FARMERSVILLE ECONOMIC DEVELOPMENT CORPORATION (4A) BUSINESS DEVELOPMENT GRANT POLICY AND GUIDELINES

# Program Overview

The Farmersville Economic Development Corporation (FEDC) *provides* the Farmersville Business Development Grant Program to stimulate commercial investment and development in Farmersville. This program is sponsored, funded, and monitored by the FEDC Board of Directors who may amend or eliminate this program at any time, for any reason.

# Program Goal

The Business Development Grant Program is intended to enhance the economic development of the City of Farmersville by offering matching grant funds for improvements to a commercial building or other approved exterior and/or interior property improvements.

# Scope of Program

*This program is limited to businesses located within the city limits of the City of Farmersville. The FEDC shall maintain a budget for each fiscal year for the Business Development Grant Program. The budgeted amount for the Business Development Grant Program is subject to change each fiscal year and must be approved by the Board of Directors during the annual budget planning and approval process. The grant award decisions of the FEDC Board of Directors are final.*

# Type of Improvements allowed by Grant

**Exterior Improvement** – Examples of improvements to storefronts and certain exterior areas that are included in the grant program:

* Exterior improvements
  + Windows
  + Paint
  + Signage
  + Parking lot striping/painting
  + ADA compliance items
  + Exterior plumbing related to installation of fire suppression
  + Replacement/restoration of walls, brick structures
  + Other items at the discretion of the FEDC board
* **Interior Improvement -** Examples of interior improvements that are included in the grant program: Interior improvements
  + Fire suppression
  + Sprinkler systems
  + Items that pertain to EHS, Environmental, Health and Safety
  + Electrical systems
  + Items related to code compliance
  + Fire breaks
  + ADA compliance items
  + Other items at the discretion of the FEDC board

**Note: The FEDC Maintains a separate policy for the Fire Suppression Upgrade Site Enhancements Grant Program in the Downtown District. Applicants cannot utilize the fire suppression grant aspect of this Business Development Grant Program and the Fire Suppression Upgrade Site Enhancements Grant Program for the same property.**

**Signage Improvement** – New signs, replacement, and/or renovation or removal of existing signs.

**Property Improvement** – Landscaping, parking lot resurfacing, parking lot striping, driveway improvements, and exterior lighting are eligible for consideration. Plumbing and leveling of foundations are not eligible.

Improvements that are not included in the grant program:

* New structures
* Roof repairs or replacements
* Interior walls
* Interior paint
* HVAC systems
* Furniture
* Computer systems
* Security systems
* Flooring
* Grease traps

Approval of projects for interior grants are at the sole discretion of the FEDC board and the FEDC board reserves the right to approve or deny any grants submitted for any reason.

**Grant Award**

The maximum size of the Grant award shall be $25,000, with a required equal match from the property owner. The minimum grant amount shall be $2,500.

Example 1 – A property owner secures an approved business development grant and invests $50,000 in eligible improvements. Upon completion of work, inspection, and approval by the FEDC board, the FEDC would issue payment for the grant in the amount of $25,000.

Example 2 – A property owner secures an approved business development grant and invests $20,000 in eligible improvements. Upon completion of work, inspection, and approval by the FEDC board, the FEDC would issue payment for the grant in the amount of $10,000.

Eligibility

Any existing businesses located in the City of Farmersville shall be eligible for this program. This includes startup businesses who require construction prior to their official opening date, provided that the business provides ownership of the subject business or businesses.

