

GUN BARREL CITY ECONOMIC DEVELOPMENT CORPORATION GUIDELINES AND CRITERIA FOR THE BOOTS TO BUSINESS GRANT

Sec. 1 Purpose

The Gun Barrel City Economic Development Corporation (*EDC*) is committed to supporting our men and women who have loyally served in the military of the United States. The EDC is particularly interested in supporting businesses that are, or will be established, by a veteran and/or will provide employment to veterans. There are many programs available to military personnel, but very few that actually provide assistance for the ex-military person to get assistance in establishing or expanding their own business. It is the EDC's intention to partner with local organizations and businesses to attract new development investment as well as the retention and expansion of existing businesses for ex-military in Gun Barrel City. The use of financial incentives is one of many tools available to the EDC in order to fulfill this commitment. Pursuant to the aims and objectives stated above, the EDC Board of Directors (*EDC Board*) shall establish and create a "Boots to Business Grant" to assist in establishing new businesses or to expand existing businesses in the City for ex-military personnel. The EDC is offering financial assistance under legal authorization as stated in Section 4B of the Development Corporation Act. Financial incentives will be evaluated on a case-by-case basis such that any incentives extended will be based upon the merits of each individual project.

This grant will accept applications from all five branches of the military; Army, Air Force, Marines, Navy, and the Coast Guard. The Applicant must be Honorably Discharged or the equivalent.

Each application shall be judged upon the merits of the individual project. The EDC is under no obligation to provide incentives to any Applicant. Participation in the program (*the Program*) established herein does not remove any obligation to satisfy any and all applicable codes and ordinances issued by the City or any affected taxing jurisdiction that may be in effect at the time the agreement is executed.

Sec. 2 The Grant

The grant includes a matching funds requirement of 1-to-1. For each dollar that the Applicant provides toward his/her business, the fund will match those dollars up to \$50,000. In addition, Applicants will receive bonus points for selective grant criteria. They will receive one extra point for every \$1,000 they provide (above the match) from their personal assets as equity in the business. These funds cannot be borrowed.

Extra points will be given for a commitment to hire veterans who have significant barriers to employment. These veterans will have served on active duty during a war, or in a campaign, or expedition for which a campaign badge was issued. The emphasis is on re-integrating eligible disabled veterans into meaningful employment.

If a minimum of either 25% of employees hired are disabled veterans, or if 50% of hires are veterans or their spouses, the Applicant will receive an additional 15 points.

Applicants will be required to provide quarterly progress and performance reports for one year.

Up to 10% of the grant funds may be used for education of staff and the business owner.

Based on the number of FTE employees (full time equivalent) to be hired, the Applicant will receive 5 points for each employee hired.

The business will screen employees prior to hiring and not knowingly employ illegal aliens at any time.

Priority will be given to projects in high growth industries, emerging markets and based on business types prioritized by the Economic Development Corporation Board of Directors.

Prioritized Business Types:

1. Industrial – Construction and Materials, Goods and Services, Electronics and Electronic Equipment.
2. Retail – Food and Drug Retailers, and General Consumer Goods Retailers.
3. Tourism – Entertainment, Recreational Services, Hotels, and Restaurants.

The facility must be ADA compliant.

Sec. 3 Incentives & Assistance

The Gun Barrel City EDC seeks to provide flexibility in its economic development activities. Economic Development Incentives are based on the unique needs and individual nature of each development or expansion project. The primary forms of incentives typically considered by the City (though others may be considered) include:

1. Job Training
2. Land Acquisition
3. Building Demolition
4. Construction
5. Moving Costs
6. Infrastructure. (Extension, construction or reconstruction of infrastructure necessary for the development of a targeted enterprise may be offered upon approval by relevant authorities.)

Sec. 4 Application and Application Process

All Applicants must fill out the "Gun Barrel City Boots to Business Grant Application," and submit the form to the EDC Staff or other Designee identified by the EDC Board. Included with the application, the Applicant must submit the following:

- A. A written description of the business and the general nature and extent of the operations to take place in Gun Barrel City, and (if applicable) any new construction associated with the project.
- B. A document detailing the impact of the requested assistance upon the Applicant's business.
- C. A document illustrating the financial benefit to the City generated by the addition of the Applicant's business.
- D. A description of any construction associated with the project, if applicable, including site plans and elevations, if available.
- E. A map of the facility location and property description, including current ownership.
- F. A time schedule detailing the anticipated relocation to Gun Barrel City, including any construction and initiation of operations.
- G. A commitment letter from a financial institution for any anticipated loans and any SBA guarantees.
- H. A resume, personal financial statement, and the most recent year tax return.
- I. A business plan with a five-year projection.
- J. A marketing plan.
- K. A list of non-recurring, one time equipment expenses as a part of the business plan.
- L. An outline of the business goals, strategies, and objectives.
- M. Additional information on other sources of income or businesses owned.
- N. Financial documents indicating projected sales for the new or expanded business, if applicable, as well as the anticipated impact of any and all improvements upon sales revenue (if sales tax applies).^{*1}

¹ * Other financial information including but not limited to annual reports, balance sheet, income statement, cash flow report, or tax returns may be required upon request by the *EDC Board* or designee.

All grant applications must be submitted prior to (re)locating to Gun Barrel City and/or prior to any associated construction. No application will be considered after construction has begun and/or after the Applicant has begun operating in Gun Barrel City.

Sec. 5 Additional Community Guidelines

The Gun Barrel City EDC works hard to create a favorable family and business environment. Strong corporate support of the community is highly encouraged. The EDC Board urges all incentive recipients to act as strong community citizens, and any demonstration or commitment to this end that is included with the incentive application will be most welcome.

The Gun Barrel City EDC also seeks to support existing area businesses in its economic development activities. Therefore, it is also requested that Applicants look first to Gun Barrel City as a source for labor, supplies, lending, and construction assistance.

Sec. 6 The Agreement

Any agreement to extend economic development incentives will be individually suited to the merits of the project, the needs of the Applicant, and the capabilities of the EDC. The terms and conditions of any incentive agreement shall be contained in the final version submitted to the EDC Board for approval and may be subject to review by the City Council of Gun Barrel City as required by Section 4B of the Development Corporation Act. No terms shall apply that are not contained in the Final Incentive Proposal approved by the EDC Board.

Sec. 7 The Application

Please refer to the "Gun Barrel City Boots to Business Grant Application" for further instructions on the initial application process.