



# Dayton Economic Attraction Program (DEAP)

## Frequently Asked Questions

### What is the Dayton Economic Attraction Program (DEAP)?

The Dayton Economic Attraction Program is the City of Dayton's newest business incentive tool to create new jobs in the city. This aggressive program will enable Dayton to better compete with other major Ohio cities that offer attractive new business development packages. DEAP is performance-based because it provides grants based on new payroll only to companies that actually create new jobs in Dayton.

### How does the DEAP Program Work?

DEAP will offer grants for businesses that create new jobs in the city. The incentives apply to businesses located downtown or operating in one of the city's targeted sectors: Advanced Manufacturing & Materials; Data Management, Sensors & RFIP Technology; Aerospace and Aerospace Medical Research; and Regional Health-care Services. Businesses located downtown would receive an annual grant of 75 percent of the new income tax generated by the new jobs they create. Businesses in the city's targeted sectors would receive a 50 percent annual grant on new job growth.

By focusing on these targeted criteria, DEAP is directly helping the city transition to a knowledge-based economy and enhancing downtown's competitive advantage.

### Is there a minimum number of jobs a business must create to qualify for the grants?

A business must hire a minimum of five net new full-time employees or create at least \$200,000 in new payroll from new jobs during a given calendar year.

### Is there a limit to how long a company can receive the job grants?

The maximum term to participate in DEAP is three years.

### How will the DEAP grants be awarded?

The grants will be awarded to businesses that create at least five net new full-time jobs in a given calendar year. Businesses can apply any time during the year, but the grants will be disbursed to companies early in the following year. Businesses must apply for the Program before the new jobs are created to receive credit for those jobs.

**Example:** In August 2009 a company considers adding five new full-time employees and applies to participate in DEAP. If accepted into the program, the company would be required to submit to the City of Dayton a year-end report documenting the number of net new jobs created and related payroll information. After verification by City staff, the business's grant amount would be calculated based upon the last five months of the year. The grant would then be presented to the company in early 2010. If the company continues to meet the eligibility requirements through 2010, it would receive a 12-month grant in 2011.

### How does DEAP compare to similar economic development incentive packages offered by other cities in Ohio?

Columbus, Cleveland, Cincinnati, Toledo and Canton each offer some version of a business attraction program that feature rebates on payroll taxes. It is important for Dayton to offer similar incentives to remain competitive across the state.

