



# Loan Forgiveness Grant Application

For

# Business Assistance Support

## **Purpose:**

Bronte City Council organized the Bronte Economic Development Corporation (BEDC) as a Type B Economic Development Corporation. Bronte voters approved the creation of the BEDC and authorized the use of ¼ cent of the sales tax revenues to foster growth and development within the city.

The State of Texas Local Government Code, Title 12 Subtitle C1, Chapter 505.158, Type Corporations in a municipality with a population of 20,000 or less may conduct a project to include “land, buildings, equipment, facilities, expenditures, targeted infrastructure and projects found by the corporation’s board of directors to promote new or expanded business development.” To foster growth and development within Bronte, the BEDC is actively marketing Bronte to attract new business and to assist the existing businesses to grow and thrive.

The BEDC’s purpose is to enhance the economic vitality of the city by encouraging safe and visually appealing business buildings and business sites. The BEDC has established a business assistance, support, and/or loan forgiveness grant program. This program is sponsored, funded, and monitored by the BEDC Board of Directors who may amend, adjust, or eliminate the program at any time. The BEDC mission is to assist small businesses, attract new businesses, fill existing or proposed retail spaces, add jobs, generate sales tax and hotel/motel tax revenue in the City of Bronte.

## **Eligible Projects:**

### **Job Creation**

Part-Time \$1,500 (20 hours per week) and Full-Time \$3,000 (40 hours per week) per position

- These positions will be verified using the Quarterly 941/s and TWC Reports.
- NOTE: Those reports must be provided to the EDC office for all applicable quarters of the contract’s first year.
- One-Time payout at business start-up, per employee, not to include business owner(s)

### **To include the following:**

#### **Startup inventory assistance (items to re-sell)**

- Maximum Limit to \$5,000.00 (up to 50% matching grant)

#### **Equipment and/or Permanent Fixtures**

- External Property Improvements
  - Windows, doors, trim, paint, lighting
- Retail Sign
  - Sign renovations on legal conforming signs and/or new signs.

#### **Internal Property Improvements**

- Rehabilitate interior finishes and/or expansion of interior including but not limited to painting, and permanent additional or removal of walls.

### **Qualifying Grant Award & Terms**

A loan may be awarded for an approved application. The loan shall be for no more than 50% of the proposed project cost, with a maximum loan amount of \$20,000.00. The loan cannot exceed \$10,000 without city council approval. The applicant must match the approved loan amount. The business must remain in operation for one (1) year from the first day of business. Upon completion of one (1) year in business, the loan may be forgiven and converted into a grant and all related bills paid before the end of twelve (12) month period. If the business does not remain in operation for one (1) year from the opening date, then the loan principal and interest shall be due within an additional twelve (12) months. The loan principal and interest shall be paid starting at the thirteen (13) month of the loan. A simple compounded monthly interest rate of 3% shall be applied to the loan starting at the 13<sup>th</sup> month of the loan. Every application and category will be reviewed on a case-by-case basis. The Loan Forgiveness Grant award decisions of Bronte Economic Development Corporation Board of Directors are final.

### **Indemnification:**

The owner agrees to indemnify, defend, and hold harmless the BEDC, their officers, directors, employees, agents and insurers against and in respect to any losses, damages, injuries, deficiencies, liabilities, actions, suits, proceedings, demands, assessments, judgments, fines, and reasonable and necessary costs and expenses (including court costs, reasonable attorney's fees and expert witness fees) incident to or resulting from any claim arising out of this Agreement, directly or indirectly, from the BEDC's activities conducted under or incidental to the Agreement and from any liability arising out of or resulting from the intentional acts or negligence of the Owner and its agents, employees and contractors.

## **Additional Application Information Required**

Submit applications to the BEDC via email at [brontetx@wcc.net](mailto:brontetx@wcc.net) or by mail at: BEDC, P.O. Box 370, Bronte, TX 76933.

- Applications to be received no later than noon by the First Tuesday of each month will be reviewed at the BEDC regular meeting, held on the second Monday. Meeting time varies each month.
- Incomplete applications will not be considered and will be returned to the applicant.
- Application form and the agreement can be picked up at City Hall, 114 S. Washington St., Bronte, Texas.
- Submit all required documents and attachments.
- The application will be considered and must be approved by the BEDC Board of Directors.
- Applications are reviewed and considered for approval.
- Application approval notice shall be provided in writing. If a BEDC Loan Forgiveness Grant award has certain provisions, conditions, or other requirements of the BEDC, said provisions, conditions or other requirements shall be provided in writing.