# Guidelines

1. Proof of applicant's ownership of the subject business or businesses.
2. If the owner of a business currently operated or planned to operate within a leased facility, then copies of a valid lease agreement, written permission of the owner(s), and proof of ownership of the leased facility shall be required.
3. The applicant shall provide at least three (3) cost estimates from bona fide contractors/suppliers of all proposed improvements. Cost estimates must be clearly itemized so that a determination can be made related to which items are covered under the business development grant guidelines. Cost estimates must include contact information (phone or email) for each contractor.
4. The applicant shall provide “before” photos of the building/property that is proposed to be improved/renovated. The applicant shall provide “after” photos of the building/property after improvements and/or renovations have been completed.
5. The applicant shall provide verification and compliance with all relevant zoning and code requirements before being reimbursed by 4A for the project.
6. The applicant shall provide a true copy of relevant proposed building/construction and/or site plans. It is understood that applicants may not have formal site plans, and, in these cases, applicants must provide written details that clearly state the activities requested for Business Development grant funds.
7. The applicant must provide a current tax certificate demonstrating that all property taxes are currently paid and that there are no back taxes owed to any taxing entities.
8. A business may only apply for one (1) of the grants set forth herein within any calendar year. A business that receives grant funding during a calendar year shall not be prohibited from making subsequent applications for funding in following years.
9. All grants are reimbursement grants, and will only be funded after completion of the project in accordance with drawings, specifications, and executed agreement approved by the FEDC and after the applicant submits to FEDC proof of paid receipts for all applicable labor and/or materials. Photographs of the completed work shall also be required.
10. Reimbursement grants are a cash match for funds disbursed by the applicant and are not to exceed the limits set forth in the type and amount of Grant Section above. In-kind contributions may not be used as any part of the applicant's match. Only cash matches of the applicant's expenditures may be used.
11. The applicant shall be obligated to make the improvements in accordance with the application submitted to and approved by the FEDC Board of Directors. Thereafter, any modifications must first receive the written approval of the FEDC Board of Directors. Failure to obtain such written approval prior to making any such modifications shall render the applicant ineligible to receive grant funding for the modification(s).
12. The applicant shall be responsible for all applicable permits related to the improvement project, and failure to do so will render the applicant ineligible to receive grant funding.
13. The improvements, as presented in the application, must be completed in their entirety. Failure to complete all of the stated improvements shall render the applicant ineligible to receive grant funding.
14. Upon approval of a grant application, and during the construction of the improvements, a representative or representatives of the FEDC shall have the right, at all reasonable times, to have access to and inspect the work in progress.
15. The applicant shall not begin any improvements prior to receiving written approval of grant funding from the FEDC.
16. The applicant must begin the improvement project within three (3) months of receiving written approval therefore from the FEDC and execution of an agreement and complete the improvement project within six (6) months from project start. Failure to complete the improvements within the required time period may result in the loss of the grant funds allocated for the project unless the FEDC Board of Directors approves a requested extension.
17. Applicant certifies that applicant shall comply with Chapter 2264, Texas Government Code. Applicant further certifies that in the event that applicant is convicted of a violation under 8 U.S.C. Section 1324a(f), applicant shall repay the amounts previously paid to or otherwise granted to the applicant by the FEDC pursuant to this program.
18. Applicant / grantee must recognize the Farmersville Economic Development Corporation as a funder of the project by posting a provided sign that reads, "Project funded in part by Farmersville EDC."
19. Applicant/grantee must complete a 1099 form provided by the Farmersville EDC.

# Application and Approval

1. *Applications filed with the FEDC on or before three (3) business days (72 hours) before the next regular FEDC meeting shall be considered at the next regular FEDC Board meeting. Applicants must present an overview of the project in the FEDC meeting in person and answer any questions from the FEDC board.*
2. Applications must be made on a form provided by the FEDC, which form shall be made available at the Farmersville City Offices located at 205 S. Main, Farmersville, Texas.
3. All applications must be approved by a majority vote of the Board of Directors of the FEDC.
4. An applicant shall be notified in writing of the FEDC's decision to approve or disapprove the application. In the event of a disapproval, the FEDC will state the reason why the application was denied.
5. The FEDC may award grant funds to an applicant, with certain provisions, conditions, or other requirements the FEDC deems necessary or appropriate.

# Funding of Grant

1. Upon written notification to the FEDC by the applicant that a project has been completed, an inspection by an FEDC representative or representatives shall be made to confirm that such project has been completed in accordance with the application, or any approved modifications thereto. Such notification shall include, but not be limited to, documentation of paid receipts for materials, labor, permits, inspection reports, or any other item that the FEDC may reasonably deem necessary for determining the project's completion.
2. Upon completion and verification of the project funding authorization shall take place at the next regular FEDC Board meeting where the Board shall consider the funding approval.
3. Within fifteen (15) days following an FEDC inspection and the presentation of the receipts by the applicant, a determination is made by the FEDC's representative that the project has not been completed in accordance with the application, or any approved modifications thereof, the FEDC shall issue a letter to the applicant indicating all areas of non-compliance. The applicant shall then have sixty (60) days, from the date of the FEDC letter, to make the modifications necessary to bring the project into compliance. Failure to complete such modifications within said sixty (60) day period shall be deemed a default of applicant's obligations under the grant.
4. Available funding: The FEDC budgets a fixed amount each year to fund this grant program. Grant applications received after the available funding has been exhausted may be considered the following fiscal year, which begins each October. The FEDC retains sole discretion to accept or reject applications either received before or after the available funding has been exhausted. The FEDC reserves the right to discontinue this program at any time.

# Notice

1. THE FARMERSVILLE ECONOMIC DEVELOPMENT CORPORATION *(LOCAL GOVERNMENT CODE CHAPTER 501)* MAY DELIVER A COPY OF THESE GUIDELINES TO ANY APPLICANT FOR HIS/HER REVIEW, BUT THE DELIVERY HEREOF DOES NOT CONSTITUTE AN OFFER OF A BUSINESS IMPROVEMENT GRANT TO THE APPLICANT.
2. THE LAWS OF THE STATE OF TEXAS SHALL GOVERN THE INTERPRETATION, VALIDITY, PERFORMANCE, AND ENFORCEMENT OF THIS BUSINESS DEVELOPMENT GRANT PROGRAM. IF ANY PROVISION OF THIS BUSINESS DEVELOPMENT GRANT PROGRAM IS HELD TO BE INVALID OR UNENFORCEABLE, THE VALIDITY AND ENFORCEABILITY OF THE REMAINING PROVISIONS SHALL NOT BE AFFECTED THEREBY.