which the large employer/dominant industry is at risk.
3. Local government can apply for infrastructure or facilities projects necessary to attract new jobs,* or to encourage private capital investment. Local government can also apply for training grants for affected (laid off) workers in situations meeting certain criteria.

4. In some cases, projects may cause the local government to consider TABOR implications.
5. Project awards will generally not exceed \$500,000; higher amounts require significant job creation.
6. Private employers can apply for grant funds for business facility improvement projects that include private capital investment and are necessary to create new jobs.* *Evidence of job creation and/or investment is required and part of the performance criteria.* Employers may also apply for employee training programs for new job growth.
7. Business training grants may be awarded up to \$800/employee/program that meet new jobs* criteria.
8. Involvement and discussion with local governments, DOLA Regional Managers, economic development, workforce, community planning, and community colleges is required. This involvement is evidenced by letters of support and/or local financial contributions to the project (matching funds). Applications showing higher levels of local support will be more competitive.
9. Building projects utilizing 25% or more of state funding and meeting specific thresholds may be required to comply with the High Performance Certification Program (HPCP) requiring LEED Gold Certification.
10. Projects must meet performance criteria, such as construction completion milestones and job creation goals. Projects may be denied reimbursement or may be required to pay back funds if performance criteria are not met.

*Private-sector, primary key industry, non-government jobs. Typically full-time and permanent only. Primary jobs bring a new dollar to the community. Secondary jobs (retail/service/etc.) also may be eligible, if they clearly add diversity and resiliency to the local economy.

Eligible Projects

- Planning, construction and expansion of public facilities and provision of public services owned and/or maintained by a local government (e.g. water lines, roadways, utility service).
- Certain facility projects, such as utility upgrades and remodeling not including equipment/furniture costs.
- Training for employees of new or existing and expanding employers or training for displaced workers.
- Project may not simply be a relocation from another Colorado community.

Funding Source

The funds utilized for this program are appropriated from the State General Fund to the Department of Local Affairs (DOLA) and are administered in collaboration with the Colorado Office of Economic Development and International Trade (OEDIT). Funds are anticipated for Fiscal Years 2014-2015 and 2015-2016. Applications will be accepted until 3/1/2015 or until grant funds are exhausted.

Process

- Grant and technical assistance applications will be accepted on or before the first day of each month for a monthly grant processing cycle.
- Interested communities should contact OEDIT for grant forms and to discuss project eligibility prior to applying.
- Funded local government infrastructure and facility projects will require a contract between the recipient and DOLA. Funded private-sector training or facility grants will require a contract or agreement with OEDIT.
- Payment of grant funds will be made on a performance-based reimbursement basis.

Note: The fact that an application meets all of the program's general policy guidelines does not mean that the project will be approved. This is a competitive grant funding process with limited funding. Not all requests that meet the program criteria will receive funding. Fact Sheet Update 7/2014.