

CITY OF FLAGSTAFF

# Development Reinvestment INCENTIVE

## INCENTIVE

A new business in Flagstaff may receive a reimbursement for local construction contracting taxes paid for constructing new improvements or renovations. This reimbursement must be used to pay for specified uses.

The amount of the reimbursement will be up to the amount of a 0.5% local sales tax rate on construction contracting for improvements for the new business locating in Flagstaff. The local sales tax rate is currently 2.486%. The construction contracting tax is found in Sections 3-05-004-0415, and 0417 of the City Code, as amended by state laws.

1. Employee Relocation Expenses
2. Job Related Training
3. Workforce Development
4. Site improvements that provide public benefit:  
Beautification improvements, energy efficiency items, public roads and lighting, code required landscaping, public water and wastewater, etc.

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## CRITERIA

All submittals will be reviewed by staff to determine if potential employers meet the minimum criteria to be eligible for City incentives:

1. Must be performing referenced construction within City limits.
2. Must be one of the key industries identified by the City.
3. Must create a minimum of ten (10) new permanent full-time jobs, where the new position's salary exceeds the Coconino County median wage of \$28.02 per hour.



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THE CITY OF INNOVATION

If you have any questions or would like to submit an application, please contact, Creag Znetko, Economic Development Administrator, at:  
[cznetko@flagstaffaz.gov](mailto:cznetko@flagstaffaz.gov)

To view the full policy and application visit:

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