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Rural Jump-Start Zone status eyed for western Garfield County

By By DENNIS WEBB Dennis.Webb@gjsentinel.com Dec 8, 2020

An effort is underway to get Rural Jump-Start Zone status in western Garfield County to help a region struggling first from the decline in the natural gas industry and now from the pandemic.

Garfield County commissioners endorsed a request Monday that the Colorado Economic Development Commission designate the county's western portion to be economically distressed based on the criteria of the Rural Jump-Start Zone program. The program allows tax relief for new businesses and new hires located in such zones.

The program was first implemented in Mesa County in 2015, and the state Legislature extended and expanded the Rural Jump-Start Zone Act this year under a bill sponsored by Western Slope lawmakers. Initially, the original program applied only to businesses that don't compete with others anywhere else in the state. The revised program applies the nocompetition clause only to the zone where an eligible business would be located or any economically distressed county contiguous to that zone.

The revised program also adds economic development organizations as entities authorized to take steps, including applying to form a zone. Associated Governments of Northwest Colorado is pushing for the designation in western Garfield County, and Garfield County Commissioner Mike Samson credited that entity Monday for its work on that program and other enterprise and opportunity zone designations geared toward economic development.

"I hope anyone who has a business out there, you look into these programs, especially during this stressful time in trying to keep businesses open," he said.

The Rural Jump-Start Zone program can provide eligible businesses relief from state income taxes and sales and use taxes, and from county and municipal business pers It also allows for state income taxes to be waived for eligible employees.

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Where zone eligibility is established, counties and local governments then consider passing resolutions authorizing tax relief to qualifying companies.

The Garfield County request excludes the Roaring Fork Valley portion of the county, which economically is doing better than western Garfield County. The natural gas industry has ceased most of the drilling it previously did in western Garfield County, leading to the loss of high-paying jobs. Also, most residents in communities from New Castle to Parachute are employed outside their respective communities, according to associated governments. Many commute to Roaring Fork Valley jobs.

In considering whether western Garfield County is economically distressed, the Colorado Economic Development Commission will look at factors such as per-capita income, unemployment levels and the percentage of students eligible for free lunch at school.

Bonnie Petersen, associated governments executive director, told Garfield commissioners her group is pursuing support for Rural Jump-Start Zone eligibility from western Garfield County municipalities and other entities, and the state commission is expected to consider the matter in January.

Said Samson, "Hopefully, my way of thinking is in western Garfield County and especially the businesses that we have tried to foster around the (Rifle Garfield County) Airport, this could be something of great benefit to them."

Dennis Webb