Rural Economic Development Incentive (REDI)

Application Information and Instructions

The Rural Economic Development Incentive (REDI) program is designed for businesses headquartered anywhere to create new high paying jobs in the rural Utah counties of Beaver, Box Elder, Carbon, Daggett, Duchesne, Emery, Garfield, Grand, Iron, Juab, Kane, Millard, Morgan, Piute, Rich, San Juan, Sanpete, Sevier, Uintah, Wasatch, and Wayne. These jobs can be remote, in a satellite hub/office, or physically located in the same county as the business.

This grant is post-performance.

WHO IS ELIGIBLE?

- Sole proprietorship, partnership, association, joint venture, corporation, firm, trust, foundation, or other organization or entity used in carrying on a business.
- Any business not primarily engaged in:
  - construction
  - staffing
  - retail trade
  - public utility activities

THE PROGRAM

Business entities that create new, full-time position(s) filled by rural employee(s) will receive a grant incentive based on the county's average annual wage. The company shall fill an employment position:

- with an employee working at least 30 hours per week or in a position that meets the customary practices accepted by that industry as full time
- that may be filled by more than one employee, if each employee who works less than 30 hours per week is provided benefits comparable to a full-time employee
- that is not shifted from one jurisdiction in the state to another jurisdiction in the state.
- where the annual gross wage of the position at the end of 12 consecutive months, not including healthcare or other paid or unpaid benefits, is at least 110% of the average wage of the county in which the position exists

INCENTIVE FUNDING TIERS

Subject to available funds, REDI grants are awarded to a business entity as follows:

- $4,000 for each new full-time employee position in a county where the average county wage is equal to or greater than the state average wage;
- $5,000 for each new full-time employee position in a county where the average county wage is between 85% and 99% of the state average wage; and
- $6,000 for each new full-time employee position in a county where the average county wage is less than 85% of the state average wage (see REDI Grant Levels table below).

A business entity may qualify for up to $250,000 in rural employment expansion grant allocations in any fiscal year (July to July) and may concurrently apply for or receive another grant or incentive administered by the Governor's Office of Economic Opportunity (Go Utah).

APPLICATION PROCESS

A business entity seeking to receive a REDI grant must first apply and receive approval for participation in the program. To affirm program participation, the business entity must enter into a written agreement with Go Utah prior to the creation of any incentivized full-time employment positions.

ONLINE SUBMISSION

Click here for the **Rural Economic Development Incentive (REDI) Grant** applications**.** Fill in all the required fields and upload supporting documents

APPLICATION COMPONENTS

- Name of applying business
- Date submitted
- Full mailing address
- Key organizational contacts email addresses and telephone numbers of responsible contacts
- Primary NAICS code of the business entity
- Utah State Tax ID Name and Tax ID of Fiscal Agent (if other than applying entity)
- Projected number of new full-time employee positions that the business entity plans to create
- Anticipated wage level of the new full-time employee positions
- Anticipated location of new hire
- Certification by electronic signature of an officer of the business entity

DOCUMENTATION

- Current W-9 of applying entity
- Documentation to establish the baseline of full-time employees:
    1. *Employee Baseline Form* as provided in the application is to establish the baseline job count of full-time employees for 12 months preceding the application date. The business applicant will submit the name, position, hire date, termination date (if applicable), wages paid, and hours worked for every employee and include employment through a payroll service, if applicable. Formats or reports from accounting software not in the Excel format will be denied
    2. Four quarters of the most recent Department of Workforce Services unemployment insurance 33H quarterly reports
    3. Statement, provided in the application, signed by the officer of the business that employees claimed within a business or payroll service company are complete, correct and, in the case of using a payroll service, solely employed by the applicant

Go Utah will establish a baseline position count which is the number of full-time positions (averaging 30 or more hours per week) prior to the application.

APPROVAL OR DENIAL PROCESS

APPROVAL

If after review and approval of an application authorizing a REDI grant and until fiscal year grant funds are exhausted, the Governor's Office of Economic Opportunity shall enter into a written agreement with the business entity that:

- indicates the maximum grant amount the business entity is authorized to receive based on the projected number of new positions
- includes a signature by an officer of the business entity to disclose tax return and/or other related information that would otherwise be subject to confidentiality under Section 59-1-403 or Section 6103, Internal Revenue Code
- specifies documentation required at the end of at least 6 months showing an annualized wage or 12 months of employment demonstrating that the business entity has created the new full-time employee position(s) and specifies the deadline to provide the documentation
- must be signed within 30 days of receipt of the approval email from Go Utah or the contract will expire. The approval date is also the contract date.

TIMELINE

From the initial date of entering into a written agreement, the applying business entity shall have six months to hire the projected employees for the new full-time position(s). If the positions are not filled, the contract will be void. If the business wishes to participate in the program again, a new application will need to be submitted and approved before hiring.

The 12-month consecutive employment period shall begin on the first day of employment of the employee or employees filling the new position(s). If the position is vacated within the 12-month period, 15 business days will be allowed to fill the vacancy and the consecutive month calendar will resume given documentation is provided to verify all.

DENIAL

The Go Utah Compliance Department will identify key elements from each application to determine eligibility. If, after review, the Go Utah Compliance Department determines that the application is inadequate to provide a reasonable justification for authorizing the REDI grant, Go Utah will either:

- Deny the application;

  OR
- Inform the business entity that the application is inadequate and ask the business entity to submit additional documentation.

