

Utah Code Section 63N-4-802 establishes the Rural Opportunity Program and instructs the Governor's Office of Economic Development (GOED) to administer the program. It further directs that the Rural Opportunity Advisory Committee (created by Section 63N-4-804) oversee the funding opportunities available through this program. The Rural Opportunity Program contains several funding opportunities including the Rural Communities Opportunity Grant (RCOG).

Rural Communities Opportunity Grant—FY 2027

For the purpose of this grant, a "Rural Community" means a rural county or rural municipality as defined by Section 63N-4-801. An "Association of Governments" (AOG) means an association of political subdivisions of the state, established pursuant to an interlocal agreement under Title 11, Chapter 13, Interlocal Cooperation Act and as defined by the same section as above.

ELIGIBLE COMMUNITIES

Rural communities eligible for RCOG included:

- Counties of the third*, fourth, fifth, and sixth class
- Cities, towns, and metro townships located within those counties
- Municipalities with a population of 10,000 or less in counties of the second class
- Associations of Governments established in the State of Utah

(See Appendix A)

**Counties of the third class are eligible for RCOG if the county of the third class has no municipality with a population of 100,000 or more (63N-4-801(9)(b)). Washington County, a third-class county, does not qualify for the RCOG because it has a city with a population greater than 100,000. Cities within Washington County, other than St. George, also qualify for RCOG.*

GRANT PURPOSE

The RCOG empowers eligible entities to take responsibility for economic development planning, projects, and activities, and to manage their own unique opportunities. The grant is designed to address the economic development needs of rural communities, including:

- Business recruitment, development, and expansion;
- Workforce training and development; and
- Infrastructure, industrial building development, and capital facilities improvements for business development.

Grant funding is competitive and requires matching funds from awardees. A municipality, city, town, metro township, county, or AOG may receive up to \$600,000. Rural counties may receive grant funds from the RCOG exceeding the \$200,000 distributed to them under the Rural County Grant (RCG), but they may not receive more than \$800,000 of state funds per fiscal year.

AOGs may be awarded up to 20 percent of the overall RCOG funding in a given fiscal year; however, that 20 percent of the funding is not a set-aside amount for AOGs applying for this grant. AOGs will compete against all other qualified applicants for the same pool of available funds, and will be judged by the same application, evaluation, and award standards as all other qualified applicants.

In order to qualify for this grant, AOGs must also receive buy-in from all of the counties represented by the AOG and demonstrate that each county has approved the request for grant funds per Utah Code Section 63N-4-802(4)(e). Evidence of approval consists of letters of agreement from each county within an AOG's region. AOGs that include counties of the first or second class are also eligible to apply for the RCOG, but must propose a project or projects that address the needs of rural communities within their association.

QUALIFYING REQUIREMENTS

1. A rural county must form and have a functioning County Economic Opportunity Advisory Board (CEO Board). A rural municipality must have a functioning planning and zoning commission, or a duly organized municipal economic opportunity advisory board or commission, that will fulfill the same advisory requirements as a CEO Board. An AOG's General Board must also fulfill the same advisory requirements as a CEO Board as it pertains to eligibility for this grant (*see Appendix B*).
2. A formal application must be submitted by the community legislative body or AOG through GOED's designated application portal.
3. The application must include a description of anticipated economic development projects and activities approved by the legislative body and recommended by the CEO Board, or the commission or general board acting in the same advisory role. This description must include the following:
 - Scope of Work;
 - Deliverables and Outcomes
 - Project and Activities Budget; and
 - Timeline for completion
4. The applying community or AOG must demonstrate a funding match, which may be provided by any of the following sources:
 - A community reinvestment agency
 - A redevelopment agency
 - A community development and renewal agency
 - A private-sector entity
 - A nonprofit entity
 - A federal matching grant
 - A county or municipality general fund match

For counties, a funding match must total:

- 10% match for a county of the sixth class;
- 20% match for a county of the fifth class;
- 30% match for a county of the fourth class; or
- 40% match for a county of the third class

For municipalities in any rural county classification—including within the second class— a funding match must total:

- 10% match for a town;
- 20% match for a municipality of the fifth class;
- 30% match for a municipality of the fourth class; or
- 40% match for a municipality of the third class.

