

BUSINESS INCENTIVE GRANT PROGRAM GUIDELINES



Section 1. Sponsor

Gonzales Economic Development Corporation (GEDC).

Section 2. Purpose

The purpose of this Program is to promote the development and expansion of new and existing business enterprises within the City of Gonzales by encouraging visually appealing physical improvements to local business establishments and creating and/or maintaining employment.

Section 3. Grant Type

Grants provided are reimbursement grants, such grants being a cash match for funds disbursed by an Applicant, and are in amounts not to exceed those provided under Section 6, "Type of Grants" below. In-kind contributions, or other grant funds, may not be used by an applicant for matching funds. Only Applicant's cash expenditures may be used as a grant match.

Section 4. Funding Cycle

Funding cycles shall be October 1st through September 30th. For each funding cycle, the GEDC shall designate an amount of funding for that cycle. Upon depletion of those funds, the GEDC will be under no obligation to fund additional grants. Likewise, the GEDC is under no obligation to establish future cycles.

Section 5. Eligibility

- A. Any new or existing business facility physically located within the Gonzales City Limits and meeting the requirements for funding under the Development Corporation Act, Chapter 501 to 505 of the Texas Local Government Code, as amended.
- B. Business facilities also serving as a residence are not eligible, except for a loft apartment.
- C. Business facilities and/or properties which have outstanding financial obligations to the City of Gonzales or the GEDC including but not limited to liens, court fines, delinquent City utility bills, or delinquent taxes are not eligible.
- D. Business facilities and/or property owners which have an ongoing lawsuit or are in any way parties to litigation against the City of Gonzales or the GEDC are not eligible.

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Section 6. Type of Grants

Up to 50 percent matching grant with a maximum shown in each of the following categories, with the exception of the Main Street District grant:

- A. PROPERTY IMPROVEMENT: Improvements to storefronts, including, but not limited to, items such as painting, reconstruction, remodeling, landscaping (if irrigated and maintained or warranted for one year), parking lot resurfacing, striping, driveway improvement, lighting, electrical, plumbing, fencing and other infrastructure.
- Up to a 50% matching grant with maximum of \$10,000.**
- B. SIGN IMPROVEMENTS: New signs, and renovation or removal of existing signs.
- Up to a 50% matching grant with a maximum of \$5,000.**
- C. VACANT, UNDERUTILIZED, & OCCUPANCY INCENTIVE: Available to businesses that rent or purchase a vacant or underutilized building and operate their business out of that building. The GEDC will reimburse business owners up to 50% of their rent or mortgage payments, not to exceed \$6,000.00. The reimbursement requires that the business remains open and operating as a business for a minimum of six (6) months before any reimbursement payment will be made by the Gonzales EDC.
- Up to a 50% matching grant with a maximum of \$6,000.**
- D. MEGA GRANT: The Gonzales EDC will provide a matching grant of up to 50% of improvement costs to new or existing commercial or business property owners who make a minimum investment of at least \$65,000.00 to purchase and/or renovate the building. Improvements may include but not limited to the installation of sprinkler systems, compliance with ADA, infrastructure, demolition and framing.
- Up to a 50% matching grant with a maximum of \$30,000.**

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- E. MAIN STREET DISTRICT: To be eligible for this grant you must be located within the Gonzales Main Street District based on the map attached within this document.

Improvements to storefronts, including, but not limited to, items such as removing slipcovers, false fronts or non-historic added facades, repainting of replaced mortar joints and brick (if already previously painted), removing paint and restoring to its natural condition, reconstruction or remodeling to achieve a more historic look, restoring transom windows, replacing/restoring awnings or canopies to their historic state. In addition, landscaping (if irrigated and maintained or warranted for one year), parking lot resurfacing, striping, driveway improvement, lighting, electrical, plumbing, fencing and other infrastructure including the installation of sprinkler systems, compliance with ADA requirements and framing.

New signs, and renovation or removal of existing signs or preserving ghost signs.