## **Funding**

- Applicant(s) responsible for all city required permits.
- All projects, as presented in the application, must be completed in their entirety. Failure to complete all the stated projects shall render the applicant ineligible to receive funding.
- Upon approval of the project(s), a representative of the BEDC shall have the right to access and inspect the work in progress.
- The applicant shall agree to remain in business, not sell or assign such business or building to another person or entity for a period of twelve (12) months from the date of the approval. Without prior BEDC board approval.
- Upon completion of the project, applicant will provide written notification to the BEDC. BEDC representatives shall verify completion to confirm that qualifying project(s) have been completed in accordance with the application, written agreement, plans submitted and any approved modification thereof. Such notification shall include, but not be limited to documentation of paid receipts for materials, labor, permits, inspection reports, or any other item that the BEDC may deem necessary for determining the project's completion.

- The Laws of the State of Texas shall govern the interpretation, validity, performance, and enforcement of this project Loan Forgiveness Grant. The venue for any lawsuit or other proceeding involving this program shall be in Coke County, Texas.
- The applicant shall be obligated to complete the project in accordance with the application within 12 months of the BEDC loan award. No modifications of the projects shall be permitted without prior BEDC approval. Failure to obtain such written approval prior to making any modifications shall render the applicant ineligible to receive the business improvement loan, or if funds were dispersed, loan becomes ineligible for grant conversion.

### **Additional Application Information Required**

Applicant(s) must complete and sign BEDC application. Submit the following required documents with the application:

- Proof of ownership and/or right of occupancy such as a deed/lease
- If the applicant does not own the property, the applicant shall provide written proof that the Owner of the property authorizes the project(s).
- Photograph of existing conditions
- Renderings, elevations, drawings of proposed projects
- Two cost estimates from two separate contractors/suppliers local, if possible, on all proposed projects.
- Proof of the required 50% cash match availability. If a loan is required to match the required 50% BEDC Loan Forgiveness Grant, the applicant shall provide a copy of the bank application and a bank letter of availability of funds.
- If this is a new business, please submit a business plan.

The undersigned acknowledges and agrees to abide by and be subject to the terms and conditions of the Bronte Economic Development Corporation Loan Forgiveness Grant as described herein.

**Applicant:**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone Number: Home or cell (circle): \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**PROPERTY OWNER:**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone Number: Home or cell (circle): \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_



**Applicant:**

Name: \_\_\_\_\_

Residential Address: \_\_\_\_\_

\_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Start Up Assistance**

Items Needed Description:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Please attach estimates and invoices.

Total Amount: \$ \_\_\_\_\_

**Job Creation**

Number of New Full-Time Employees: \_\_\_\_\_

Number of New Part-Time Employees: \_\_\_\_\_

**Retail Sign**

Description of Proposed Sign (please attach image) \_\_\_\_\_

1<sup>st</sup> Proposed Estimate: \_\_\_\_\_

Company Name on Estimate: \_\_\_\_\_

2<sup>nd</sup> Proposed Estimate: \_\_\_\_\_

Company Name on Estimate: \_\_\_\_\_



**Façade Improvements**

Description of proposed improvements:

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**Please attach estimates:**

1<sup>st</sup> Proposed Estimate Amount: \_\_\_\_\_

Company Name on Estimate: \_\_\_\_\_

2<sup>nd</sup> Proposed Estimate Amount: \_\_\_\_\_

Company Name on Estimate: \_\_\_\_\_

**External Property Improvements**

Description of proposed improvements:

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**Please attach estimates:**

1<sup>st</sup> Proposed Estimate Amount: \_\_\_\_\_

Company Name on Estimate: \_\_\_\_\_

2<sup>nd</sup> Proposed Estimate Amount: \_\_\_\_\_

Company Name on Estimate: \_\_\_\_\_

**Internal Property Improvements**

Description of proposed improvements:

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**Please attach estimates:**

1<sup>st</sup> Proposed Estimate Amount: \_\_\_\_\_

Company Name on Estimate: \_\_\_\_\_

2<sup>nd</sup> Proposed Estimate Amount: \_\_\_\_\_

Company Name on Estimate: \_\_\_\_\_

**Quick reference guide:**

**Proof of ownership** and/or right of occupancy such as a deed/lease

If the applicant does not own the property, the applicant shall provide written proof that the projects are allowed and authorized by the Owner of the property.

**Photograph(s) of existing conditions**

Renderings, elevations, drawings of proposed projects

**Two cost estimates** from two separate contractors/suppliers **local, if possible**, on all proposed projects.

Proof of the required 50% cash match being availability.

If a loan is required to match the required 50% BEDC Loan Forgiveness Grant, the applicant shall provide a copy of the bank application and notice from the bank that the funds are available as needed.

If this is a new business, please provide a **business plan**.

***(Please do not submit any Banking information online. Banking information can be brought to the meeting for verification)***