



**REQUEST FOR ECONOMIC DEVELOPMENT
FUNDING PACKET**

**103 ½ North Rice
Hamilton, Texas 76531
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(254) 386-5954**

Instructions for Businesses Wishing to Apply for Funding for an Economic Development Loan or Grant

General Conditions

Business organizations requesting an HEDC loan or grant, are required to make a formal application. The requestor must submit (5) copies to the HEDC President or Executive Director. After the application is reviewed by the HEDC Finance Committee, a representative from your organization will be expected to attend the HEDC meeting and make a verbal presentation.

The proceeds of a grant or loan from the EDC must be used exactly as authorized in the final EDC action.

HEDC loan financing is intended to fill a gap that exists because of lack of access to other sources of financing. Thus, eligible businesses must be unable to meet their business' entire financing needs from conventional sources (banks and other financial institutions) and their own resources.

Preference will be given to projects that retain existing jobs and/or create new jobs.

HEDC will consider incentives/grants on a case-by-case basis.

Grant/Loan Application Form

Your application must be on a form provided by the HEDC and must include the following attachments.

Project Description

- Discuss the amount and nature of the funding request and your estimate of its future impact on the economic health of the City of Hamilton. Include in this section the size of your payroll and your projections for the near future.
- Indicate the name(s) of the person(s) responsible for overseeing the project and the estimated start and finish dates of the project.
- Specify any time constraints which affect the project or the funding request and indicate the source of these constraints including self-imposed constraints.
- Attach copies of any related documents supporting your discussion (examples would be feasibility studies, estimates of construction costs, time schedules, employee needs, financial projections, etc.)

Business Background

- A short history of the business including the date the company was formed, the product line, customers, etc.
- A copy of the Charter and By-Laws (if incorporated)
- A list of the Officers and Directors of the company (or owner(s) if not incorporated)
- Biographic sketch of the Officers or owners if not incorporated
- Compensation for the Officers or owners if not incorporated for the past three years
- Resumes of key staff involved with this project
- A copy of the company's business plan

Financial and Credit Information

- Provide copies of your company's annual financial statement and Federal Income Tax Return for each of the preceding three years.
- Provide a completed credit application for your corporation of business, and one for each person who has responsibility for making corporate level decisions. These persons include the owners, corporate officers, managers, etc.

Other

- You may attach other material which you feel may assist the HEDC Board in its consideration of your request.

Procedural Steps for HEDC Loans and Grants

There must occur a series of events before a project can be approved and funds disbursed. Normally this process is conducted during regular meetings of the Council and the HEDC.

Applicant Attendance During Procedural Steps

An applicant for HEDC funding must be present at the meeting of the Board where the funding request is considered. If the applicant fails to attend meetings as required and has not notified the Board in advance the Board, at its pleasure, may rescind the application with or without prejudice or table it until the next regular meeting of the Board. A tabled application will be cancelled if the applicant is not present at the next regular meeting of the Board.

Tentative Approval

The Board has the prerogative of granting, or refusing to grant, tentative approval for the project. Tentative approval does not bind the Board in any way, and is not a guarantee that the application will receive final approval.

Public Notice

A public notice of the tentative approval must be published in the Hamilton Herald News at the next available opportunity.

60-Day Waiting Period

The Public has the right to petition the City to require an election on your request. The results of an election take precedence over any other action by the Council or the HEDC. The 60-day waiting period begins with the date of a public notice in the Hamilton Herald News.

The 60-day waiting period is a procedural step required by law. EDC procedures may take a total of 90 days. There is no provision in law which allows for the 60-day waiting period to be shortened. If your project can't wait, the EDC can't help you. There are no exceptions.

Advice to the City Council

During the 60-day waiting period the City Council will be advised that your application is in process. No action is requested of the Council at this point. If the project is greater than \$10,000.00, the Council must pass two resolutions before approval of the project is complete.

Election

In the event a petition bearing the signatures of at least 10% of the registered voters of the City is brought to City Hall before or on the 60th day of the waiting period, an election may be required. The project is either approved or disapproved based on the results of the election.

City Council Action

Action by the Council is the final step in the process. The council has the prerogative of approving, disapproving, or returning the funding request to the EDC for further consideration.