The Main Street District matching grant is based on the following investment amounts and is capped at a maximum grant of \$52,000.00:

Investment Amount and Percentage of Grant:

\$20,000.00 to \$35,000.00 will be reimbursed at 75%

\$35,000.01 to \$50,000.00 will be reimbursed at 80%

\$50,000.01 and above will be reimbursed at 90%

Section 7. Guidelines

- A. Proof of ownership of an existing facility will be required of all applicants. If renting, a copy of the lease must be submitted with the application.
- B. Eligible applicants may apply for multiple categories per physical location (address) during a grant funding cycle. An applicant who receives grant funding must skip one grant funding cycle before applying for an additional grant. Any applicant located in the Main Street District is eligible for the Gonzales Main Street District grant only per physical location (address) and is not eligible for grants referenced under Section 6, Type of Grants: A, B, C or D.
- C. Improvements shall be made in accordance with project drawings, specifications, and/or information provided in the application, such having been previously approved by the GEDC. Failure to do so will render the Applicant ineligible to receive grant funding. Any modifications must first receive the written approval of the GEDC or its designee. Failure to do so will likewise render

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the Applicant ineligible to receive grant funding. Any applicant applying under Section 6, Type of Grants: E – Main Street District, must additionally make improvements in accordance with the Main Street guidelines.

- D. Prior to submitting an application, the Applicant is required to meet with the City's Building Official and Fire Official to review their plans for compliance. The Applicant is obligated to obtain all applicable permits and inspections related to the improvement project. Failure to do so will render the Applicant ineligible for grant funding.
- E. The improvements, as presented in the application, must be completed in their entirety, unless otherwise approved by the GEDC. Incomplete improvements will render the Applicant ineligible for grant funding.
- F. Upon approval of a grant application, and during the implementation of the improvements, a representative or representatives of the GEDC and City shall have the right of access to inspect the work in progress.
- G. Improvements may not commence prior to having received written approval for a grant from the GEDC.
- H. In order to be eligible to receive the grant funding, improvements must be started within two (2) months of receiving grant approval from the GEDC and must be completed within nine (9) months of the funding approval.
- I. Applicant will be required to enter into a performance agreement consistent with state law.
- J. All landscaping installed in the scope of the project must be irrigated and maintained or warrantied by the Applicant for minimum of one (1) year from the date of installation.
 - 1. Trees, plants, shrubs, or groundcover, as approved in the grant proposal, shall be replaced at the applicant's expense if they become diseased, damaged, or die.
- K. All applications must contain a cost estimate (bid) from a minimum of two (2) qualified contractors or suppliers. All Applicants are encouraged to utilize local contractors and suppliers, when possible.
- L. Labor provided by the Applicant or his/her employees may not be included in the cost estimate of the project and is not reimbursable through this Program.

Section 8. Application & Approval

- A. Applications must be made on a form provided by the GEDC and may be obtained in the Economic Development Department at the Gonzales City Hall, 820 St. Joseph Street, Gonzales, Texas 78629, or on the GEDC website at www.gonzalesedc.org
- B. Applications will be considered on a monthly basis and must be submitted by the 5th day of the month in order to be considered at the next regular GEDC Board meeting.
- C. Monthly consideration of applications may be delayed in the event the GEDC elects for any reason not to consider grant applications for any particular month.

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- D. One (1) original and one (1) copy of an application must be submitted.
- E. The GEDC reserves the right to utilize whatever outside resources it deems necessary for assistance in its decision-making process.
- F. Applicants must score a minimum of sixty (60) points on the evaluation guidelines to be eligible for approval.
- G. Applicants will be notified in writing of the GEDC’s approval or disapproval of an application.
- H. The GEDC may award Applicant a grant with certain provisions, conditions, or other requirements as it may from time to time deem appropriate.
- I. The GEDC Board reserves unto itself the absolute right of discretion in deciding whether or not to approve a grant relative to this application. The Applicant accepts that all decisions relating to the award of grant funds involves subjective judgments on the part of the decision-making entity related to the aesthetics of the proposed project and the granting of award funds for said project.
- J. The GEDC reserves the right to waive any requirement(s) herein contained, and/or add any requirements(s) it deems appropriate in making its determination of approval or disapproval of a grant(s) application.
- K. Application shall include photos of the existing conditions to be improved.

