



**Step 3 Determine Grant Award Amount**

The awarded grant amount will be determined at the discretion of the development corporations (DCs).

**Award Disbursement Options**

The PGP can be implemented through any of the following options based upon an application’s score and the development corporations’ discretion.

**Option 1:** Provide funds annually for 4 or 5 years. The first installment is based upon the projected sales tax to be generated over 5 years and would be equal to 1/5 or 2/5 of that projected amount. The first installment is paid within 30 days of CO issuance.

**Example:** 1/5 of projected sales tax generated annually and paid over 5 years

SALES TAX INFORMATION	
Projected Annual Taxable Sales	\$1,335,000
Annual Sales Tax Receipts to DCs Based on .75 X \$1,335,000	\$10,012.50
Total Projected Sales Tax to be Collected by the DCs in 5 Years	\$50, 062.50
FUNDING INFORMATION	
Grant Amount Requested	\$50,000
GRANT AMOUNT APPROVED	\$50,000
PAYMENT INFORMATION	
1 <sup>st</sup> Year Payment	\$10,000
2 <sup>nd</sup> Year Payment	\$10,000
3 <sup>rd</sup> Year Payment	\$10,000
4 <sup>th</sup> Year Payment	\$10,000
5 <sup>th</sup> Year Payment	\$10,000

**Example:** 2/5 of projected sales tax generated annually and paid over 4 years

SALES TAX INFORMATION	
Projected Annual Taxable Sales	\$1,335,000
Annual Sales Tax Receipts to DCs Based on .75 X \$1,335,000	\$10,012.50
Total Projected Sales Tax to be Collected by the DCs in 5 Years	\$50, 062.50
FUNDING INFORMATION	
Grant Amount Requested	\$50,000
GRANT AMOUNT APPROVED	\$50,000
PAYMENT INFORMATION	
1 <sup>st</sup> Year Payment	\$20,000
2 <sup>nd</sup> Year Payment	\$10,000
3 <sup>rd</sup> Year Payment	\$10,000
4 <sup>th</sup> Year Payment	\$10,000

- If the actual annual sales tax collection is more or less than the estimated annual grant award, then the actual sales tax collection amount will be issued as the annual award payment. Over-payments and under-payments will be trued up in subsequent payment years.

**Option 2:** Provide grant funds within 30 days of Certificate of Occupancy issuance.

<b>SALES TAX INFORMATION</b>	
Projected Annual Taxable Sales	\$1,335,000
Annual Sales Tax Receipts to DCs Based on .75 X \$1,335,000	\$10,012.50
Total Projected Sales Tax to be Collected by the DCs in 5 Years	\$50,062.50
<b>FUNDING INFORMATION</b>	
Grant Amount Requested	\$50,000
GRANT AMOUNT APPROVED	\$50,000
<b>PAYMENT INFORMATION</b>	
1 <sup>st</sup> Year Lump Sum Payment	\$50,000

Repayment Defaults

Should a business default on the agreement at any time during the repayment period, the agreement may be terminated by the Town, the Economic Development Corporation, and the Community Development Corporation, and the business will be required to comply with the repayment obligations in the agreement, which are required by Texas Local Gov't Code Ch. 501. Final tax revenue generated to-date may be calculated and applied toward repayment and the Town may exercise any other remedies available under Texas law for repayment, including, but not limited to, enforcing liens and guarantees to satisfy the repayment. Upon default, the business must then present a proposed plan to re-pay the remaining amount owed by the final Performance Date, which shall be five years from the issuance of the Certificate of Occupancy. The Town may request any supporting documentation and require the business to identify funding sources, business personal property, and any collateral that will support the repayment plan proposal. Acceptance of the proposal is at the discretion of the development corporations.

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