For AOGs, the match requirement is 40%.

5. The applying community or AOG must provide verification of compliance with the reporting requirements of the Rural Opportunity Advisory Committee, and verification of reporting requirements for all previous years the community or AOG has received an RCOG or an RCG.
6. If a community or AOG has not entered into a previous RCOG or RCG, it must agree to the Office's annual reporting requirements if a grant is awarded.

APPLICATION

GOED will open an online portal application once each fiscal year to eligible communities and AOGs. If the applicant is a county, it will be encouraged to design new economic development projects and activities, and budget grant funding based on the economic development needs of the county, including the needs of cities and towns within its boundaries. If the applicant is a rural municipality, it will be encouraged to design new economic development projects and activities, and budget grant funding based on its economic development needs. If the applicant is an AOG, it will be encouraged to design new economic development projects and activities, and budget grant funding based on regional economic development needs within its boundaries. The basic elements of the RCOG application can be found in *Appendix E*.

As the RCOG is a competitive funding opportunity, each application will be scored based on the quality of the application, the proposed budget, the economic development projects and activities described therein, and the purposes, goals, and measurable outcomes related to improving the business economy. Each applicant must justify the economic development needs for the grant and the dollar amount requested.

The application period will be determined by the Office each year. The application will take into account verification of compliance with annual reporting requirements of previous RCG and/or RCOG awards. Annual reporting is due each year prior to the opening date of a new RCOG application. A rural county that has not complied with RCG reporting requirements will not be eligible to apply for the RCOG. No community or AOG will be eligible to apply for the RCOG if a previously awarded RCG or RCOG contract is still open and incomplete, or if they have not complied with annual reporting requirements.

Applications will be reviewed and scored by the GOED staff and the Rural Opportunity Advisory Committee (Advisory Committee). For information regarding the Advisory Committee, *see Appendix D*. Limited funds and the number of quality applications will factor into the overall number of grants

awarded and the amounts awarded to each recipient. Due to these limitations, an applicant may, 1) receive the full award of the grant funds requested, 2) may be asked to accept a lower funding amount than is requested, and adjust its proposed plan accordingly, or 3) may not be awarded a grant. Submitting an application does not guarantee a grant award.

Prioritization

The Advisory Committee may prioritize applications that demonstrate any combination of the following:

1. The community or AOG has, or is actively pursuing the creation of, an effective strategic economic development plan;
2. Consistency with local economic development priorities;
3. Economic need;
4. Utilization of local financial resources in combination with a grant;
5. Evidence that jobs will be created; and
6. Evidence that there will be a positive return on investment.

HOW TO SUBMIT AN APPLICATION

The RCOG application can be accessed by visiting the GOED website's Rural Communities Opportunity Grant webpage at <https://business.utah.gov/rural/rcog/> and selecting the "Apply Now" button. All instructions to successfully apply for the grant are available on the Rural Communities Opportunity Grant webpage and will be included in the application.

CONTRACTS AND TERMS

Upon application approval, the State of Utah and the applying rural community or AOG will enter into a contract for the RCOG. Contract periods are set for two years from the time of approval. All projects and activities under the grant must be completed within the 24-month period of the contract. No community or AOG may have more than one RCOG contract open at a time. An awarded community or AOG must complete the projects and activities of an initial grant and meet all reporting requirements before applying for another grant.

Because the RCOG is subject to competitive review against other rural community applications, and because applications will require significant planning and budgeting, amending an awarded contract to altogether different projects or activities is highly discouraged. Any attempt to amend a contract and change projects or activities once a contract is finalized will require an appeal to and review by the administering staff of GOED and the Rural Opportunity Advisory Committee. Final approval of a contract amendment will ultimately be given at the discretion of the GOED Executive Director. In the event of hardship or other unforeseen economic circumstances, a grant recipient may appeal to the Rural Opportunity Advisory Committee for an extension beyond the 24-month period of this grant, and await final approval from the GOED Executive Director.

