



ASSISTANCE PROGRAM GUIDELINES

The Canton Economic Development Corporation's (CEDC) mission is to improve the business environment and the overall economic opportunities for Canton through targeted industrial, commercial and retail recruitment and expansion efforts, real estate development, community promotions and collaborative partnerships.

To be eligible for the Canton Economic Development Corporation's Assistance Program, a business must create quality jobs, make a capital investment in Canton, and add to the local property or sales tax base.

Most assistance agreements are structured as forgivable loans with repayment forgiven upon meeting established benchmarks. All contracts include a provision for repayment or forfeiture of assistance funds if the company fails to meet the full employment and capital investment levels agreed upon for the required number of years.

All Assistance Program Incentives are at the discretion of the Canton Economic Development Corporation. CEDC may consider any single or a combination of the following incentives:

- Job Creation / Training Grant – The CEDC may offer incentive grants for the creation of new jobs during the first years of operation or expansion. This is an incentive paid upon proof of initial employment and payroll, or at the end of the first and/or second year of operations after proof of employment and payroll. An advance grant based on employment projections may also be considered in special circumstances.
- Capital Investment Grant – The CEDC may offer incentive grants to companies making a sizeable capital investment in conjunction with the creation of new jobs. The generation of new taxes (property, sales or hotel) is considered in the calculation of the grant. The grant may be paid upon completion of construction and confirmation of investment, or upon receipt of new property valuations. An advance grant based on investment and tax projections or construction benchmarks may also be considered in special circumstances.
- Infrastructure Grant – The CEDC offers incentive grants for infrastructure (water, sewer, streets, utilities) related to a commercial development that will create new jobs. The grant may be paid upon completion of the infrastructure project, or upon meeting construction benchmarks. The creation of jobs and generation of new taxes (property, sales or hotel) are considered in the calculation of the grant.
- Building or Land Incentive – A CEDC incentive may be in the form of a building or land, with the criteria tied to the number of jobs created, capital investment or other economic impact on the community.
- Property Tax Abatement – The CEDC may recommend to the City of Canton and Van Zandt County that all or a portion of the incremental property taxes on the grantee's taxable property be abated for a period of one to ten years.



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- City Property Tax Rebate – The CEDC may recommend to the City of Canton that all or a portion of the incremental city property taxes on the grantee’s taxable property be rebated for a period of one to ten years.
- Sales Tax Rebate – The CEDC may rebate all or a portion of the CEDC sales tax (0.5%) generated by the grantee for a period of one to ten years. CEDC may also recommend to the City of Canton that all or a portion of the City sales tax (1.5%) generated by the grantee be rebated for a period of one to ten years.
- Renovation and Occupation of Vacant Building Grant – The CEDC may offer an incentive grant to assist in the renovation and occupation of a commercial building in one of the designated high traffic areas that has been vacant for over a year, including companies that may not qualify under other guidelines. These grants are typically based on capital investment and sales tax projections, rather than primary job creation.
- Downtown Retail Rent Subsidy – The CEDC may offer a rent subsidy to a retailer, restaurant or entertainment venue opening in the Canton Main Street District that furthers the goals of the downtown revitalization strategic plan.
- Low Interest Loan - To create or retain jobs in the Canton area, the Economic Development Corporation may loan funds to a business at a fair interest rate if the loan is collateralized by a lien on real estate, buildings, equipment, vehicles, notes, accounts receivable and/or inventory.
 - A. Canton Economic Development Corporation cannot take an equity ownership position in a company.
 - B. Assistance loan financing would be for fixed assets, workforce training and relocation expenses.
 - C. Assistance loan financing would not be used for working capital requirements of the business.
- CEDC has the connections to assist you with local partnering opportunities, and the expertise and great working relationship with our pro-business City to help you through the planning, zoning and building processes, which has been streamlined just for you!

Any company wishing to apply for assistance from the Canton Economic Development Corporation should complete and sign the CEDC application and requirement forms. Completed forms will be reviewed by the CEDC Board which will consider an assistance offer to the prospect. CEDC will take the proposed incentive offer to City Council for final approval prior to signing a contract agreement with the prospect. This process will take approx. 30-60 days due to legal notifications necessary in providing public funds. Applicants considered for incentives are subject to background checks by the Executive Director of the Canton Economic Development Corporation.



