



2022 - 2023
Business Investment
Grant Program

Administered by Orange County Economic Development

Application Revised January 2023

ORANGE COUNTY BUSINESS INVESTMENT GRANT PROGRAM

Guidelines

PURPOSE

The purpose of the Orange County Business Investment Grant Program (Grant Program) is to stimulate successful non-farm Business Investment development and expansion in Orange County (County). Farmers should complete the Orange County Agricultural Grant Application.

By making economic development grant funds available, the County will be growing its entrepreneurial ecosystem and supporting existing Business Investment and early-stage venture growth, in order to increase jobs, opportunities and grow the commercial tax base in Orange County.

Grant recipients receiving funding through this program will be encouraged to be good corporate citizens and encouraged to employ Orange County residents.

The program will provide three types of grants:

- **Startup Grant: Up to \$1,500.00**
- **Small Grants: Up to \$1,500.01 - \$5,000.00**
- **Large Grants: From \$5,000.01 - \$10,000.00**

Orange County actively seeks to support and increase the participation of women and minority owned businesses in this grant program. Partner organizations are available to assist any applicant with the required documentation to submit the grant application. Please reach out to the Economic Development Department (edcmail@orangecountync.gov or 919-245-2325) with any questions, or for assistance getting connected with any of the partner organizations listed below.

- **SCORE Chapel Hill (Service Corps of Retired Executives)**
104 S. Estes Drive, Chapel Hill, NC 27516
(919) 240-7765
<https://chapelhill.score.org/>
Chapelhillinfo@scorevolunteer.org
- **SBTDC (Small Business & Technology Development Center)**
UNC Chapel Hill, 1700 Martin Luther King Jr Blvd
Suite 115 / CB# 1823, Chapel Hill, NC 27514
(919) 962-0389
<http://www.sbtcdc.org/offices/unc/#sthash.UJQjZW0L.dpuf>
- **The Small Business Center (Durham Technical Community College)**
The Chesterfield
701 W. Main Street, Suite 203, Durham, NC 27701
919-536-7241
<https://www.durhamtech.edu/small-business-center>

GRANT SUBCOMMITTEE

The Grant Subcommittee (Subcommittee) will review all applications and make grant recommendations. The Subcommittee will be comprised of 5 members from the Orange County Economic Development Advisory Board.

The Subcommittee Chair, elected by the Subcommittee, shall generally monitor the duties of the Grant Program administration; make sure grant proposals are properly prepared prior to their presentations at the Subcommittee meetings, with the assistance of County staff if needed.

The Subcommittee will have the following responsibilities:

- Find creative ways to grant funds to stimulate successful Business Investment development and job creation.
- Review grant applications quarterly and, determine which applications meet eligibility requirements and whether an eligible application will be approved, approved with conditions, submitted to the applicant for more information, or denied funding.
- Periodically review status of existing grants to determine if funds are being used in the manner in which they were intended, and recommend appropriate corrective action where needed.
- Evaluate grant application requirements and make appropriate adjustments as needed to accomplish the objectives of the program.
- Conduct annual review of grants and their impact on the County's Business Investment environment.
- Provide explanation of why grant was not approved, if requested.

GRANT PROGRAM ADMINISTRATION

The Grant Program will be administered by a Subcommittee consisting of five members from the Orange County Economic Development Advisory Board. The Subcommittee will meet quarterly to make and facilitate grants. A quorum will consist of 3 voting members of the Subcommittee. As outlined in the Orange County Advisory Board Ethics Guidelines, a member shall disclose any potential conflict of interest and request to be excused from voting when there is a conflict of interest. County staff may be utilized to service grants, including receiving applications, notifying applicants of the Subcommittee's decision, making payment to grant recipients, and generating administrative reports.

DEADLINES (of each year by 5:00 pm)

- March 31
- June 30
- September 30
- December 31

FUNDING

The County will provide funding for the Grant Program through revenues generated from the Orange County quarter cent sales tax.

COMMITMENT PERIOD

The County will support the Program until funding is exhausted; demand for the Program no longer exists, or until it is no longer financially feasible.

ELIGIBILITY

- Applicant's business must be located in Orange County in areas zoned appropriately for their use.
- Applicant's business must be in operation, generating sales/revenue, for at least 6-months prior to the application deadline to be eligible for the Small Grant, and for at least 12-months for the Large Grant Program. The Startup Grant Program is intended to serve applicants that have been in operation for less than 6-months and have a connection with business counseling services through organizations such as Launch, Piedmont Food Processing Center, Midway Business Center, Small Business and Technology Development Center (SBTDC), Service Corps of Retired Executives (SCORE), Durham Tech Small Business Center etc.
- Applicants and their businesses must not have any past due tax, fee, or fine applicable to Orange County.
- Applicant must be current with any existing Orange County Small Business Loan, CROP Loan or Emergency Small Business Loan Payments.
- Applicant must wait at least 6-months from previous award before reapplying if they have received funding under the startup and small grant categories, or one-year if they have received funding under the large grant category.
- Duplication of benefits prohibited. No individual applicant's business or affiliated owner(s) shall receive in excess of \$10,000 from Orange County's Small Business and Large Business Investment Grant Programs, the Agriculture Grant Program, and any other County grant awards over a two year period. This prohibition includes a situation in which the same owner(s) owns multiple businesses. In such a situation if one or more of the multiple businesses applied for a

grant(s) the maximum available to any one or more of such businesses is \$10,000.