GRANT FUND DISTRIBUTION

Grant funds under the RCOG will be distributed to each awarded rural community or AOG after application approval. Funds will be distributed on a 75/25 basis, meaning 75% of grant funds will be delivered upon application approval and contract finalization between the community or AOG and the State of Utah. The remaining 25% of funds will be delivered upon GOEDs receipt of satisfactory evidence of the completion of economic development projects and activities as proposed by the applicant and set forth in the grant contract.

Grant recipients will make requests for the disbursement of the remaining 25% of grant funds using the Office's online application portal. The GOED Compliance Department will identify key benchmarks from each contract to determine whether the economic development projects and activities are complete and the applicant has provided sufficient evidence to support that claim. The key elements to determine benchmarks will come from the grant recipient's submitted Scope of Work, Deliverables and Outcomes, Budget, and Timeline recorded in their contract, as well as from their annual reports. Proof of expenditure of all grant funds and matching funds is required.

REPORTING REQUIREMENTS

Each CEO Board within a county, or the commission or general board acting in the same advisory role as a CEO Board, shall assist and advise the community legislative body or AOG with compliance to reporting requirements for grant money received under the program, and as required by the Rural Opportunity Advisory Committee (*see Appendix C*). Annual reports are due each year an RCOG contract is in effect. The Office will inform grant recipients of annual reporting time periods and requirements each year.

Appendix A

Qualified Rural Communities and Associations of Governments

Rural communities eligible for the Rural Communities Opportunity Grant (RCOG) include: counties of the third*, fourth, fifth, and sixth class; cities, towns, and metro townships located in counties of the third, fourth, fifth, and sixth class; and municipalities with a population of 10,000 or less in counties of the second class. The seven AOGs established in the State of Utah are also eligible to apply for the RCOG.

Qualified Rural Counties, by classification (State Code 17-50-501), are:

Counties of the Third Class (Populations from 40,000 to 259,999)

- Washington County*
- Cache County
- Tooele County
- Box Elder County
- Iron County
- Summit County

Counties of the Fourth Class (Populations from 12,000 to 39,999)

- Uintah County
- Wasatch County
- Sanpete County
- Sevier County
- Carbon County
- Duchesne County
- San Juan County
- Millard County
- Morgan County
- Juab County

Counties of the Fifth Class (Populations from 5,000 to 11,999)

- Emery County
- Grand County
- Kane County
- Beaver County
- Garfield County

Counties of the Sixth Class (Populations less than 5,000)

- Wayne County
- Rich County
- Piute County
- Daggett County

**Counties of the third class are eligible for RCOG if the county of the third class has no municipality with a population of 100,000 or more (63N-4-801(9)(b)). Washington County, a third-class county, does not qualify for the RCOG because it has a city with a population greater than 100,000.*

Qualified Rural Municipalities, within a county of the third, fourth, fifth, or sixth class by classification (State code 10-2-301), are as follows:

- A municipality with a population of 30,000 or more but less than 65,000 is a city of the third class.
- A municipality with a population of 10,000 or more but less than 30,000 is a city of the fourth class.
- A municipality with a population of 1,000 or more but less than 10,000 is a city of the fifth class.
- A municipality with a population under 1,000 is a town.

**Cities within Washington County, other than St. George, also qualify for RCOG.*

Qualified cities and towns, in counties of the second class with populations less than 10,000 (FY 2027):

Davis County

- Fruit Heights
- South Weber
- Sunset City
- West Bountiful

Utah County

- Cedar Fort
- Cedar Hills
- Elk Ridge
- Fairfield
- Genola
- Goshen
- Woodland Hills

Weber County

- Farr West
- Harrisville
- Hooper
- Huntsville
- Marriott-Slaterville
- Plain City
- Riverdale
- Uintah
- Washington Terrace

Qualified Associations of Governments:

- Bear River Association of Governments (BRAG)
- Five County Association of Governments

- Mountainlands Association of Governments (MAG)
- R6; formerly known as Six County Association of Governments
- Southeastern Regional Development Agency (SERDA); formerly known as Southeastern Utah Association of Local Governments
- Uintah Basin Association of Governments (UBAG)
- Wasatch Front Regional Council (WFRC)

Appendix B

County Economic Opportunity Advisory Board (CEO Board)

"CEO Board" means a County Economic Opportunity Advisory Board as described in Utah Code Section 63N-4-803.

