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January 26, 2020

Honorable Representative Dylan Roberts
Chair, House Rural Affairs & Agriculture Committee
Colorado State Capitol
200 East Colfax
Denver, CO 80203

Dear Representatives Roberts and Rich and House Rural Affairs & Agriculture Committee Members:

The City of Trinidad supports House Bill 20-1003, *Concerning Modifications to the Rural Jump-Start Zone Act*.

The bill amends existing law by extending the current program from January 1, 2021 to January 1, 2026. The program is administered by the Office of Economic Development and provides tax benefits to qualifying businesses located in the rural jump start zone. Current law requires the local municipality or county to establish a relationship with a state institution of higher education, junior college, or an area vocational school to apply for the rural jump start zone designation. The bill adds economic development organizations as authorized entities, in addition to institutions of higher education.

House Bill 20-1003 modifies existing law to state that a new business applying for the Rural Jump Start program can't compete with an existing business that is operating in the rural jump start zone in which the new business will be located or in any distressed county that is contiguous to the rural jump start zone, while current law prohibits a new business applying for the program from competing directly with the core function of any business operating in the state.

The goal of this program is to encourage businesses to locate in rural, distressed areas of Colorado to help spur the local economies in those areas, without competing with existing businesses in that region. Trinidad has been unable to take advantage of the current law, although it is located within a rural jump start zone due to the competition clause restrictions. House Bill 20-1003 narrows the competition scope by limiting the geographic area that would disqualify new businesses from competing with businesses existing in the rural jump start zone as well as contiguous counties, making it easier to qualify. Further, extending the program for five additional years allows rural jump start zone counties and municipalities to continue their efforts to attract new businesses to rural communities.

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Trinidad wishes to take advantage of the incentives the Rural Jump Start Zone program offers. With the impending opening of the Space to Create Project, that will house several new creative businesses, the City hopes to take advantage of the Rural Jump-Start Zone Act, offering different products and services than what Trinidad and Las Animas County offer.

This program, coupled with the Enterprise Zone program, facilitates rural economic growth. We appreciate your favorable consideration of the extension and modification of the Rural Jump-Start Zone Act proposed in House Bill 20-1003.

Respectfully,

A handwritten signature in black ink that reads "Phillip Rico". The signature is written in a cursive, flowing style.

Phillip Rico
Mayor

cc: Rep. Richard Holtorf
Sen. Larry Crowder