The business entity may appeal the denial to the Go Utah Compliance Department. The office shall review any appeal within 10 business days and make a final determination of the business entity's eligibility for a grant.

AWARD DOCUMENTATION

Grant Recipients are limited to one grant funds request per contract.

When the business has completed the Rural Economic Development Incentive requirements, they may request the grant funds by completing the REDI Request for Funds form and submitting the following by 90 days after the completion of the eligible employment period for each new full-time employment position:

a. Letter of Request - Written letter on company letterhead stating:
   - Completion of the contract requirements
   - Number of new full-time positions created
   - Eligible employees annual wage
   - County or counties where the eligible employees are located
   - Formal request for the grant amount

b. Signature verifying the accuracy of your claim Full Employee Report and New Employee Report showing a full 12 months of company payroll activity prior to the date of the request including the time period of the report and employee detail including:
   - Name or ID Numbers
   - Position Titles
   - Hire Dates
   - Termination Dates, if applicable
   - Hours paid
   - Wages paid

c. If requesting at **12 months** from the last hire date, the business is required to provide:
   1. Two most recent Unemployment insurance quarterly reports (form 33H) identifying the new full-time employees and/or a copy of an executed professional employee agreement as defined in Utah Code 31A-40-102 (15)

d. If a business entity can show at **6 months** an annualized wage that meets 110% of the county's average wage, they can submit for the grant at the end of 6 months with the following required documentation:
   1. Two most recent Unemployment insurance quarterly reports (form 33H) identifying the new full-time employees and/or a copy of an executed professional employee agreement as defined in 31A-40-102 (15)
   2. Copies of employee pay stubs including pay stubs at 2-month, 4-month, and 6-month pay periods, pay stubs must show the following information:
      a. Name of employee
      b. Date of pay period
      c. Time-period
      d. Hours paid
      e. Wages paid

e. Any other information requested by Go Utah.

If the business entity does not provide the documentation before the 90-day deadline, the original agreement will be terminated, and the business entity is ineligible to receive the REDI grant.

CONSTRAINTS

- The Business cannot eliminate existing positions to make way for a new position. New positions need to exceed the baseline count.
- The Business may only receive grant funds for the number of positions that have been approved by Go Utah for reimbursement.
- The Business may not hire immediate family members or members of the household to fill the position approved by Go Utah for reimbursement. A family member includes a spouse, child, parent, sibling, grandparent, or grandchild of an owner or officer of the business entity; owner or officer includes:
    - a member of a board of directors or other governing body of an entity
    - a partner in any type of partnership
- Go Utah reserves the right to monitor payroll and other documentation to verify record retention required by the REDI program.
- Within six months of the contract date, the business shall report to the office the number of new full-time positions filled that the business will be seeking grant funds. If the reported number of new full-time positions filled is less than the projected number, the office may amend the contract to a lesser amount corresponding to the number of positions for which the Grant Recipient expects to seek grant funds. The Grant Recipient shall sign such an amendment within 30 days of receiving the amendment or the contract may be terminated by the office. This provision will allow encumbered funds to be freed for other applicants or future applications
- The Business must remain current on all Unemployment Insurance payments, state and federal taxes and have a valid business license issued by the municipality in which their business is located.

2022 REDI GRANT LEVELS

Rural Utah Counties	County Avg. Wage	110% County Avg. Wage	State of Utah Avg. Wage	% State Avg. Wage	Potential Job Incentive
Beaver	$35,991	**$39,590**	$55,047	65%	**$6,000**
Box Elder	$46,859	**$51,545**	$55,047	85%	**$5,000**
Carbon	$43,232	**$47,555**	$55,047	79%	**$6,000**
Daggett	$36,032	**$39,635**	$55,047	65%	**$6,000**
Duchesne	$46,119	**$50,731**	$55,047	84%	**$6,000**
Emery	$45,181	**$49,699**	$55,047	82%	**$6,000**
Garfield	$39,846	**$43,831**	$55,047	72%	**$6,000**
Grand	$38,672	**$42,539**	$55,047	70%	**$6,000**
Iron	$37,023	**$40,725**	$55,047	67%	**$6,000**
Juab	$38,578	**$42,436**	$55,047	70%	**$6,000**
Kane	$38,611	**$42,472**	$55,047	70%	**$6,000**
Millard	$44,328	**$48,761**	$55,047	81%	**$6,000**
Morgan	$48,463	**$53,309**	$55,047	88%	**$5,000**
Piute	$29,189	**$32,108**	$55,047	53%	**$6,000**
Rich	$30,873	**$33,960**	$55,047	56%	**$6,000**
San Juan	$39,924	**$43,916**	$55,047	73%	**$6,000**
Sanpete	$34,548	**$38,003**	$55,047	63%	**$6,000**
Sevier	$40,019	**$44,021**	$55,047	73%	**$6,000**
Uintah	$43,521	**$47,873**	$55,047	79%	**$6,000**
Wasatch	$47,479	**$52,227**	$55,047	86%	**$5,000**
Wayne	$35,864	**$39,450**	$55,047	65%	**$6,000**

To apply click here
For more information online: business.utah.gov/rural click on "REDI" Email: go-utahruralprograms@utah.gov
(801) 699-3204