



BUSINESS INCENTIVE GRANT PROGRAM POLICY GUIDANCE & PROCEDURES

*JUNCTION TEXAS ECONOMIC
DEVELOPMENT CORPORATION*
702 College Street, Suite A
Junction, TX 76849-4627
325-446-3402 Office
325-446-6301 Cell
Office.Manager@JunctionEDC.org

**JUNCTION TEXAS ECONOMIC DEVELOPMENT CORPORATION
BUSINESS INCENTIVE GRANT PROGRAM
POLICY & PROCEDURE GUIDANCE**

Overview

This program funds a portion of rent and utilities (electricity, water, sewer, gas, trash pick-up, and Internet service) for new or expanding businesses for up to one year. It also requires that certain conditions be met to obtain a grant. For example, a grant would be contingent upon the creation of a specific number of new jobs or retaining specified jobs that would otherwise be terminated.

The applicant shall sign an application that states the business does not and will not knowingly employ undocumented workers. If a subsidy is approved, a Performance Agreement must be signed that affirms that statement and requires repayment of the subsidy if the business is convicted of federal immigration violations under 8 U.S. Code Section 1324a(f).

Eligibility

- Sole proprietorships, partnerships, corporations, or limited liability companies.
- Businesses must demonstrate the potential to create/retain employment opportunities for Junction and Kimble County citizens.
- All taxes must be current.

Use of Proceeds

- Rent
- Electricity
- Water
- Sewer
- Gas
- Trash pick-up
- Internet service

Ineligible Use of Proceeds

- Telephone

Grant Guidelines

1. An applicant must complete an application, including a business plan and financial projections. It should contain a description of the project, a cost estimate for the entire proposal, other sources of capital, and detailed use of JTEDC funds. If the applicant is an existing business, a written narrative of current business operations and any planned changes to products and services currently offered must be submitted, as well as prior three (3) federal income tax returns. If appropriate, sketches, drawings, or computer images of the proposed project should be included.
2. Approval of all applications shall be with the understanding and agreement that the purpose of JTEDC financial assistance is not to facilitate the immediate sale of the subject business.
3. JTEDC will fund 70% of rent and utilities (electricity, water, sewer, gas, trash collection, and Internet service) up to \$9,800 for one (1) year. The applicant must provide the remaining 30%.
4. The JTEDC board may consider an extension of the grant for an additional time period.
5. Applicant must create and/or retain full time or part-time jobs and sustain these positions for three (3) years.
6. Expenditures for which a grant is sought should not begin until authorized by the JTEDC and a Performance Agreement has been signed.
 - This Agreement is required by *Texas Local Government Code Sec. 501.158*.
 - The contract outlines the responsibilities of the applicant to the JTEDC, including the creation of jobs and specifies the terms under which repayment must be made if the business does not meet the performance requirements specified in the Agreement.
 - It also details the duties of the JTEDC to the applicant. See sample Performance Agreement.
7. Grant approvals are subject to all grant guidelines, all City of Junction legal provisions, all applicable Federal and state laws, and review and approval by JTEDC board.
8. Grantee is responsible for obtaining any permits required for a project.
9. Applicant shall have six (6) months from the date of the written notice to open for business or move to a new location. At this time, the grant will be closed out unless an extension is granted by the JTEDC board.
10. Applicant will effect no change in ownership of the business during the term of this agreement without prior notice to the JTEDC.

Disbursement of Funds

1. All grants are reimbursement grants and will only be funded after payment of rent and utilities by the applicant. Copies of paid invoices and evidence of payment (cancelled checks – front and back) must be presented for reimbursement.
2. Requests for reimbursements should be made in a timely manner, usually within thirty (30) days following payment of rent and utilities to the property owner and/or utility providers.
3. Copies of all required permits and occupancy certificates (if applicable) must be presented to the JTEDC office.
4. JTEDC staff and/or board members will perform inspections if necessary.