

## **Section II**

### **Economic Development**

The primary purpose of Economic Development is to provide financial incentives for business retention, business expansion, and business recruitment, all of which intend to create new jobs, save existing jobs, expand the local tax base, increase capital investments, improve the local entrepreneurial climate, and expand the financial base of the area.

The Economic Development funding is intended to be a revolving *loan* fund providing secondary or "gap" funding. The Tioga Fund Committee will have substantial flexibility in the types of financing tools available to them, but in all cases, the sums awarded are intended to be repayable and that arrangement and expectation should be understood by the applicant. Examples of potential flexibility that should be considered in connection with these applications include, but are not limited to: Loans, equity positions, equipment and building purchase, lease buy backs, interest write downs, grants and other financial vehicles as necessary and appropriate.

#### **Eligible Uses**

Funds may be provided for:

- The expansion of an existing business

- The startup of a new business

- The relocation of a business into the area

Funds may be provided for marketing activities aimed at economic development

#### **Ineligible Uses**

The Tioga Fund Committee should try to advance economic growth in ways which do not create unfair competition features and funding that adversely affects existing and prospective business in the area. Such determination will be made by the Tioga Fund Committee, who is afforded wide discretion in considering the impacts, short and long term, of the funding sought.

*Restructuring of existing debt is generally not considered and should not be authorized by the Tioga Fund, unless and except there is a clear and articulable compelling and unique set of circumstances involved which demonstrate that there would be significant impacts to the larger economic health of the area. In general, however, no debt restructuring will be entertained or approved for this type of application.*

## **Economic Development Application Process**

1. The applicant will obtain an application form at the Tioga City Hall.
2. The completed application, with attachments, will be returned to the Tioga City Hall. Incomplete applications will be returned to the applicant and must be fully completed prior to review by the Tioga Fund Committee.
3. The completed application, with attachments, will be distributed to the members of the Tioga Fund Committee.
4. The Tioga Fund Committee will discuss and consider the application at the nearest practicable time set for Committee for its regularly scheduled meetings; the Committee has the authority of agenda and may consider the complexity and length of agenda in scheduling the application for review and consideration. Once the meeting date is known to the Committee, the applicant will be advised and should be prepared to give a presentation to the Committee or to appear to answer questions that the Committee may have regarding the application.
5. If the Tioga Fund Committee recommends approval, in whole or in part, the application will be forwarded to the Tioga City Commission for review and consideration. The applicant will be advised of the date and time of the relevant commission meeting at which the applicant's application and the Committee's recommendation will be considered by the City Commission. The applicant should be prepared to appear before the Commission to answer any questions that the City Commission may have regarding the application and recommendation.
6. If the Tioga Fund Committee recommends denial/disapproval of the application, the application will be returned to the applicant with written comments concerning the recommendation and the applicant may supplement and resubmit the application to the Committee for reconsideration after revision or supplementation.
7. The Tioga Fund Committee may table a decision pending further information or assistance from an outside consultant.
8. An application which has been denied, in whole or in part, by the Tioga City Commission, may not be re-submitted by the applicant for a period of one-year (12 months), except and unless there has been a material change in the application which would justify such reconsideration. The Committee (and the Commission) has the discretion and authority to determine whether a material change has occurred that permit such resubmission.

**Application Form**  
**Economic Development**

**Company Name:** \_\_\_\_\_

**Name of Person making Application:** \_\_\_\_\_

**Title of Person making Application:** \_\_\_\_\_

**Physical Address of Company:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Mailing Address of Company:** \_\_\_\_\_

**(if different than above):** \_\_\_\_\_

\_\_\_\_\_

**Email address for primary contact:** \_\_\_\_\_

**Telephone:** \_\_\_\_\_

**Fax:** \_\_\_\_\_

**Main Contact:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Phase of Development:**      \_\_\_\_\_ Startup      \_\_\_\_\_ Expansion      \_\_\_\_\_ Relocation

**Project Financing:**

\_\_\_\_\_ Equity

\_\_\_\_\_ Other Sources - Specify

\_\_\_\_\_ Primary Financing

\_\_\_\_\_

\_\_\_\_\_ Tioga Fund

\_\_\_\_\_ Total

Please attach the following documents:

1. Detailed project plan including:
  - a. Project description
  - b. Project schedule Project Budget
  - c. 2 yr. income projections
  - d. 2 yr. expense projection
  - e. Description of method for budgets and estimates

\*\* If the business is presently in operation (i.e., if this is an expansion or relocation application), please attach 2 years of profit-loss statements
2. Personal financial statements of principal parties
3. Description of the degree to which the activity will have an economic impact on the local economy
4. A list of all other creditors or lenders to whom the business owes funds
5. If the applicant is a not-for-profit or non-profit entity/organization, please attach documentation demonstrating such status and that such status is current at the time of application
6. If the applicant is a for-profit entity, please attach documentation showing that entity/organization is in good standing in the State of North Dakota.

### CERTIFICATION

I, \_\_\_\_\_ (insert name), on behalf of \_\_\_\_\_ (insert name of business) do hereby state, under pains and penalties of perjury, that all of the statements made in connection with this application are true and correct to the best of my knowledge and belief. I further state, under pains and penalties of perjury, that all attachments made with this application are likewise true and correct to the best of my knowledge and I belief. I understand that any intentional misrepresentation or omission made in connection with this application may result in the denial of this application at any stage of this process, and may constitute a default in my loan if the same is awarded and later discovered after approval of the funds so requested. I also state that I understand that falsely certifying the information contained herein may result in the imposition of other civil or criminal penalties.

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

I, \_\_\_\_\_ (insert name), on behalf of \_\_\_\_\_ (insert business or organization name), state that I understand and acknowledge that I must produce credible receipts, documentation, invoices, and the like, not later than 30 days after completion of the project, event or funded purpose described herein, to the City of Tioga, evidencing the appropriate application of the funds requested hereunder. I further understand that the City may earlier request such documentation to verify the status and application of such funds on an interim basis as the City may deem necessary or appropriate, and I will promptly produce such documentation at the City's request. I understand that a failure to comply with this production requirement may result in a demand for the return of any and all funds awarded hereunder.

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