Section 9. Evaluation Criteria Standards

The following factors shall be considered in determining whether or not to award a grant. Grant applications must score a minimum of sixty (60) points to be considered for funding. A score of sixty (60) or more points does not guarantee funding. All funding is contingent on remaining funds availability.

The evaluation matrix is a guide to assist the GEDC in the evaluation process. The business Applicant does not need to address each criterion in the impact standard to receive the total number of allotted points. The criteria within each impact standard are examples of the types of criteria the GEDC may consider:

Visual Impact	Possible Points	Awarded Points
<ul style="list-style-type: none"> Improvement in the attractiveness of the location and the level of blight or deterioration removed; Paint color/sign chosen are tasteful and consistent with surrounding businesses; Paint chips/sign materials/landscaping materials are submitted with application and final project reflects what was submitted and approved; 	50	

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<ul style="list-style-type: none"> • Level of improvements' impact on overall appearance of facility. • Productive life of improvements. 		
<p>Economic Impact</p> <ul style="list-style-type: none"> • Amount of additional funding expended by business; • Creation and/or retention of jobs; • Appropriateness of business to overall economic development in the surrounding neighborhood; • Traffic level of roadways adjacent to improvement; • Mitigation of health and safety issues; • Reuse of vacant or underutilized property. 	30	
<p>Historical/Community Impact</p> <ul style="list-style-type: none"> • Level of historical significance of building/area being improved; • Level of value added to the community by the business; • Level of interest/desire for business in the community; • Level of attention to historical architecture (if applicable). 	20	

Section 10. Funding

- A. Funding will only be provided on a reimbursement basis upon the completion of the project in accordance with Section 7 above and following an on-site inspection of the improvements.
- B. The GEDC and City shall be granted the right to inspect the improvement work in progress and upon completion.
- C. Applicant shall provide the GEDC with written notification of project completion. Such notification shall include a letter signed by the Applicant stating that all improvements have been completed in accordance with the application and/or approved modifications, and that full payment has been made for all labor and materials involved in the project. Also included in such notification shall be such documents as, but not limited to, paid receipts for materials and labor, permits, inspection reports, project photographs, or any other items the GEDC may reasonably deem necessary for determining the successful completion of the project.
- D. Upon receipt of a notification of completion, an on-site inspection shall be made by a representative or representatives of the GEDC and/or City to confirm completion in accordance with the application and/or approved modifications, such inspection shall not be considered in any way as a reflection of the City's approval on the quality, safety, or reliability of the improvements, such being the sole responsibility of Applicant.

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- E. Following the on-site inspection, the GEDC staff shall place on the next regular GEDC Board meeting agenda an item for the report and written statement testifying either to (1) compliant project completion, or (2) non-compliant project completion. In the event of a “non-compliant report”, the GEDC Board will review the findings, and if in agreement with the report, a letter shall be issued to the Applicant stating the area/areas of non-compliance. The project shall be subject to re-inspection to confirm the successful completion of the project. Failure to correct the area/areas of non-compliance within thirty (30) days of the date of the “non-compliant letter” shall be cause for cancellation of the grant.
- F. At the regular meeting at which a “compliant” inspection report is provided, a motion to authorize funding will be considered. If approved, issuance of payment shall take place within ten (10) days of the funding authorization.
- G. In order to receive approval of a reimbursement, all projects should be completed within nine (9) months of the grant application approval.
- H. Grantee shall maintain ownership of the property and/or the business, if applicable, for two (2) years immediately following the submission of the Report. If this requirement is not met the GRANTEE shall reimburse GEDC the Funds as provided:
 - i. Property/Business sold within 1 year = reimburse 100%
 - ii. Property/Business sold within 2 years = reimburse 50%

Section 11. Amendment

The GEDC reserves unto itself the right to amend these Guidelines and Criteria as it may from time to time find desirable.

Section 12. Termination

The grant will automatically terminate if the project is not completed within nine (9) months of GEDC approval of the grant application.

