

GLEN ROSE
ECONOMIC DEVELOPMENT CORPORATION

TYPE-B SALES TAX FUNDS

Funding Application

V1. 2009

Guidelines and Procedures

The GREDC will accept applications for projects at any time. Applications will not be considered until complete.

Applicants must be available to present projects at a GREDC board meeting.

Before a project may be considered and awarded any funds, the attached application must be completed and submitted to:

GREDC

Glen Rose City Hall

P.O. Box 1949

201 NE Vernon Street

Glen Rose, TX 76043

The GREDC may direct a public hearing to be scheduled and a funding agreement to be drafted. The GREDC and the Glen Rose City Council must both approve the funding agreement. Public infrastructure improvement projects will be placed in the Capital Improvements Plan, and when complete, the project is owned by the City of Glen Rose.

All actions of the GREDC are subject to the Development Corporation Act of 1979, article 5190.6 Vernon's Civil Statutes, Section 4B and local government code section 501 to 505. The GREDC is a legal entity with statutory authority to spend economic development sales tax dollars. The Corporation is city-chartered and governed by a city appointed Board of directors. The GREDC is a Type-B Corporation (formerly "4B") and may fund projects focused on the creation of "primary jobs" and/or to provide an economic benefit to the City of Glen Rose, as well as "Quality of Life" projects. Application approvals are subject to funding availability.

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PROJECT FUNDING REQUEST APPLICATION

SECTION I - APPLICATION INFORMATION

Submittal Date: ____/____/____

Company Name/ Organization: _____

Address (Street/City/State): _____

Phone: _____

Website: _____

Fax: _____

Name of Company/Organization Contact on this Project:

Type of Business Structure: Corporation _ Partnership _ Sole Proprietorship_ Non Profit_ City_

Year Business Started: Year _____ Location _____

Current Employment: Permanent Full-time _____ Permanent Part-time _____

Average Production Wage _____

Full-Time Employees receive the following benefits:

Financial Information: Five Years Annual Financials Attached _____

Include: Statement of profit and loss; Balance sheet; Cash Flow Statement; IRS reporting forms,

Performa Annual Sales for Corporation/ Company \$ _____

This Facility \$ _____

Local Sales Tax paid Annually \$ _____

Current Payroll \$ _____

Has the Company ever filed for bankruptcy protection under Chapter 7 or Chapter 11 of the Bankruptcy Statues? No () Yes () Details: (Attach additional sheet if necessary)

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SECTION II- PROJECT INFORMATION

The proposed improvements are to be located within the following taxing district(s):

City of Glen Rose () Somervell County ()

This application is for:

Business Development ()

- Expansion of Existing Facility () or
- New Construction ()
- Other () _____

Quality of Life Improvement ()

- Parks, Open Space ()
- Museums ()
- Entertainment ()
- Other () _____

Capital Improvements for Public Infrastructure ()

- Utilities ()
- Roadways ()
- Sidewalks ()
- Other () _____

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SECTION III- FUNDING REQUESTED

a) Grant Amount: _____

Outright Grant () Matching Grant ()

Does this project qualify under an existing GREDC Grant Program No () Yes ()

• Grant Program name _____

b) Loan Amount: _____

•Term (mos.) _____

•Security Type _____ (Signature, Asset, Other)

c) Investment: _____

• Term (yrs.) _____

• Equity % _____

• ROI _____

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SECTION IV- PROJECT DESCRIPTION

Please attach a statement on company letterhead and signed by an officer of the company stating:

- (1) Fully explaining the nature and scope of the project;
- (2) Describing the proposed site and existing improvements, if any;
- (3) Describing all proposed improvements;
- (4) Provide a list of eligible improvements; and
- (5) Provide a list of major, fixed equipment along with manufacturer specifications and cost quote from the manufacturer
- (6) Business Plan (may be submitted in separate envelope marked “confidential”)

SECTION V- ECONOMIC IMPACT INFORMATION

(attach additional Sheets as necessary)

PART A- PROJECT INVESTMENT IN IMPROVEMENTS

Total \$ _____

Sq. Footage of New Building (s) _____

Size of Parking _____

Other _____

PART B- PROJECT INVESTMENT IN FIXED EQUIPMENT

(New) \$ _____

Manufacturer of Equipment _____

Anticipated Useful Life of Equipment _____

Purchase Price \$ _____ Installation Cost \$ _____

Anticipated Delivery time from Date of Order _____

PART C- PERMANENT EMPLOYMENT ESTIMATES-

(do not include owners, stockholders, or their dependents)

Anticipated Number of New Full-Time Employees as a result of this project _____

Anticipated Number within 12 months of Completion of this project _____

Anticipated Number within 24 months of Completion of this project _____

Typical Job Descriptions or Job Titles: _____

Anticipated starting salaries of these employees: (avg.) \$ _____/hour

PART D- PERMANENT PART-TIME EMPLOYMENT ESTIMATES-

(do not include owners, stockholders, or their dependents)

