

**NEW PROGRAM PROPOSAL**  
**for ECONOMIC DIVERSIFICATION**  
**GRANT PROGRAM - PILOT**

**I. Background**

Pursuant to Grand County Utah Resolution NO. 3260 (2021), the Grand County Economic Development Department (EDD) seeks to create and fund programs that shorten the gap between wages and the cost of living for local residents while addressing the need for an increasingly resilient and diverse economy. The EDD pursues greater economic diversification in Grand County by supporting the existence and expansion of organizations that provide year-round, stable employment opportunities and are resistant to both economic shocks and seasonality.

The EDD currently defines “economic diversification” as the following:

**Economic diversification is economic development that supports a sustainable, livable, and resilient Grand County:**

- ❖ **Sustainable, in that we actively protect our public lands and preserve our community's natural resources;**
- ❖ **Livable, in that we support the creation of year-round, high-paying jobs in a community that offers a high quality of life and economic mobility; and,**
- ❖ **Resilient, in that we foster a diverse mix of industries that can withstand an array of economic shocks.**

**II. Overview**

The EDD proposes the creation of a grant program pilot with the aim of supporting businesses, non-profits, and other organizations that contribute to the economic diversification of Grand County. The current stated goal of this grant program pilot is:

**To support projects that sustainably raise wages or lower the cost of living for Grand County workers. Provided with free capital, businesses are able to invest in improvements that boost productivity. Resulting increased profits can be invested in workforce opportunities and retention.**

The EDD has budgeted \$500,000 to fund this pilot via the Economic Diversification carve out of transient room tax (TRT)<sup>1</sup> revenue expected to be collected in fiscal year 2022. The EDD will conduct significant public outreach in the months prior to the application launch to provide information on how to craft a robust application and access other business resources in our region. Applications will be scored for basic business health and across four criteria by a committee consisting of no EDD staff.

The EDD expects to disburse about 27 awards from this fund during FY22. All awards will require a small match from the recipient organizations with the sources of match being flexible. Awardees will be given one year to spend their grant award.

### **III. Costs & Resource Requirements**

The EDD expects the total cost of this pilot not to exceed the \$500,000 allocated. No application fees will be charged.

The EDD will generate application resource materials, possibly including and not limited to the following listed items, in order to support applicants:

- Webinar(s) guiding applicants through the process and addressing frequently asked questions
  - Separate webinars may be created to assist for- vs. non-profit operators
- A frequently asked questions resource (web and physical page)
- An application tips and best practices resource (web and physical page; possible video)
- A list of example projects and disallowed projects (web and physical page)
- An email distribution list to receive grant timeline updates and other grant-related communications from our office
- An online feedback form assessing the grant application process
- An online feedback form assessing the grant design (already created and circulated, see: <https://rb.gy/bnclst>)
- Offer of in-person assistance to applicants
- A list of verified grant writing resources, including contractors (web and physical page)

The EDD will require applicants to meet with our region's local Small Business Development Center (SBDC) staff prior to crafting their grant application. The EDD will work with the SBDC staff in the weeks prior to the application opening date to build an understanding of Grand

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<sup>1</sup> "Purposes of Transient Room Tax and Expenditure of Revenue -- Purchase or Lease of Facilities -- Mitigating Impacts of Recreation, Tourism, or Conventions -- Issuance of Bonds. (Effective 5/5/2021)." *Utah Code Section 17-31-2*. [https://le.utah.gov/xcode/Title17/Chapter31/17-31-S2.html?v=C17-31-S2\\_2018050820180508](https://le.utah.gov/xcode/Title17/Chapter31/17-31-S2.html?v=C17-31-S2_2018050820180508). See Section (2) (a) (iii).

County grant programs as well as other resources that applicants should be directed to. The goal of this requirement is to connect Grand County businesses, non-profits, and other organizations with the office of the SBDC, a free resource that provides year-round organization assistance on matters including but not limited to funding opportunities.

As of the date of the submission of this proposal, an individual has yet to be placed in the role of SBDC staff member for our county. The role requires nearly three months of training before the new staff member is fully-equipped to assist organizations; therefore, this requirement may be amended during the program design process so that applicants are connected with other available resources.

#### **IV. Timeline**

The following timeline was created by the EDD. Currently, the creation of this pilot has aligned with the timeline set out:

<b>Date</b>	<b>Engagement</b>	<b>Note</b>
3/1/2022	<b>County commission workshop</b>	Completed
3/3/2022	<b>Community engagement session:</b> land use open house at Star Hall	Completed
3/8-10/2022	<b>First governing bodies review:</b> Grand County Economic Development Advisory Board, Grand County Economic Diversification Advisory Council, Moab Area Travel Council Advisory Board	Completed
3/29-31/2022	<b>Community engagement sessions:</b> public workshops at Grand Center and Moab Arts & Recreation Center	Completed
4/12-13/2022	<b>Second governing bodies review:</b> Grand County Economic Diversification Advisory Council	Completed
4/19/2022	<b>County commission review for approval</b>	Underway
5/1/2022	<b>Grant program pilot launch</b>	Beginning of public engagement campaign publicizing grants and application resources

7/1-31/2022	<b>Application period</b>	This period is dependent on the hiring of an SBDC staff member for Grand County
8/1/2022	<b>Evaluation committee convenes</b>	This date is an estimate
9/1/2022	<b>Grants disbursed</b>	This date is an estimate

**V. Eligibility**

All locally-owned, established organizations, including for- and non-profit businesses, will be eligible to apply to this grant program. Applications will require applicants to list a tax ID number and business name, allowing newly-established organizations that have been licensed to apply but excluding organizations that have not yet been created.

