



SMALL BUSINESS RENOVATION AND IMPROVEMENTS GRANT POLICY

1. PURPOSE

The purpose of the Small Business Renovation and Improvements (SB R&I) Grant is to encourage restoration, renovation and improvements of commercial property throughout the City of Edinburg through financial incentives.

2. TARGET AREAS & REQUIREMENTS

Target areas are city commercial and industrial zones where owners of business entities have been in business within the city limits of the City of Edinburg for a minimum of five (5) years, have generated and contributed local sales tax revenues, and employ ten (10) or more employees, of which five (5) out of the ten (10) are to be classified as full-time.

Should the local business not employ at least ten (10) employees, the local business will be granted the equivalent of one (1) full-time employee for each year it has been open for business, not including the five (5) year minimum requirement. The local business must have at least two (2) full-time employees without exception. The local business must generate and contribute to the local sales tax throughout the time the business has been open. The business must be up to date on all current city, school, county, state and federal taxes.

3. OBJECTIVE

Funds will be made available for the enhancement of or improvements to the exterior or interior of a local commercial building. Interior improvements may include enhancements to the flooring and interior paint, and exterior enhancements may include the façade, signage and display areas visible from the outside of the building. Qualifying improvements may include the following:

3.1 Exterior

- Windows and door repairs
- Glass Replacement
- Façade additions or repairs
- Brick and mortar repairs
- Awnings
- Trim repairs or replacement
- Paint
- Parking
- Landscaping
- Roof

3.2 Interior Enhancement (May Include)

- Furnishings
- Flooring
- Interior Painting
- HVAC

4. GRANT AMOUNTS

- 4.1. The maximum amount of a grant is limited to Ten Thousand Dollars (\$10,000) per business per fiscal year. Businesses cannot apply more than once. Only up-to the grant limit amount of \$10,000 will be reimbursed to applicant. The grant will be issued as a reimbursement upon completion of the project. Documentation of the expenditure for the renovation or improvement is required for reimbursement. All expenditure documentation submitted will be reviewed for reimbursement qualifying purposes.
- 4.2. Upon approval by EDC Board of Directors and executed agreement, Grantee may initially receive up to Two Thousand Five Hundred Dollars (\$2,500) to begin project. The amount initially issued is calculated as part of the \$10,000 grant limit amount. The balance of the remainder of the improvements will be reimbursed up to \$10,000 by examination of paid receipts and canceled checks.

5. GRANT LIMITATION & REQUIREMENTS

- 5.1. Renovations and improvements are to be pre-approved by the EDC Board of Directors and will be judged on the basis of need and compliance to applicable city code enforcement ordinances.
- 5.2. Franchised businesses or corporations with annual gross revenues of \$1 million dollars or more are Not Eligible.
- 5.3. Applicant must own property being improved. If Applicant is a Lessee, property owner must become co-applicant on the grant documents.
- 5.4. All improvements must be complete within ninety (90) days of the Board's approval. Failure to complete the renovation or improvements within ninety (90) days makes the project ineligible for the grant reimbursement and terminates the grant, and the grant will not be funded.
- 5.5. If a business receives a grant and closes or sells the business within 3 years of project completion, EEDC will reclaim grant proceeds.
- 5.6. If a business fails to maintain the number of employees identified in the application, EEDC will reclaim grant proceeds.



SB R&I GRANT POLICY APPLICATION

Date of Application: _____

Company Name: _____

Physical Address: _____

Mailing Address (If Different): _____

Phone No.: (____) _____ Fax No: (____) _____ Other No.: (____) _____

Contact Person: _____ Title: _____ *

Proposed Project:

CURRENT INFORMATION AND FUTURE PLANS

- Full time employees (at least 1,560 hours a year = 30 hours a week for 52 weeks)
- Current Property Taxes Paid (Tax Receipts). \$ _____
- Current Taxable Value (before improvements) of Real Property of all operations in Edinburg
(If more than one operation is located in Edinburg, please list separately on another sheet)
\$ _____
- Current Sales Tax Revenue generated in Edinburg
(Provide copies of Texas Comptroller payment records)
\$ _____
- Value of Real Property Improvements to be made in Edinburg
\$ _____

- Description of Real Property Improvements (Buildings, Remodeling, etc.)

Applicant certifies that it does not, and will not, knowingly employ an undocumented worker in accordance with Chapter 2264 of the Texas Government Code, as amended. If during the term of any Agreement entered into between Applicant and the Edinburg Economic Development Corporation (EEDC), Applicant (including any agent thereof) is convicted of a violation under 8 U.S.C. §1324a(f) as to its knowing employment of an undocumented worker, Applicant shall repay the amount of the grant or other economic development incentive provided under such Agreement, plus interest at the rate of ten (10%) per annum, not later than the one hundred twentieth (120th) day after the date the EEDC notifies Applicant of the violation (or as otherwise provided in the Agreement).