Anticipated Number of New Part-Time Employees as a result of this project _____

Anticipated Number within 12 months of Completion of this project _____

PART D- PERMANENT PART-TIME EMPLOYMENT ESTIMATES-CONTINUED

Anticipated Number within 24 months of Completion of this project _____

Typical Job Descriptions or Job Titles: _____

Anticipated starting salaries of these employees: (avg.) \$ _____/hour

PART E- PAYROLL IMPACT

Within 12 months of Project Completion \$ _____

Within 24 months of Project Completion \$ _____

FTE X Avg. Wage X 40 hrs X 52 wks

PTE X Avg. Wage X 20hrs X 52 wks

PART E- SALES TAX IMPACT

Direct Tax Projection (Taxable Sales x .075) \$ _____

Indirect Sales Tax Projections \$ _____ How Calculated _____

SECTION VI- OTHER ASSISTANCE

Has the Company applied for any State or Federal assistance on this project? No () Yes ()

Describe:

How else may the GREDC assist with this Project?

Describe:

SECTION VII- CONFLICT OF INTEREST DISCLOSURE STATEMENT

Please describe below any relationships, positions, or circumstances in which you, your officers or corporate officers are involved that you believe could contribute to a Conflict of

GLEN ROSE
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PROJECT GUIDELINES

TYPES OF PROJECTS

The GREDC will consider applications for:

- 1. Direct contributions to business development;** projects should include support of retention, expansion, or recruitment, resulting in public economic benefit, and economic and demographic analyses used for policy development. Interested businesses, individuals, non-profit groups are required to complete an application and provide appropriate documentation of the proposed project.
- 2. Quality of Life projects;** projects which are owned by the City of Glen Rose upon completion; or, where funding is requested for the construction of private (which includes non-profit) development projects, but only if the resulting facility is accessible or open to the public; both such Quality of Life projects indirectly result in economic benefits. Interested businesses, individuals, non-profit groups and the City of Glen Rose are required to complete an application and provide appropriate documentation of the proposed project.
- 3. Participation in Public Infrastructure;** necessary to facilitate private development, resulting in public economic benefit. Certain Water and Sewer infrastructure projects may require additional voter approval.

GUIDELINES AND PROCEDURES

The GREDC will accept applications for projects at any time. Applications will not be considered until complete. Applicants must be available to present projects at a GREDC board meeting.

Eligible projects can be projects within the city limits of Glen Rose and within Somervell County under certain circumstances. All projects outside the Glen Rose city limits must have approval of the governing body in which the project is to be located. Applicants may be businesses, individuals, the City of Glen Rose or non-profit corporations.

Should this project be approved the GREDC may require performance criteria as a part of the funding agreement, in addition to this application.

The funding agreement is between the GREDC and Applicant. Said funding agreement will outline project costs, timelines, other information may be necessary to carry out the project in an efficient manner.

INITIAL RESPONSE TEAM

An initial response team (IRT) will evaluate and recommend applications based on:

1. Compliance with legal requirements
2. Funding Availability
3. Consistency with the Comprehensive Plan, the Preservation District, the Paluxy River District, Parks Master Plan and Glen Rose Planning and Zoning
4. Economic impact analysis results, including a return on investment and the break-even point (as affected by the extent of developer participation), job creation impact, and impact on the tax base
5. Project status; for example, projects already under construction

The Initial Response Team will consist of: (to be completed by GREDC)

- Mayor
- City Administrator
- Code Enforcement
- GREDC President

Additional members of staff may be added to the initial response team where appropriate depending on the nature and location of the project.

Upon review of the application and support documents, the initial response team will make a recommendation to the GREDC. The initial response team will then notify the applicant of the next available GREDC board meeting for a presentation.

DEFINITIONS

Claw back- That provision in a Funding Agreement, which states how and to what extent any incentive payments from public funds must be repaid if the stated Performance Standards are not met.

Current Payroll- The company's total expenditure for all employees for the month immediately preceding this application multiplied by 12.

Employee Benefit- Incentives offered to employees and paid for by the employer such as healthcare coverage, vacation, etc. If an employee pays 30% of the cost, or more, it should not be considered a "benefit" for purposes of this application.

Full Time Job- The employment of a person for a minimum of 30 hours per week and offering that person all those benefits adopted by company policy for Full Time Employees. Major stockholders or immediate family members should not be included in this number when considering "New Full-Time Jobs Created."

Hourly Wage- The gross amount paid to the employee for each hour worked not including the Employer's portion of FICA or FWH. Benefits should not be included in this figure, but should be listed separately under the compensation per employee section of the application.

Part-Time Job- A person working less than 30 hours per week. Major stockholders or immediate family members should not be included in this category when completing the application under New Part-Time jobs Created.

Funding Agreement- a written document designed to protect the interest of local taxpayers by putting a businesses' job creation or capital investment commitments in writing and by linking the payment of any financial incentive to the business fulfilling its written commitments (i.e. claw backs).

Public Capital Project- Improvements owned and maintained by the City of Glen Rose included in the Capital Improvement Plan and funded by the capital budget.