

# **Elgin Economic Development Corporation**

## **Incentives, Loans and Other Small Business Programs**

### ***Small Business Development Loan Program***

#### **Overview**

The EDC has created a small business development loan assistance program for existing and or new businesses in the Elgin community. The program directly assists commercial business owners in providing needed capital for business purchases that might not otherwise occur through traditional financing means. This program targets for-profit, small business owners with:

- \$2 million or less in annual sales
- 20 or fewer employees
- Located in the city limits of Elgin
- All applicants must be current on all ad valorem and property taxes

#### **Qualifying Loan Types**

The EDC will provide assistance through a traditional FDIC lending institution. The loan assistance program targets immediate or long-term capital projects. Funds are not available for operating expenses, lines of credit, letters of credit and contingency funding. The loan assistance program can be utilized for:

- Equipment, furniture and fixtures
- Building a new building or expanding in current location, renovating an existing commercial building
- Purchasing commercially-zoned land and building for business to occupy

#### **Qualifying Loan Amounts and Length of Term**

The applicant can apply for an EDC loan up to the amount the applicant has pledged to the qualifying project. The EDC will consider loans at or exceeding \$5,000 for this program. Unless otherwise determined by the EDC Board, the term of the loan will not exceed five years.

#### **Qualifying Applicants**

The funds are to be provided to viable businesses in the city limits of the City of Elgin through a repayable loan either in whole or in tandem with traditional financing available in the market. The applicant must be approved for financing by an FDIC insured institution. The EDC funding agreement is created with the FDIC insured institution and pledged on behalf of the applicant.

#### **Loan Management**

All EDC approved loans will be managed by FDIC institution representing the applicant. Typical funding will be in the form of a certificate of deposit, savings account or other account pledged by the EDC as collateral for the applicant.

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## ***Job Creation Grant Program***

### **Overview**

Certain types of business investments, which result in the creation of new jobs, new income and provide for positive economic growth and economic stabilization are beneficial to the city as a whole. This program for grants of money for new job creation from the City of Elgin Economic Development Corporation (EDC) for new businesses locating to Elgin or expansion of existing business. Each applicant's project will be evaluated for potential grants on a case-by-case basis and in accordance with the grant policy and state law.

### **Qualifications**

It is the policy of the City of Elgin EDC to give priority consideration for projects that:

- a) result in new full time jobs being created;
- b) result in a wage that is equal or greater to the minimum wage for a City of Elgin employee (currently \$13:50 per hour);
- c) result in significant real or personal property being added to the tax rolls;
- d) result in a development with little or no additional cost to the City;
- e) result in the business locating in the downtown district.

### **Eligibility**

1. Any new business planning to locate within the City of Elgin
2. Any business currently located within the city limits that is expanding
3. The proposed project must comply with applicable zoning regulations, city-approved planning studies, comprehensive plan designations, City Ordinances, Building Codes, and Americans with Disabilities Act Guidelines.
4. Applicant can only be awarded the grant one time
5. Applicants must generate at least 4 (four) jobs

### **Grant Disbursement**

The Grant will be disbursed over a six month period. The first payment will be disbursed three months after the date the application is approved. The final payment will be disbursed six months after the date the application is approved.

## ***Main Street Program Area Incentive Programs***

### **Overview**

The EDC in partnership with the City of Elgin's Historic Review Board and Main Street Program have created the following incentive grants for properties in Elgin's National Register Historic Downtown District. These grants are to promote the preservation and economic revitalization of Elgin's historic downtown area. They have been created to preserve the community's unique heritage and also ensure the buildings are economically viable.

This program targets:

- Property owners in the Main Street Program Area
- Business owners and non-profit entities leasing/owning in the Main Street Program Area
- All applicants must be current on all ad valorem and property taxes

### **Incentive Programs**

#### ***Paint the Town***

The Elgin Main Street Board will reimburse up to \$500 to any property owner or tenant wishing to update their property with paint. All applicants must receive approval by the Historic Review Board prior to any work.

#### ***Dumpster Program***

The Main Street Board reimburses a property or business owner in the downtown district a one-time roll off or dumpster at a maximum value of \$650. The roll-off or dumpster must be used to renovate or remodel a building or lease space.

#### ***Façade Improvement Grant***

The EDC provides a façade grant-matching program to a building or business owner to improve the façade of their building. This one-to-one matching grant reimbursement program provides up to \$5,000 per applicant per year for improvements made to the façade of the building only. All applicants must have the approval of the Historic Review Board and the EDC prior to the start of any work.

#### ***Renovation/Restoration - Historic District Revitalization Mega Grant***

The EDC will provide a 25% matching grant to qualifying property owners who make an investment of at least \$25,000, in one year, to improve their property. A minimum of 20% of the reimbursement must be for façade improvement. The project must be within the Main Street Program Area. This grant is for projects that incur a broad investment and result in significant change. All applicants must have the approval of the Historic Review Board and the EDC prior to the start of any work. See the Historic District Revitalization Grant Program guidelines for further information.

### ***Historic Rehabilitation Federal Tax Credit***

The downtown Historic District is listed on the National Register of Historic Places. Properties in the district are classified as contributing or noncontributing buildings. Contributing buildings are eligible for a 20% federal tax credit. The program is administered through the Secretary of the Interior National Park Service. Projects must be reviewed by the local Historic Review Board and the Texas Historic Commission ***before any work occurs*** on the interior or exterior of the property. Project must be compliant with the ten Secretary of the Interior's Standards for Rehabilitation which provides guidance for the rehabilitation of historic buildings.

## **Other Programs**

### **Education**

The EDC, Elgin Main Street Board, and the Greater Elgin Chamber of Commerce in partnership with Austin Community College and the Texas Historical Commission's Texas Main Street Program will host a series of educational seminars for small business owners. These seminars are held throughout the year. Below are the types of seminars provided:

- QuickBooks
- Website Development
- Social Media
- Marketing - Suggestive Selling, Social Media, etc.
- Merchandising
- Inventory Management and Buying
- Employment Laws

Please contact the Elgin Economic Development Corporation for details on applying for these programs or for additional information. Applications should be submitted prior to starting any renovations or improvements.

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