

HEDC Business Incentives Program

Program Guidelines

Economic Development Corporation
Hallettsville, Texas



Last Revised: July 23, 2026

OBJECTIVE

The HEDC Business Incentives Program is designed to stimulate economic growth within the City of Hallettsville by encouraging job creation, business investment, and increased sales tax revenue.

Grants are available for projects involving:

- New construction or renovation of commercial property
- Equipment or land purchase for business expansion
- Business relocation to Hallettsville

ELIGIBILITY

To be eligible for the HEDC Business Incentives Program, applicants must meet all of the following criteria:

- Business must be located within the city limits of Hallettsville or on EDC-owned property
- Applicant must have a valid Employer Identification Number (EIN)
- Business must be current on all federal, state, and local taxes
- Applicant must not have filed for bankruptcy within the past seven (7) years
- Both for-profit and nonprofit organizations are eligible to apply

GRANT AMOUNTS

Award amounts are determined based on the overall economic impact of the proposed project, as assessed through the application, business plan, and a point-based scoring system.

There is no fixed maximum award amount, but the final award may be up to 20% of the applicant's total verified project investment.

The HEDC Board determines the final award amount based on all factors presented in the application.

Funding Availability:

- Each year, the Board may set aside a specific amount for grants
- Applications are accepted, reviewed, and awarded on a first-come, first-served basis after notice of fund availability
- Grant amounts are determined by the point-based scoring system and Board approval

APPLICATION REQUIREMENTS

All applications must be complete. Incomplete or inaccurate applications will be returned for correction.

By submitting, the applicant certifies that all information is factual and agrees to adhere to a Performance Agreement based on the figures provided.

Required Submissions:

- Letter of Intent explaining the economic impact the business brings to Hallettsville
- Business Plan including:
 - 5-year financial forecast
 - Business history
 - Detailed breakdown of jobs to be created or retained by level and wage range
- All required attachments as listed in the application

Review Process:

The EDC Administrator reviews all applications for completeness, calculates the award amount using the point-based scoring system, and presents findings to the Board.

AWARD CALCULATION

Awards are calculated using a point-based scoring system. Total points determine the award tier and payout terms.

Part A: Jobs Points

Level	Salary Range	Points Each
1	\$0 - \$15,999	.5 pt
2	\$16,000 - \$29,999	1 pt
3	\$30,000 - \$44,999	2 pts
4	\$45,000 - \$59,999	4 pts
5	\$60,000 - \$99,999	6 pts
6	\$100,000+	10 pts

Part B: Sales Tax Points

Level	Annual Sales Tax Range	Points
1	\$1 - \$24,999	2 pts
2	\$25,000 - \$49,999	5 pts
3	\$50,000 - \$74,999	10 pts
4	\$75,000 - \$99,999	15 pts
5	\$100,000 - \$120,000+	25 pts

Part C: Award Tier Table

Points Range	Award Amount	Payout Term
1-10	\$10,000	3 Years
11-20	\$25,000	3 Years
21-35	\$50,000	4 Years
36-55	\$75,000	4 Years
56-80	\$100,000	5 Years
81+	\$150,000	5 Years

Final award = The lesser of the Tier Award Amount or up to 20% of total verified project investment may be awarded.

GRANT FUNDING & PAYMENT STRUCTURE

Grants are reimbursements for allowable costs incurred during the project period. Payments are annual, spread over 3, 4, or 5 years, depending on the award tier.

Each year's payment is contingent upon:

- Submission of a complete Reimbursement Request Package
- Compliance with all requirements of the Performance Agreement for that year

No partial or advance payments are allowed. Each year's payout is released only after review and approval by the EDC Administrator.

REIMBURSEMENT REQUEST PROCESS

Incomplete, disorganized, or mismatched documentation will be returned and delay payment. Requirements may vary by applicant's Performance Agreement.

To request each annual reimbursement payment, applicants must submit a complete Reimbursement Request Package including:

Step 1 — Expense Summary Sheet

- Must be the first document in the package
- Lists every expense in chronological order by date
- Each line includes:
 1. Date of expense
 2. Vendor/Payee name
 3. Description of expense
 4. Amount paid
- Include a column total of all expenses
- Each line must match a corresponding invoice and proof of payment

Step 2 — Invoices

- Include the original invoice or billing statement for every expense
- Must show:
 - Date of service or purchase
 - Vendor name and contact info
 - Itemized amount due
- Organize invoices in the same order as the summary sheet

Step 3 — Proof of Payment

- Attach proof of payment for every invoice. Acceptable forms include:
 - Copy of a cancelled check
 - Bank or credit card statement showing the transaction
 - Paid receipt from vendor (date, vendor name, amount)
 - Electronic payment confirmation (ACH, wire, or online receipt)
- Each proof must match its corresponding invoice
- Cash payments discouraged; if used, must include a signed and dated vendor receipt

Step 4 — Package Organization

- Order:
 1. Expense Summary Sheet
 2. For each line item — invoice and matching proof of payment, clipped/stapled together in order
- Do not submit loose or unsorted documents
- For electronic submissions, label each file clearly (e.g., 01_Invoice_VendorName_Date)

PERFORMANCE AGREEMENT & ANNUAL REPORT REQUIREMENTS

All grant recipients must sign a Performance Agreement outlining their commitments to the HEDC, including:

- Number of jobs to be created or retained
- Wage levels for each position
- Projected annual sales tax contribution
- Total project investment amount
- Timeline for project completion

Annual Report Requirements

Recipients must submit annual documentation to verify compliance with the Performance Agreement. Required documents may include, but are not limited to:

- Texas Workforce Commission (TWC) quarterly wage reports
- Payroll reports showing employee count, job titles, and wages
- Sales tax receipts or comptroller reports
- Proof of continued business operations at the approved location
- Updated financial statements or tax returns

Consequences of Non-Compliance

- If a recipient fails to meet the terms of the Performance Agreement, the HEDC Board may withhold that year's payment
- Repeated non-compliance may result in forfeiture of all remaining grant payments
- The Board may, at its discretion, allow a cure period for minor deficiencies
- Recipients who cease operations or relocate outside Hallettsville during the payout term forfeit all remaining payments and will be subject to clawbacks
- Any misrepresentation of data in the application or annual reports may result in immediate termination of the grant and repayment of funds received

CONTACT INFORMATION

For questions about the HEDC Business Incentives Program, or to submit an application or reimbursement package, please contact:

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