**A. Definition of a “locally-owned” business or organization**

For the purpose of this pilot, the EDD has chosen to define a “locally-owned” business or organization as one in which:

- The owner or primary operator resides in Grand County or the Spanish Valley region of San Juan County; or,
- A majority of the employees work in Grand County.

**VI. Evaluation Criteria**

The EDD has established five points of criteria with which to evaluate applications:

<b>Criteria</b>	<b>Description</b>	<b>Weight</b>
Basic Business Health	Is the applicant a viable and established business or organization?	Yes/No - applications cannot move forward without a “yes”
Impact	What is the likelihood that this project will boost any of the following metrics for Grand County residents in the short term?	1-10 points

	<ul style="list-style-type: none"> <li>● Pay or pay rate(s) for existing employees</li> <li>● Benefits provided to employees</li> <li>● Revenue or services provided</li> <li>● Investment in workforce training</li> <li>● Investment to offset employee living costs</li> <li>● Creation of new, high-paying jobs <ul style="list-style-type: none"> <li>○ at or above 110% of the county median wage</li> <li>○ at or above 110% of the industry median wage<sup>2</sup></li> </ul> </li> </ul>	
Diversification	Does the project or business meet the county’s diversification goals of sustainability, livability, and/or resilience?	1-10 points
Feasibility and Duration	How achievable is this? Does the reviewing committee member foresee the potential impacts of this project extending into the future (“having a lasting impact”)?	1-5 points
Diversity, Equity, and Inclusion	<p>Does the organization engage underserved or minority populations? Does the organization encourage a diverse and accepting environment within the organization and/or within our region? Is the organization owned or operated by, OR, does the organization employ or significantly serve the following communities?</p> <ul style="list-style-type: none"> <li>● Women or non-binary</li> <li>● LGBTQ+</li> <li>● Minority races and ethnicities</li> <li>● Individuals w/ disabilities</li> <li>● Veterans</li> </ul>	1-5 points

Applications that receive a “yes” in the Basic Business Health category and the greatest number of points will receive first consideration for funding.

## VII. Evaluation Committee

To maintain impartiality throughout the grant application, disbursement, and reporting process, the EDD will not participate in the assessment of any applications and will serve solely as the

<sup>2</sup> 110% of the county median wage is \$3,568. Applicants will be provided data by the EDD to determine 110% of their industry’s median wage, categorized by NAICS code. The EDD has compiled data on industry median wages and industry economic multiplier indicators which can be found [here](#).

administrator of this grant program. Application criteria will be assessed by a committee assembled by the EDD and consisting of:

- One Grand County commissioner
- One Moab City representative
- One Grand County community non-profit representative
- One Grand County community business representative
- One State of Utah representative (potentially a member of the Governor’s Office of Economic Opportunity)

Committee members are responsible for revealing any conflicts of interest related to applicant organizations and will be expected to recuse themselves from scoring those applications.

Committee members will be asked to score each application by the criteria listed above. Committee members will then meet, review each application and their individual assessments, and work to generate a list of funding recommendations for the EDD. The EDD will review these recommendations with the committee and draft individual grant contracts should no concerns over the recommended projects arise. Following county commission approval of these grant contracts, the EDD will disburse funds.

During the evaluation process, applicants may be asked to provide further information related to their application.

## **VIII. Grant Match Requirement**

Awardees are required to match their grant awards. Awards below \$5,000 will require a 10% match and awards of \$5,000 and above will require a 20% match.

Of any match requirement, half must be contributed as cash. For the remaining half of the required match, awardees can apply any of the following sources:

- Cash
- Materials and supplies
- Services
- Value, volunteers, or donated labor<sup>3</sup>
- Donations

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<sup>3</sup> The value of one volunteer hour in the state of Utah in 2020 was \$27.82, up 6.2% from 2019. The EDD intends to value volunteer hours based on the 2020 value. See: Independent Sector. “The Value of Volunteer Time / State and Historical Data.” April 19, 2021. [https://independentsector.org/resource/vovt\\_state\\_2021/](https://independentsector.org/resource/vovt_state_2021/).

- Other grants, excluding any grant provided by Grand County

Non-profit and other organizations that rely primarily on grant funds for their operational budget may apply grant funds to part of the economic diversification grant's required cash match; however, any grant funds applied as cash must be related to the economic diversification project.

## **IX. Grant Disbursement**

Awardees who receive funding through this grant program will be required to sign a grant contract to be approved by the county commission. Awardees will have one year to spend their award.

Grants will be disbursed on a 90/10 basis: upon grant contract approval, awardees will initially receive 90% of their total award. To access the remaining 10%, awardees must spend their initial 90% disbursement as well as the project's total match funds.

For this pilot, the EDD aims to disburse 20 grants of less than \$5,000 each and 7 grants of \$5,000-\$100,000 each. Award sums will ultimately depend on the applications received and approved.

The EDD intends to disburse funds beginning in September 2022. This is contingent upon the hiring and training of an SBDC staff member for Grand County.