- Applicants who have taken legal action against the County in the past 12-months, or have an active legal case, and who applies for any available County grant program, are ineligible to apply for and receive grant funding through Orange County Government until the settlement or dismissal of such legal action.

CONDITIONS OF RECEIVING A GRANT

- Applicant must fill out a grant application and submit required supporting documents through Submittable.
- Applicant may be asked to provide additional information via email or through a short video uploaded to the Submittable platform about how grant funds will be used, and to answer any questions about their business or application. If asked to provide such additional information Applicant shall do so.
- Each grant recipient receiving a grant must provide an accounting of how all funds were used and key milestones reached by the venture within 180 days of the receipt of the grant. This accounting will include a request for proof of expenditures made including copies of receipts and/or photos of the equipment or facility upgrades made. If grant funds are used towards employee costs, a copy of the business' NC Employment Security Commission reports or IRS 941 Payroll quarterly reports shall be provided to the County as evidence of compliance.
- As a condition of receiving grant funds, Grant recipients may be asked to commit to mentoring, and if asked shall do so, with an experienced business coach or mentor at one of the following:
 - **SCORE Chapel Hill (Service Corps of Retired Executives)**
104 S. Estes Drive, Chapel Hill, NC 27516
(919) 240-7765
<https://chapelhill.score.org/>
Chapelhillinfo@scorevolunteer.org
 - **SBTDC (Small Business & Technology Development Center)**
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<http://www.sbt dc.org/offices/unc/#sthash.UJQjZW0L.dpuf>
 - **The Small Business Center (Durham Technical Community College)**
The Chesterfield
701 W. Main Street, Suite 203, Durham, NC 27701
919-536-7241
<https://www.durhamtech.edu/small-business-center>
 - **Launch, Inc.(by application)**
321 W Rosemary St, Chapel Hill, NC 27516
(919) 240-7765
<http://www.launchchapelhill.com/info@launchchapelhill.com>
 - **1789 Venture Lab (by application)**
173½ East Franklin Street, Chapel Hill, NC 27514
<http://1789venturelab.com/>
1789management@gmail.com
 - A mentor approved by the Subcommittee

ELIGIBLE USES OF GRANT PROCEEDS

- Working capital or operational funds to be used for a specific purpose; to include expenses such as marketing, advertising and inventory etc.
- Purchase of equipment, or machinery.

- Expansion of business services or products.
- Work force expansion; to include employee salary (at or above the Orange County living wage)
- Tenant up-fit or leasehold improvements.*Not an eligible use for start-up grant funds

GRANT PROCEEDS SHALL NOT BE USED FOR THE FOLLOWING

- Towards the cost of any tax implications of receiving the grant funds
- Re-granting funds and/or utilizing funds to cover a product or service that would be donated by the grant recipient
- Paying off or reducing existing bank debt or investor loans
- Purchase of equipment or improvement of real estate, which are used or to be used for personal use
- Rent
- Political activities
- Owner salary
- Speculative ventures (Examples: cryptocurrency purchases, commodity futures).
- Lending or investment
- Real property held for sale or investment
- Pyramid sales - distribution plan businesses
- Foreign controlled businesses
- Private membership clubs

COMPLIANCE WITH APPLICABLE REGULATIONS

In all cases, grants made from this program must be consistent and in accordance with the following:

- All state and local regulations governing the applicant's business.
- Terms and conditions established by the Subcommittee for each particular applicant.
- Policies established by the Board of County Commissioners dealing with the Grant Program.
- Ventures that implement planning and economic development policies which create a balanced, dynamic local economy that promotes diversity, sustainable growth, and enhanced revenue while embracing community values will also be given priority.

AMOUNT OF GRANTS

Use of funds for all grant programs - Priority will be given to applicants demonstrating a clear need for grant funds to grow their business, hire additional staff, grow the commercial tax base, and/or create a significant social and economic impact in the County.

Startup Grant - Minimum Up to \$1,500.00

Intended for applicants that have been in operation for 6-months or less and have a connection with business counseling services through organizations such as Launch, Piedmont Food Processing Center, Midway Business Center, Small Business and Technology Development Center (SBTDC), Service Corps of Retired Executives (SCORE), Durham Tech Small Business Center etc.

