

Designated Communities

Alma
Barnesville
Baxley
Blairsville
Blakely
Cairo
Cedartown
Chickamauga
Clayton
Cochran
Comer
Cordele
Covington
Dallas
Dawson
Dawsonville
Douglas
Elberton
Ellaville
Folkston
Fort Oglethorpe
Grantville
Hazlehurst
Homerville
LaFayette
Lavonia
Millen
Pelham
Ringgold
Sandersville
Summerville
Sylvania
Thomaston
Vidalia
Warrenton

QUESTIONS

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Rural Zones

Revitalizing Georgia's Rural Downtowns

The Rural Zone program targets rural downtown areas that have been adversely impacted by local economic conditions by creating Rural Zones and offering economic development incentives. It differs from other programs at DCA which provide technical assistance and access to capital because it would establish an incentive program to stimulate investment, job creation, and economic development. It also adds in retail opportunities, which are currently excluded from job tax credits. Further, multiple sources can benefit – for instance, a single new coffee shop might provide job tax credits for the local business owner and an investment and rehabilitation credit to a downtown investor.

The **Job Tax Credit** (JTC) will be \$2,000 per new full-time equivalent job per year, up to 5 years and not to exceed \$200,000 total or \$40,000 per year. New full-time equivalent job means an aggregate of employee worked hours totaling 40 hours per week between two or more employees. At least two net, new full-time equivalent jobs must be created to qualify. This credit is for the small business owner who opens a storefront within a designated Rural Zone and creates jobs.

The **Investment Credit** is equivalent to 25% of the purchase price, not to exceed \$125,000 total or \$25,000 per year. At least two net, new full-time equivalent jobs must be created and maintained to qualify for the investment credit. This credit is for investors who purchase a building within the designated Rural Zone.

The **Rehabilitation Credit** is equivalent to 30% of the qualified rehabilitation, not to exceed \$150,000 total or \$50,000 per year. At least two net, new full-time equivalent jobs must be created and maintained to qualify for the rehabilitation credit. This credit is to offset development costs associated with the rehabilitation of a property located within a designated Rural Zone.

Similar to other incentive programs (i.e., Opportunity Zones and Tourism Development Act) this program will be the joint responsibility of the Georgia Department of Community Affairs and the Georgia Department of Economic Development. Both Commissioners will jointly review Rural Zone applications, and DCA will administer the program for approved areas.

Eligibility requirements for communities applying for designation:

- Cities and counties with a population of less than 15,000
- Must have a concentration of historic commercial structures at least 50 years old within the zone
- Must prove economic distress based on poverty rate, vacancy of the downtown area, or blight.
- Must be in compliance with the state requirements regarding comprehensive planning and reporting, Service Delivery Strategy, Government Management Indicators (GOMI), and the Report of Local Government Finances.
- Must submit a feasibility study or market analysis identifying business activities that can be supported in the zone
- Must submit a master plan or strategic plan designed to guide private and public investment



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