

City of Rutland, Vermont
Business Incentive and Assistance Program Policy
Approved 7-17-17

I. Statement of Purpose

The City of Rutland wishes to encourage industrial and commercial growth which will inspire a strong economy and create employment opportunities for all citizens. To accomplish this goal, a Business Incentive and Assistance Program (BIAP) has been established and funded which will allow for the promotion of specific incentives and financial assistance opportunities to be used in the recruitment of new businesses and to facilitate growth in the City's existing employers.

II. Incentive and Financial Assistance Opportunities

It is the objective of the City of Rutland to incentivize new investment by making available to qualifying businesses specific assistance and incentive opportunities as listed below.

1. Loans
2. Grants
3. Infrastructure Improvements
4. Workforce Training
5. Free or Discounted Workspace
6. Relocation Assistance

Determination of eligibility and level of assistance/incentive will be based on the recommendation of the Rutland Redevelopment Authority (RRA) and subject to the approval of the Board of Aldermen (BOA). Awards under the BIAP shall be wholly within the discretion of the RRA and the BOA.

III. Eligibility

1. Businesses shall be eligible to apply under this program if they are opening a new business in the City, or are expanding or relocating an existing business in the City, and in doing so are either:
 - a. Making tangible new financial investment of \$10,000 or more, or
 - b. Creating a minimum of two new full time jobs within the City as part of the business's new financial investment, where a "new full time job" means the hiring of an employee, other than the owner of the business, who will be employed on average of at least 30 hours per week or 130 hours per month.
2. Grants for these businesses under this Section 1 (a) will be limited to 20% of the business' total financial investment up to a maximum of \$5,000 per application.

IV. Criteria

Subject to applicable minimum eligibility requirements set forth in Section III, applications shall be prioritized, and approved or denied, in consideration of the following criteria (the “Criteria”)

1. The number of full time employees added.
2. The amount of tangible financial investment being proposed.
3. The wage scale and benefits package associated with the new job creation.
4. The thoroughness of the BIAP application and applicant’s proposal or business plan.
5. The type and amount of incentive assistance requested relative to other sources of funding.
6. Whether the proposal will fill an existing need in the local market.
7. Whether the proposal will positively contribute to the character of the area where the business will be located.

V. Application Deadline

To be eligible for the incentive and assistance opportunities set forth herein, a completed Business Incentive and Assistance Application shall be presented to the RRA:

1. In the case of a new investment to an existing Rutland City business: prior to substantial completion of the work associated with the investment, such as the substantial completion of proposed construction or renovation, and/or the implementation and commencement of operation of proposed new equipment or machinery. The term “substantial completion” means that the work is sufficiently complete so that the applicant can utilize the new investment for its intended purpose.
2. In the case of the establishment of a new business: prior to the commencement of normal business operations.

VI. Business Incentive and Assistance Program opportunities and terms

The RRA will work with a prospective applicant to determine an appropriate incentive/assistance package that best meets the needs of the qualifying business and is in the best interest of the City.

Business Incentive and Assistance opportunities available through the program will include:

1. Secured loans of up to \$50,000 administered by Heritage Family Federal Credit Union and subject to its approval.
2. Forgivable loans of up to \$10,000 administered by the City via the RRA.
3. Grants of up to \$5,000.
4. Infrastructure improvements where program funds fully or partially finance required improvements.
5. Workforce training support where program funds fully or partially finance workforce training services.

6. Free or discounted workspace where program funds offset costs of temporary workspace within the City.
7. Re-location assistance where program funds offset costs of a business' relocation to Rutland City.

Upon BOA approval a formal BIAP agreement will be executed between the City and applicant to clarify in writing what the incentive/assistance package will entail, terms of the agreement, and what the City and applicant's future obligations and responsibilities will be.

The City/BOA may also enter into agreements which provide for terms different from those set forth herein if it is determined to be in the interest of the City.

VII. Non-compliance/Termination

The BIAP agreement shall be in writing and shall include all terms necessary to assure the City of the benefits that are the basis for providing incentive/assistance opportunities to the qualifying business.

At the request of the RRA, the business will provide an annual update substantiating any investment and/or job creation projections.

Should the terms of the agreement not be executed in full, the City may choose to terminate the agreement and may require immediate re-payment of any outstanding amounts provided to the defaulting business under this program.

VIII. Application Process

The RRA will collect all relevant information in the form of a Business Incentive and Assistance Program Application and, in the event that the RRA decides to recommend financial assistance under this Program, the RRA will present such recommendation to the BOA for its approval. As part of the Application, the applicant shall address how the proposal meets and/or is consistent with (or is not inconsistent with) one or more of the Criteria as set forth herein. Representatives of the business will be notified of all meetings and encouraged to participate in the proceedings.