Attachment: Chapter 2264 of the Texas Government Code

Applicant's Signature: _____ Date: _____

OFFICE USE ONLY:

EDC Executive Director's Preliminary Recommendation:



**SMALL BUSINESS RENOVATION AND
IMPROVEMENTS POLICY
CHECK-LIST**

- _____ Provided a Complete Application
- _____ Provided Payroll Report with the list of Full-time employees (*at least 1,560 hrs. a year = 30 hrs. p/week for 52weeks*)
- _____ Provided Current Property Taxes Paid (Tax Receipts)
- _____ Provided Current Taxable Value (before improvements) of Real Property of all Operations in Edinburg.
- _____ Provided Copies of Texas Comptroller Payment Records of Current Sales Tax Revenue Generated in Edinburg.
- _____ Provided Value or Cost Estimate of Real Property Improvements to be made in Edinburg
- _____ Provided Description of Real Property Improvements (Buildings, Remodeling, etc.)
- _____ Acknowledges Receipt of Small Business Renovation and Improvements Grant Policy
- _____ Acknowledges Receipt of Chapter 2264 of the Texas Government Code

Applicants Signature: _____ Date: _____

Staff Signature: _____ Date: _____

Comments:

GOVERNMENT CODE

TITLE 10. GENERAL GOVERNMENT

SUBTITLE F. STATE AND LOCAL CONTRACTS AND FUND MANAGEMENT

CHAPTER 2264. RESTRICTIONS ON USE OF CERTAIN PUBLIC
SUBSIDIES

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 2264.001. DEFINITIONS. In this chapter:

(1) "Economic development corporation" means a development corporation organized under Subtitle C1, Title 12, Local Government Code.

(2) "Public agency" means the state or an agency, instrumentality, or political subdivision of this state, including a county, a municipality, a public school district, or a special-purpose district or authority.

(3) "Public subsidy" means a public program or public benefit or assistance of any type that is designed to stimulate the economic development of a corporation, industry, or sector of the state's economy or to create or retain jobs in this state. The term includes grants, loans, loan guarantees, benefits relating to an enterprise or empowerment zone, fee waivers, land price subsidies, infrastructure development and improvements designed to principally benefit a single business or defined group of businesses, matching funds, tax refunds, tax rebates, or tax abatements.

(4) "Undocumented worker" means an individual who, at the time of employment, is not:

(A) lawfully admitted for permanent residence to the United States; or

(B) authorized under law to be employed in that manner in the United States.

Added by Acts 2007, 80th Leg., R.S., Ch. 853 (H.B. 1196), Sec. 1, eff. September 1, 2007.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 11.023, eff. September 1, 2009.

SUBCHAPTER B. RESTRICTIONS ON USE OF CERTAIN

PUBLIC SUBSIDIES TO EMPLOY UNDOCUMENTED WORKERS

Sec. 2264.051. STATEMENT REQUIRED IN APPLICATION FOR PUBLIC SUBSIDIES. A public agency, state or local taxing jurisdiction, or economic development corporation shall require a business that submits an application to receive a public subsidy to include in the application a statement certifying that the business, or a branch, division, or department of the business, does not and will not knowingly employ an undocumented worker.

Added by Acts 2007, 80th Leg., R.S., Ch. 853 (H.B. 1196), Sec. 1, eff. September 1, 2007.

Sec. 2264.052. CONDITION ON RECEIPT OF PUBLIC SUBSIDIES. The statement required by Section 2264.051 must state that if, after receiving a public subsidy, the business, or a branch, division, or department of the business, is convicted of a violation under 8 U.S.C. Section 1324a(f), the business shall repay the amount of the public subsidy with interest, at the rate and according to the other terms provided by an agreement under Section 2264.053, not later than the 120th day after the date the public agency, state or local taxing jurisdiction, or economic development corporation notifies the business of the violation.

Added by Acts 2007, 80th Leg., R.S., Ch. 853 (H.B. 1196), Sec. 1, eff. September 1, 2007.

Sec. 2264.053. AGREEMENT REGARDING REPAYMENT OF INTEREST. A public agency, state or local taxing jurisdiction, or economic development corporation, before awarding a public subsidy to a business, shall enter into a written agreement with the business specifying the rate and terms of the payment of interest if the business is required to repay the public subsidy.

Added by Acts 2007, 80th Leg., R.S., Ch. 853 (H.B. 1196), Sec. 1, eff. September 1, 2007.

SUBCHAPTER C. ENFORCEMENT

Sec. 2264.101. RECOVERY. (a) A public agency, local taxing jurisdiction, or economic development corporation, or the attorney general

on behalf of the state or a state agency, may bring a civil action to recover any amounts owed to the public agency, state or local taxing jurisdiction, or economic development corporation under this chapter.

(b) The public agency, local taxing jurisdiction, economic development corporation, or attorney general, as applicable, shall recover court costs and reasonable attorney's fees incurred in an action brought under Subsection (a).

(c) A business is not liable for a violation of this chapter by a subsidiary, affiliate, or franchisee of the business, or by a person with whom the business contracts.

Added by Acts 2007, 80th Leg., R.S., Ch. 853 (H.B. 1196), Sec. 1, eff. September 1, 2007.