Section 13. Notice

- A. The provision or delivery of these guidelines and criteria to an interested party does not constitute an offer of an incentive grant to that party.
- B. The adoption of these guidelines and criteria does not limit the discretion of the GEDC to decide whether to provide or not provide a grant to an applicant, which absolute right of discretion the GEDC reserves unto itself, whether or not such discretion may be deemed arbitrary or without basis in fact.
- C. The adoption of these guidelines and criteria does not create any property, contract, or other legal rights in any person to have the GEDC provide grant funding.

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- D. The laws of the State of Texas shall govern the interpretation, validity, performance, and enforcement of this business assistance grant program. If any provision of this program shall be held to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this program shall not be affected thereby.

- E. The GEDC, the city, its employees, and its agents, do not attest to the quality, safety, or construction of a project eligible for, or receiving grant funding. Therefore, the city, its employees, and agents shall be held harmless by the applicant/applicants for any and all damages associated with the planning, construction, and subsequent existence of any project whose application has been approved or has received actual grant funding.

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The Gonzales Main Street seeks to improve the image and enhance the economic sustainability of the Gonzales Main Street District by stimulating Historic Preservation through funds provided thru this program. Through Main Street there are four distinct approaches to the treatment of historic properties: preservation, rehabilitation, restoration, and reconstruction, with accompanying guidelines for each. *The following information is applicable only for applications as referenced in Section 6, E.- Main Street Grants:*

If you are applying for the Main Street District grant you must meet with the Gonzales Main Street Director before the start of the project. It is encouraged that the applicant in conjunction with the Main Street Director set up an appointment for free architectural services offered through the Texas Main Street Program. Upon approval of a grant application, and during implementation of the improvements, the Main Street Director and/or a representative of the City of Gonzales shall be granted the right to inspect the improvement work in progress and upon completion.

The Main Street Director will review the application and may make recommendations to the applicant regarding historical appropriateness of the work proposed based on the Secretary of Interior's Standards for Rehabilitation. The proposed improvements must follow the guidelines and standards as listed at the following websites:

<https://www.thc.texas.gov/preserve/buildings-and-property/standards-and-guidelines>

<https://www.nps.gov/tps/standards.htm>

As part of the grant program guidelines for the Main Street District, every reasonable effort shall be made to provide a compatible use for a property which requires minimal alteration of the building, structure or site and its environment, or to use a property for its original intended purpose. The distinguishing original qualities or character of a building, structure, or site and its environment shall not be destroyed. The removal or alteration of any historic material or distinctive architectural features will disqualify any building from this program.

All building, structures, and sites shall be recognized as products of their own time. Alterations that have no historical basis and which seek to create an earlier appearance shall be discouraged and may disqualify any building from this program. Changes which may have taken place in the course of time are evidence of the history and development of a building, structure, or site and its environment. These changes may have acquired significance in their own right, and this significance should be recognized and respected. Deteriorated architectural features shall be repaired rather than replaced, whenever possible. In the event replacement is necessary, the new material should match the material being replaced in composition, design, color, texture and other visual qualities. The surface cleaning of structures shall be undertaken with the gentlest means possible. Sandblasting and other cleaning methods that will change or damage the historic building materials shall not be undertaken. Contemporary design for alteration and additions to existing properties shall not be discouraged when such alterations and additions do not destroy significant historical, architectural or cultural materials, and such design is compatible with the size, scale, color, material, and character of the property, neighborhood, or environment. Whenever possible, new additions or alterations to structures shall be done in such a manner that

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if such addition or alterations were to be removed in the future, the essential form and integrity of the structure would be unimpaired. New additions should be compatible to the present structure.

The GEDC Board reserves unto itself the absolute right of discretion in deciding whether or not to approve a grant relative to this application. The Economic Development Director will work closely with the Main Street Manager to ensure that applications received under Section 6, E. – Main Street Grants, meet the requirements for funding under the Development Corporation Act, Chapter 501 to 505 of the Texas Local Government Code, as amended. The Applicant accepts that all decisions relating to the award of grant funds involves subjective judgments on the part of the decision-making entity related to the aesthetics of the proposed project and the granting of award funds for said project.

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To be eligible for the Main Street District grant the building and/or land must be located within the Gonzales Main Street District based on the below map area.

Gonzales Main Street District



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www.gonzales.texas.gov/p/departments/main-street