Signing of a Formal Contract

Your organization is required to sign a contract with the EDC in which it will be stipulated that funds will be used as represented to the EDC. Failure to use the funds as represented to the EDC will constitute a default which could result in a requirement that part or all of the money be repaid to the EDC, the amount to be determined by the EDC. The contract will be written as a performance contract.

Reporting the Progress on the Project

Your contract with the EDC will stipulate that you will be required to make a monthly progress report at each regular meeting of the EDC until the project is completed. When the project is completed you must make a final report to the EDC. Your report can be written or verbal but it must be presented in person by a representative of your organization.

In case of an exceptional situation and upon application to the President or Executive Director of the EDC the reporting requirement can be deferred. Failure to report may constitute a default which could result in a requirement that part or all the money be repaid to the EDC, the amount to be determined by the EDC.

Follow Up After Project Completion

The EDC is interested in evaluating the effectiveness of its own efforts in economic development in the City of Hamilton. To that end, the EDC will appreciate the opportunity to meet with you from time to time to get your insight on the effectiveness of the economic development program in the City of Hamilton and how it can be improved.

Loan/Grant Application

Identification Information

Legal Name	
Physical Address	
Mailing Address	
City, State, Zip	
Phone	
Fax	
Contact Person	
E-mail Address	
State Tax ID No.	
Federal Tax ID No.	

Board Members/Officers	Office Held	Address

This request is for a: _____ Loan and/or Grant _____

Amount of request for HEDC Funding: \$ _____

Anticipated Starting Date: _____ Completion Date: _____ of project.

Specific Purpose of HEDC funding request:

Evidence of Financial Solvency

- Yes No Has the business or any of its officers ever been involved in a bankruptcy?
- Yes No Has the business or any of its officers ever defaulted on any loans or other financial obligations?
- Yes No Does the business or any of its officers have any loans or other financial obligations on which payments are not current?

If you answered yes to any of the above questions, please **attach** a brief explanation.

Evidence of Sufficient Funding for Project

Funding Type	Source	Amount
Equity Investment		
EDC Funding		
Bank Loans		
Other Loans		
Other Sources		
	TOTAL	

*Please **attach** evidence of funding sources, such as letters of commitment or intent to fund.

Estimate of Economic Impact

How many and what type of jobs will this project **create**?

		Number of Jobs Created		
Job Title or Type	Estimated Pay Scale	At Start-Up	Beginning of Year 2	Beginning of Year 3
Total No. of Jobs Created				
Total Estimated Payroll				

Please indicate in the chart on the previous page which jobs will you:

- Fill locally (L)
- Fill by transfer from other facilities or recruit from outside the Hamilton area (O)

How many and what type of jobs will this project **retain or impact**?

		Number of Jobs Retained/Impacted		
Job Title or Type	Estimated Pay Scale	At Start-Up	Beginning of Year 2	Beginning of Year 3
Total No. of Jobs Retained/Impacted				
Total Estimated Payroll				

In what ways will this project benefit the economic status of Hamilton and the Hamilton area? Respond to as many of the following as apply: (Use back of sheet if more space is needed)

1. Will this project add to the tax base of the City, School and/or County?

2. Will the project have an impact on tourism?

3. New construction, refurbishing existing structure, or?

4. Purchase of materials, supplies, equipment (initially and ongoing)

5. Will and/or how will local businesses be given a fair chance or opportunity to participate?

Conditions, expectations, needs or requests to accomplish project:

1. Tax abatement, City, or County?

2. Zoning, change or need?

3. Infrastructure, roads/utilities?

4. Demolition of existing structures?

5. Other

This statement is to certify that a business does not and will not knowingly employ an undocumented worker. If after receiving a public subsidy 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 other terms provided by the agreement not later than 120th day after the date the 4B corporation notifies the business of the violation.

Applicant Signature

Date

EDC President Signature

Date

**REQUEST FOR ECONOMIC DEVELOPMENT FUNDING
AUTHORIZATION for CREDIT CHECK**

As part of our due diligence in processing your request for economic development funding, the City of Hamilton Economic Development Corporation may elect to obtain credit reports in relation to you and your business.

I hereby authorize the City of Hamilton Economic Development Corporation to obtain such personal or business credit reports.

Signature of Applicant

Date

Business Name

Federal Tax ID # or Social Security #

Return this Form to:

Hamilton EDC
P.O. Box 224
Hamilton, TX 76531

edc@hamiltontexas.com