Small Grant - \$1,500.01 to \$5,000.00

Grant applications for \$1,500.01 to \$5,000.00 are intended for applicants that have been operational for at least 6-months.

Large Grant – \$5,000.01 - \$10,000.00

Grant applications for \$5,000.01 or more are intended for applicants that have been operational for at least 1-year and will require additional financial information and a formal business plan. Should market conditions change, or in the event of an applicant with extraordinary conditions, a grant amount exceeding the maximum may be considered by the Subcommittee. All grants are subject to availability of funds.

High Potential Founders - Although all applicants will be considered, business owners who exhibit the following characteristics will be given priority:

- a. Have a thorough understanding of their market
- b. Have assembled a talented paid team of employees
- c. Have a passion for building their venture in Orange County

High Potential Ventures - Priority will be given to “growth” ventures capable of expanding rapidly, renting office space in Orange County, and hiring Orange County residents.

GRANT APPLICATION GUIDELINES

| Startup Grant Application Requirements \$1,500.00 or less |
|---|
| <p><u>Business Information:</u></p> <ol style="list-style-type: none"> 1. Date Business Opened 2. Business Name/DBA 3. Legal Business Structure 4. Street Address/Mailing Address 5. What type of business space 6. Business Counseling Organization Connection 7. Tax ID/ Employment Identification Number 8. Business phone number 9. E-mail address 10. *Website/Social Media Account 11. Business Owner(s) Name 12. Business Owner(s) Address 13. Business Owner(s) % of Ownership 14. Describe prior business experience 15. Brief Description of Business (Target Market and Customer Base) 16. Number of Employees (Full and Part Time) 17. *Do you pay a living wage/what % of employees 18. *Describe your potential to add jobs 19. Commitment to keep business in Orange County <p><u>Business Financial Information:</u></p> <ol style="list-style-type: none"> 20. Sales for operating history 21. Business Checking Account Balance 22. Source of Funding (Sales/Revenue, Grants, Loans, etc.) 23. *Balance In Other Accounts 24. *Existing Business Debts 25. *Business Financial Statements for operating history (Balance Statement, Profit & Loss, etc.) <p><u>Description of Business Operations:</u></p> <ol style="list-style-type: none"> 26. *Detailed Written Business Plan (5-10 pages) or PowerPoint Pitch Deck <p><u>Grant Use Details:</u></p> <ol style="list-style-type: none"> 27. Amount of Grant Requested 28. Brief description of grant project, including details of how funds will be used, goals and objectives and anticipated benefits of the project to your business. <p><u>Optional Additional Information:</u></p> <ol style="list-style-type: none"> 29. *Video (5 minutes or less) or Photos showcasing your business <p>* Notes an optional response</p> |

| Small Grant Application Requirements \$1,500.01 - \$5,000.00 | Large Grant Application Requirements (\$5,000.01 - \$10,000.00) |
|--|---|
| <p><u>Applicant Information:</u></p> <ol style="list-style-type: none"> 1. Date Business Opened 2. Business Name/DBA 3. Legal Business Structure 4. Street Address/Mailing Address 5. What type of business space 6. Tax ID/ Employment Identification Number 7. Business phone number 8. E-mail address 9. Website/Social Media Account 10. Business Owner(s) Name 11. Business Owner(s) Address 12. Business Owner(s) % of Ownership 13. Describe prior business experience 14. Brief Description of Business (Target Market and Customer Base) 15. Number of Employees (Full and Part Time) 16. Do you pay a living wage/what % of employees 17. Describe your potential to add jobs 18. Commitment to keep business in Orange County <p><u>Applicant Financial Information:</u></p> <ol style="list-style-type: none"> 19. Sales for operating history 20. Business Checking Account Balance 21. Source of Funding 22. Balance In Other Accounts 23. Existing Business Debts 24. Business Financial Statements for operating history (Balance Statement, Profit & Loss, etc.) <p><u>Description of Business Operations:</u></p> <ol style="list-style-type: none"> 25. *Detailed Written Business Plan (5-10 pages) or PowerPoint Pitch Deck <p><u>Grant Use Details:</u></p> <ol style="list-style-type: none"> 26. Amount of Grant Requested 27. Brief description of grant project, including details of how funds will be used, goals and objectives and anticipated benefits of the project to your business. <p><u>Optional Additional Information:</u></p> <ol style="list-style-type: none"> 28. Video (5 minutes or less) or Photos showcasing your business <p>* Notes an optional response</p> | <p><u>Applicant Information:</u></p> <ol style="list-style-type: none"> 1. Date Business Opened 2. Business Name/DBA 3. Legal Business Structure 4. Street Address/Mailing Address 5. What type of business space 6. Tax ID/ Employment Identification Number 7. Business phone number 8. E-mail address 9. Website/Social Media Account 10. Business Owner(s) Name 11. Business Owner(s) Address 12. Business Owner(s) % of Ownership 13. Describe prior business experience 14. Brief Description of Business (Target Market and Customer Base) 15. Number of Employees (Full and Part Time) 16. Do you pay a living wage/what % of employees 17. Describe your potential to add jobs 18. Commitment to keep business in Orange County <p><u>Applicant Financial Information:</u></p> <ol style="list-style-type: none"> 19. Annual Sales for operating history 20. Current Business Checking Account Balance 21. Source of Funding 22. Balance(s) In Other Accounts 23. Existing Business Debts 24. Business Financial Statements for operating history (Balance Statement, Profit & Loss, etc.) <p><u>Description of Business Operations:</u></p> <ol style="list-style-type: none"> 25. Detailed Written Business Plan (5-10 pages) or PowerPoint Pitch Deck <p><u>Grant Use Details:</u></p> <ol style="list-style-type: none"> 26. Amount of Grant Requested 27. Brief description of grant project, including details of how funds will be used, goals and objectives and anticipated benefits of the project to your business. <p><u>Optional Additional Information:</u></p> <ol style="list-style-type: none"> 28. Video (5 minutes or less) or Photos showcasing your business |