**Note: For a municipality to qualify for a Rural Communities Opportunity Grant it must have a functioning planning and zoning commission, or a duly organized municipal economic opportunity advisory board or commission, that will act under the same advisory requirements as a CEO Board. An Association of Governments' General Board must act under the same advisory requirements as a CEO Board as it pertains to eligibility for this grant.*

Each rural county that seeks to obtain a Rural Communities Opportunity Grant shall create a CEO Board composed of at least the following members appointed by the county legislative body:

- a county representative;
- a representative of a municipality in the county;
- a workforce development representative;
- a private-sector representative; and
- a member of the public who lives in the county.

The county legislative body may appoint additional members with experience or expertise in economic development matters. In appointing members to the CEO Board, the county legislative body may consider gender and socioeconomic diversity.

Each CEO Board shall assist and advise the county legislative body on:

- applying for a Rural Communities Opportunity Grant;
- what projects should be funded by grant money provided to a rural county under the program; and
- preparing reporting requirements for grant money received by a rural county under the program.

CEO Boards are subject to the Utah Open and Public Meetings Act (52-4-101-104, 201-210, 301-304), and are expected to abide by ethics in governance, and conflict of interest practices.

Appointment and Terms of CEO Board Members

- Appointment and Terms:
 - The county legislative body shall appoint each new member or reappointed member to a four-year term. It is encouraged that an appointed member of the CEO Board be limited to serving two (2) consecutive terms.
 - The county legislative body shall, at the time of appointment or reappointment, adjust the length of terms to ensure that the terms of advisory committee members appointed

by the county legislative body are staggered so that approximately half of the appointed advisory committee members are appointed every two years.

- The CEO Board shall elect a chair of the advisory board. It is encouraged that a CEO Board Chair serves for no more than two (2) consecutive years.
- The CEO Board shall elect annually a vice chair from the advisory board's members.
- When a vacancy occurs in the membership for any reason, the county legislative body shall appoint the replacement for the unexpired term.
- A majority of the CEO Board constitutes a quorum for the purpose of conducting advisory board business and the action of a majority of a quorum constitutes the action of the advisory committee.

The following statement will be added to Rural Communities Opportunity Grant contracts beginning in fiscal year 2026:

For the purposes of this Rural Communities Opportunity Grant program, County elected officials shall not be appointed to, or serve on, County Economic Opportunity Advisory Boards. GOED may withhold grant funding if an elected county official serves on, or served on, a County Economic Opportunity Advisory Board during the contracted term.

Appendix C

Rural Communities Opportunity Grant Reporting Requirements

On or before a date designated by the Office each year, a rural community or an Association of Governments (AOG) that has received a grant under this program in the previous 12 months shall provide a written report to the Advisory Committee that describes:

- The amount of grant money the community or AOG has received;
- How grant money has been distributed by the community or AOG, including:
 - which companies or entities have utilized grant money;
 - how much grant money each company or entity has received; and
 - how each company or entity has used the money;
- An evaluation of the effectiveness of awarded grants in improving economic development in the community or AOG, including:
 - the number of jobs created;
 - infrastructure created; and
 - capital improvements in the community or AOG;
- How much matching money has been utilized by the community or AOG, and what entities or sources have provided the matching money; and
- Any other reporting, auditing, or post-performance requirements established by the Governor's Office of Economic Development in collaboration with the Advisory Committee.

Appendix D

Responsibilities of the Rural Opportunity Advisory Committee

"Advisory Committee" means the Rural Opportunity Advisory Committee created in Section 63N-4-804.

