



Small Business Incentive Program Information

The Borger Economic Development Corporation Small Business Incentive Program is designed to incentivize the growth and expansion of small businesses located in Borger, Texas.

Scope

The Borger Economic Development Corporation (BEDC) allocated \$200,000.00 for the Small Business Incentive Program for fiscal year 2017-2018, and another \$100,000 for the 2018-2019 fiscal year. Grants are competitive and will be awarded until funds are depleted. The BEDC Board of Directors may amend, adjust, or eliminate the program at any time, however commitments made to approved applications will be final. ***As of December 6, 2018***, a total of \$192,992.64 has been either funded or committed to a total of 14 projects that are complete or in-progress.

Each application will be reviewed by BEDC staff and considered by the BEDC Board of Directors for approval. Consideration for approval will generally take place at a regularly scheduled meeting. A special meeting may be called for earlier consideration if necessary. A grant request that is not approved will be accompanied by a reason for denial. Businesses may reapply after thirty (30) days, if the business addresses the reason for grant denial in the new application.

Grants are only to be used for businesses operating in a location that is commercially zoned (Neighborhood Services, Retail, Central Business, Commercial, Light Industrial, or Heavy Industrial zoning).

Work shall not commence on any project(s) seeking grant funds until the grant has been approved by the BEDC Board of Directors. Work must be complete within one hundred eighty (180) days from the approval for the grant.

A business that operates in a building it does not own must have specific authorization from the property owner in order to apply for a reimbursement grant.

Grants will be awarded as reimbursements and only upon completion of the project and acceptance of completion by the BEDC. Recipients will generally receive 50% of actual expenditures incurred in completing the approved project; however, the first \$2,000.00 spent on an approved façade improvement can be reimbursed at 100%. The maximum amount a business can receive is \$20,000.00 in one fiscal year (using the BEDC's October 1st - September 30th fiscal year).

Program criteria

To be eligible to receive a grant through the Small Business Incentive Program, businesses and projects must meet the following criteria:

___ Business must be independently owned and operated and for-profit. The individual completing the grant application must be the owner/operator.

___ The business is open to and offers goods or services to the general public.

___ The business has fewer than twenty (20) full-time employees.

___ The business currently has regular business hours (Open at least 5 days per week, for a total of at least 30 hours per week). Business hours will be periodically checked for one year from the date of received grant. **Businesses that fail to comply with the business hour requirements must repay 100% of the grant funds received, plus interest.**

___ The business operates in a building or facility that is located in commercial zoning (Neighborhood Services, Retail, Central Business, Commercial, Light Industrial, or Heavy Industrial zoning). **As of October 1, 2018**, the location where the business operates must have signage displayed that clearly identifies the business, or purchasing and installing such a sign must be part of the SBIP project and application. Also, a business “start-up” that does not currently operate in a commercial space, but is moving to a commercial space as part of its SBIP project, is considered eligible.

___ The business is located within the City limits of Borger, Texas.

___ The business is current on all local taxes, including property tax and sales tax.

___ The facility or building where the business operates is insured.

___ The reimbursement grant the business is applying for will be for one or more of the following categories (for questions, please refer to the Small Business Incentive Program brochure or contact the BEDC at 806-521-0027). ***As of October 1, 2018, “passive income” businesses will only be eligible for façade improvements. A passive income business is one where the owner does not work in the business regularly and the business does not have any other employees.***

- Façade improvements
- Structural upgrades
- Interior improvements
- Technology assistance
- Lease subsidy for locating to Central Business zoning
- Marketing assistance

___ The business has a viable commercial reason for completing the project. For example:

- To repair or replace signage, awnings, canopies, or other exterior or façade improvements for increased visibility and improved aesthetics
- To expand the square footage of the business operations

- To convert unutilized or under-utilized space for business operations (including plumbing, electrical, flooring, fixtures, etc.)
- To pay for the design, engineering, and permits necessary to expand the square footage of the business
- To complete critical repairs or upgrades necessary to continue operating or expand the business (i.e. – roofing, replacing broken windows or lighting, installing parking, etc. - **Does not include general maintenance**)
- To purchase systems necessary to run the business in a commercially reasonable fashion (a customer database system, an inventory or bar-coding system, a CSR software system, POS system, etc. - **Does not include hardware such as phones and personal computers**)
- To give the business the ability to offer new goods or services
- To relocate the business to Central Business zoning
- To market or advertise the business in order to attract new customers

FAQ's:

1. How do I know if I qualify?

Please review “Program Criteria” beginning on page 2.

2. How long do I have to complete the project?

You have one hundred eighty (180) days from the date you enter into an agreement with the BEDC to complete your project. Do not commit to a project that you cannot complete in 180 days. If you do not complete your project within 180 days, you may not receive your reimbursement grant.

3. What if I don't complete the project?

Once your project is approved, the BEDC sets aside the reimbursement grant for your business. Please keep in mind that if you commit to a project that you are unable or unwilling to complete, you have “taken” someone else's spot. Do not commit to more than you know you can complete. There will be no partial reimbursements for unfinished projects.

4. What if it isn't my fault that I cannot complete my project?

You will need to provide interim project updates to the BEDC during your project. If you know there are issues out of your control that might prevent you from finishing your project, you need

to let the BEDC know so that we can work with you. Do not wait until the last day to tell us that you can't complete the project.

5. Can you guaranty me that I will be approved if I apply?

No. Every application will be reviewed on a case-by-case basis. Your approval is based on the availability of funds, whether your business and project meet eligibility requirements, and if you can demonstrate potential growth for your business as a result of completing the project. Your application will be reviewed by the Executive Director of the BEDC and approval will be considered by the Board of Directors.

6. Can I be reimbursed for a project I already started or completed?

No. The BEDC is not "backfunding" projects. You are only eligible for reimbursement on a new project that is approved in your application. Only expenses that are incurred after the date of your approval are eligible for reimbursement.

7. How much money will the BEDC reimburse me for participating in the Small Business Incentive Program?

If your project is approved and completed, you can receive a reimbursement grant. In most cases, you can receive up to 50% of what you spent completing the project. There are some cases where you might receive more or less than a 50% reimbursement grant:

- a. The maximum your business can receive is \$20,000 per the Borger EDC's fiscal year.
- b. If you complete a façade improvement as part of your approved project, the first \$2,000.00 spent on that façade improvement can be reimbursed at a full 100%. Any money spent above \$2,000.00 on a façade will be reimbursed at 50%.
- c. Our program is limited to \$300,000.00 overall. If there are not funds available to reimburse your project at the full 50%, you will know that ahead of time, before your approval is granted.
- d. Your participation in the program at any level of reimbursement is completely voluntary.