ASSISTANCE APPLICATION FORM & REQUIREMENTS

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1. Name of Company: _____
2. Company history (attach): _____
3. Contact person. _____ Telephone: _____ Fax: _____
Mailing Address: _____ e-mail: _____
4. Copy of Articles of Incorporation: (attach): _____
5. Proof of Good Standing from Secretary of State: (attach) _____
(include Tax Id number etc.)
6. List of all owners and management: (attach) _____
7. ***Business plan including sales and payroll projection: (attach) _____
8. ***Financial Report: (Attach) _____
9. Current total employees: _____
10. Proposed Project in Canton: (Attach) _____

11. Capital Expenditures (building, land, and or equipment): (Attach) _____
12. Requested Assistance from Canton EDC: (Attach additional information)
 - A. Building: _____
 - B. Land: _____
 - C. Capital: _____
 - D. Other: _____
13. ***Current Information:
Salary Employees payroll: _____
Hourly Employees payroll: _____
Average Annual Commissions paid: _____
Future Plans:
Full-Time = At least 1,820 hours per year (35 hours per week for 52 weeks)
Number of Full-Time Employees to be relocated to Canton: _____/When: _____
Relocated from: _____
Number of Full-Time Positions to be created in Canton: _____/When: _____

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Future Plans (continued):

Average Hourly Wage of Employees: \$ _____

Estimated Annual Gross Payroll: \$ _____

Employee Health Care Benefits available? Yes _____ No _____

14. *****Current Taxable Value** (before improvements) **of Real Property**

(of all operations in Canton) \$ _____

Approx. Value of **Real Property Improvements to be made** in Canton: \$ _____

Description of Real Property Improvements: (building, remodeling, etc.) _____

***If more than one operation is located in Canton, please list others:** _____

15. *****Current Taxable Value of Personal Property** (of all operations in the City of Canton): \$ _____

Approx. Value of **Personal Property Improvements:** \$ _____

(machinery, equipment, etc.)

Description of Personal Property Improvements: _____

16. Estimate of taxable sales and purchases:

Approx. amount of annual purchases made by company that are subject to sales and use taxes: \$ _____

Estimate % of those purchases made in Canton, Texas: _____%

Approx. amount of annual sales of goods and/or services made by the company from this location that are subject to sales and use taxes: \$ _____

17. Customer target: Retail _____ Service _____ Manufacturing _____ Wholesale _____

Other (explain) _____

18. **Projects Time Frame:** (Start Date and Completion Date) _____

Signature of Company Owner or Representative

Date

By signing this application Canton Economic Development Corporation Executive Director and Assistant Director will have the right to run background checks on all principal officers or owners.

Please make sure we have a copy of your Certificate of Account Status with TX. Comptroller of Public Accounts.

*****All financial information will be kept confidential*****

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19. **Normal Provisions of Canton Economic Development Performance Agreements:**
- A. The company will agree to relocate or/and create jobs over a period of years agreed upon by CEDC Board of Directors.
 - B. The company will further agree to the construction or improvements of real property as agreed upon by CEDC Board of Directors.
 - C. CEDC will require that the company provide proof of all real and personal property improvements that will be agreed to in the Economic Development Agreement Contract.
 - D. CEDC will require that the company provide proof of jobs created and/or maintained in the City of Canton for each year of the Economic Development Agreement.
 - E. CEDC requires at the anniversary of agreements the following documentation for jobs created or maintained:
 - 1. Texas Employment Commission's Employer's Quarterly Reports
 - 2. A roster of its local employees (with total hours worked, position held, and hourly wage)
 - 3. Copies of paid property tax, sales tax, and or hotel/motel tax receipts**On-location audits can be arranged in special circumstances**
20. **Assistance funds from CEDC should follow guidelines below:**
- 1. First consideration will be given to projects within the Canton City Limits or 1 mile Extra Territorial Jurisdiction (ETJ).
 - 2. If property is within ETJ, the client must agree to be annexed into the Canton City Limits as soon as reasonably possible.
 - 3. Property/Project outside the City Limits and ETJ will be given consideration if it will create Substantial (as interpreted by CEDC Board of Directors) amount of jobs and directly impacts the quality life of the citizens of Canton.

All assistance applications are subject to the approval of the Canton Economic Development Corporation Board of Directors. If project approved for any funding, performance contract will be signed by both parties. All of the above can be presented in notebook binder.

Mailing Info: Canton Economic Development Corporation
Julie H. Seymore, Executive Director
119 N. Buffalo
Canton, TX. 75103

Phone: 903-567-1851 Email: jseymore@cantontex.com Web-Site: www.cantontxedc.com

Date Application Received: _____ Date Application Returned: _____

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Initials of Company Official: _____

Texas Government Code Section 2264.01 Certification

Company certifies that Company, or a branch, division, or department of Company, does not and will not knowingly employ an undocumented worker. If, after receiving a public subsidy, Company or a branch, division, or department of company is convicted of a violation under 8 U.S. C. Section 1324a(f), Company shall repay the amount of the public subsidy paid by CEDC to Company with interest at the rate of 5% per annum, not later than the 120 days after the date that Company receives a notification of such a violation.

The company's representative that is authorized to enter into a binding agreement with CEDC is:

Name: _____ Title: _____

Contact person for yearly documentation will be:

Name: _____ Title: _____

Mail yearly reminders to:

Address: _____

Signature of Company Representative

Date

Title