PROCEDURES

Applicants will be referred to the Orange County Economic Development (Department) website where they will complete and submit their application. Applications (with required documents) must be submitted via Submittable.

1. If asked to appear before the Subcommittee, applicants will be provided interview dates and times no later than two weeks prior to the Subcommittee's next meeting date.
2. County staff will provide completed applications to the Subcommittee for their review no later than three weeks prior to its next scheduled meeting. The Subcommittee will complete their review of the applications in Submittable at least two business days prior to the scheduled grant review meeting.
3. At its scheduled quarterly meeting, the Subcommittee will discuss the strengths and weaknesses of complete grant application(s) and decide whether or not to take action on the request, based on the information provided.
4. The Subcommittee shall take action that may include funding the request at the full amount, partially funding the request, deferring the request to the next grant cycle while requesting additional information, or denying the request. They will comment on the applications via Submittable.
5. The applicant will be informed in writing by County staff of the Subcommittee's decision to deny, grant, grant with condition, or seek more information. If the Subcommittee denies a grant request, it shall provide an explanation to the applicant.
6. Should the Subcommittee deny an application; the Subcommittee will not consider any applications from that applicant for at least six months. Should an applicant think that their application has been improperly denied, then the applicant may notify, in writing, the Subcommittee. The notice to the Subcommittee shall state why the applicant thinks the grant should be approved. The application shall then be given further consideration by the Subcommittee and its decision is final.
7. At its discretion, the Subcommittee may impose any additional terms to a grant request. The Subcommittee may require an itemized budget detailing the proposed use of grant funds.
8. Applicants agree to utilize grant funds for their intended use. Each grant recipient receiving a grant must provide an accounting of how all funds were used, or will be used, and key milestones reached by the venture within 180 days of the receipt of the grant. This accounting will include a request for proof of expenditures made including copies of receipts and/or photos of the equipment or facility upgrades made. If grant funds are used towards employee costs, a copy of the grant recipient's NC Employment Security Commission reports or IRS 941 Payroll quarterly reports shall be provided to the County as evidence of compliance.
9. As a condition of receiving grant funds, grant recipients may be asked to commit to a mentoring period as detailed above (CONDITIONS OF RECEIVING A GRANT).
10. If an grant recipient fails to complete items #8 and #9 in a timely manner, as the County in its discretion may determine, the County has the right to require all grant funds back from the grant recipient and the grant recipient shall return the grant funds to the County within thirty (30) days of the County's written request for such funds. Upon failure of the grant recipient to return the funds, the County may initiate legal proceedings against the grant recipient. Failure to complete items #8 and #9 shall make the grant recipient ineligible for future funding opportunities through the County.

11. The Subcommittee shall provide annual reports to the Economic Development Department and the BOCC of the number of grants requested, approved and denied, and a 2-3 page written analysis of the program's success metrics to date.
12. Documents, including but not limited to financial statements, business plans, customer and supplier lists, description of inventory or assets, contractual obligations and existing liabilities, submitted during the application process shall be treated as confidential information.



ORANGE COUNTY
ECONOMIC DEVELOPMENT

NORTH CAROLINA

131 W. Margaret Lane, Suite 205
Hillsborough, NC 27278
919-245-2325

Steve Brantley
Director

sbrantley@orangecountync.gov

Grant applications are available online.

<https://orangecountyeconomicdevelopment.submittable.com/submit>