Rural Communities Opportunity Grant (RCOG) Grant

Oversight

This grant program shall be overseen by the Rural Opportunity Advisory Committee and administered by the Governor's Office of Economic Development. In overseeing the grant program, the Advisory Committee shall advise and make recommendations to the office regarding grant awards. The Advisory Committee shall recommend grant awards for rural communities to address economic development needs, including:

- Business recruitment, development, and expansion;
- Workforce training and development; and
- Infrastructure, industrial building development, and capital facilities improvements for business development.

Rules and Reporting Criteria

The Advisory Committee shall collaborate with the Governor's Office of Economic Development to make rules establishing the eligibility and reporting criteria for the rural communities and Associations of Governments to receive grant money, including:

- The form and process for a community to submit an application;
- The method of scoring and prioritizing grant program applications from rural communities and AOGs;
- The reporting, auditing, and post-performance requirements for a rural community or an AOG that receives grant money; and
- Any deadlines that shall be met by a rural community or AOG when applying for a grant.

Application Review, Scoring, and Fund Distribution

In determining the award of grant money under RCOG: the Advisory Committee may only recommend awarding up to \$600,000 annually to a rural community or AOG. The Advisory Committee may prioritize applications that demonstrate any combination of the following:

- The community has or is actively pursuing the creation of an effective strategic economic development plan;
- Consistency with local economic development priorities;
- Economic need;
- Utilization of local financial resources in combination with a grant;
- Evidence that jobs will be created; and

- Evidence that there will be a positive return on investment.

Additionally, the Advisory Committee will verify that an applying community or AOG has complied with:

- The reporting requirements required by the Advisory Committee; and
- The reporting requirements for all previous years that the community has received an RCG or RCOG.

After reviewing the recommendations of the Advisory Committee, the executive director of the Governor's Office of Economic Development shall award grants to rural communities and/or AOGs in accordance with the provisions of the state statute and governing rules.

Appendix E

Basic Elements of the Rural Communities Opportunity Grant Application

Organizational Information

- Name of applying community
- Full mailing address and telephone number of applying community
- Tax ID
- Name of Fiscal Agent
- Key organizational contacts
- Email addresses and telephone numbers of responsible contacts
- List of CEO Board members, including names, titles (e.g., chair, vice chair, etc.), organizations each member represents, and contact information
- Amount of grant funding requested (up to \$600,000)

Supporting Documentation

- Letter of support from the County Economic Opportunity Advisory Board (CEO), planning and zoning commission or a duly organized municipal economic opportunity advisory board or commission if the applicant is a municipality, or AOG General Board
- The entity's W9 form
- the entity's state vendor number if it is currently a state vendor
- Verification of compliance with the reporting requirements of the Rural Opportunity Advisory Committee
- Verification of reporting requirement for all previous years the community or AOG has received an RCG or an RCOG

Scope of Work

A detailed description of what the proposed Rural Communities Opportunity Grant projects and activities are, including:

- The type of work that will be completed;
- A description of how projects and activities will be completed; and
- A description of the economic development goals and benchmarks of the projects and activities.

Deliverables and Outcomes

- What will the completed economic development projects and activities look like? For example:
 - What populations or industry sectors will the project affect?
 - Will business opportunities be enhanced by this project?
 - How many projected new jobs will be realized as a result of this project?

- Show metrics of project success, such as how it will be measured, tracked and recorded against goals and benchmarks, and how the project will affect:
 - Business recruitment, development, and expansion;
 - Workforce training and development; and/or,
 - Infrastructure and capital facilities improvements for business development.

Budget

To be written in the appropriate field in the application, and submitted in a spreadsheet by the applicant:

- An explanation of the funding requirements of the project
- Calculated project bids
- The estimated cost to administer the grant
- A proposed budget in spreadsheet format

Timeline

- An explanation of the timeline for completing projects and activities including important dates, goals, benchmarks, etc.
- A proposed timeline in spreadsheet format