Buda Local Enterprise Assistance Program (LEAP)

1. Introduction

1.1 Purpose

The purpose of the Small Business Incentive is to assist new or existing Buda-based small businesses to achieve growth and expansion by promoting new development, business expansion, and renovation of existing buildings/businesses in accordance with the City of Buda building regulations. This program aims to effect positive lasting change to the greatest number and variety of Buda-based businesses and grow the small business community.

1.2 Objectives

- Promote new development within Buda.
- Support business expansion and renovation of existing buildings.
- Ensure compliance with the City of Buda building regulations.

1.3 Scope

This document covers the process for applying and receiving incentives through the Buda LEAP program. It includes eligibility requirements, types of incentives, application procedures, and the roles and responsibilities of the involved parties.

2. Process Overview

2.1 Process Description

The Buda LEAP process involves applying for financial incentives to support small businesses in Buda, TX. The incentives cover building improvements, workforce training, equipment purchases, and marketing. The process includes application submission, review, approval, and reimbursement.

2.2 Key Terms and Definitions

- **BEDC:** Buda Economic Development Corporation
- **ETJ:** Extraterritorial Jurisdiction
- **CO:** Certificate of Occupancy

3. Eligibility Requirements

3.1 Location

Businesses must be located in, or in the process of opening in, the City Limits of Buda, TX, or the Buda ETJ. Click to ensure your property is eligible. Capture a screenshot of your location to attach to your application. (Appendix A)

3.2 Compliance

The proposed project must comply with applicable regulations, city-approved planning studies, comprehensive plan designations, City Ordinances, building codes, and the Americans with Disabilities Act.

3.3 Quotes/Estimates

Incentive applicants must supply at least one quote/estimate for the proposed work, preferably from local contractors. Estimates and all work completed must be made in good faith from independent contractors who have no affiliation with the incentive applicant. (Appendix B)

3.4 Award Frequency

Applicants may receive incentives of up to $10,000, subject to the home-based business limits in Section 3.7. Once this limit is reached, whether through a single or multiple applications in the same fiscal year or over several fiscal years, the applicant may reapply only after one full fiscal year has passed.

For example, Applicant A is approved and completes an award and is reimbursed for $10,000 in April of 2023 (2023-2024 fiscal year). Applicant A would be eligible to apply for an additional LEAP request beginning in October 2025 for the 2025-2026 fiscal year. Applicant B is approved for $5,000 in October of 2022 (2022-2023 fiscal year) and $5,000 in October of 2024 (2024-2025 fiscal year). Applicant B would be eligible to apply for an additional LEAP request beginning in October 2026 (2026-2027 fiscal year.

3.5 Current Standing

All bills, charges, or taxes due to the City of Buda must be current. Call the City of Buda to verify.

3.6 Authorization

For building improvement/beautification, tenants must provide written authorization from the property owner. Written authorization could be in the form of a section of the individual's lease agreement or an email from the property owner.

3.7 Home-Based Business Eligibility Requirements

Home-based businesses are eligible to participate in the Buda HIVE Cohort Program. To qualify for the LEAP Incentive, home-based businesses must first successfully complete the eight-week Buda HIVE Cohort Program.
Upon successful completion, the following eligibility guidelines apply:

3.7.1 Home-Based Businesses Up to $5,000

Businesses that successfully complete the Buda HIVE Cohort Program and continue operating as home-based businesses are eligible to apply for a LEAP Incentive of up to $5,000.

Reimbursement for equipment and software purchases is excluded.

All other eligible expenses must comply with the established LEAP Incentive Program guidelines.

3.7.2 Transitioning to a Brick-and-Mortar Location Up to $10,000

Home-based businesses that successfully complete the Buda HIVE Cohort Program and are transitioning into a brick-and-mortar commercial location are eligible to apply for a LEAP Incentive of up to $10,000.

The incentive is intended to support business growth, expansion, and the transition into a physical commercial location.

All proposed expenses must meet the established LEAP Incentive Program eligibility requirements.

3.8 Performance Agreement

All incentive recipients shall sign a Performance Agreement with the Buda EDC.

3.9 Commitment

Businesses must stay open in Buda for one year from the incentive completion date and be prepared to demonstrate how this incentive increases revenue, jobs, foot traffic or public-facing beautification. If not, they must repay 100% of the incentive funds received.

3.10 Promotional Use

By applying, applicants consent to the BEDC using their business name, incentive amount, logo, photographs, and the purpose of the incentive for promotional purposes.

4. Types of Incentives

4.1 Building Improvements/Public Facing Beautification

- **Exterior Incentive:** Reimbursement funding for well-designed improvements to the exterior front of the business. The purpose is to create a more attractive image while making it more accessible for customers and the community to enjoy. *Eligible project examples include attached signage, building entrances, doors, painting, windows, awnings, brick repointing, stone,*

landscape, hardscape, and improvements to prevent crime (motion sensor lighting).

- **Interior Incentive:** Reimbursement funding for interior renovations and permanent improvements. *Eligible project examples include repairs to ceiling, grease trap, accessibility improvements for persons with disabilities, upgrades to electrical and plumbing systems, and new tenant space build-out.*

4.2 Workforce & Training

Reimbursement for costs associated with skill training or certification for new or existing employees.

4.3 Equipment & Software

Reimbursement for the purchase of software or equipment necessary for conducting business. Businesses that continue operating as home-based businesses under Section 3.7.1 are not eligible for reimbursement for equipment or software purchases.

4.4 Marketing

Reimbursement for marketing expenses to increase business and achieve a greater return on investment. Marketing materials must include a specific Buda-related tagline such as “Made in Buda”, “Located in Buda”, “Proudly Rooted in Buda”, “Born in Buda”, “Buda Business”, “Buda Made”, or “Located in historic downtown Buda”.

5. Incentive Amounts

- **Reimbursement Incentives (except Marketing):** Up to $10,000 per business per year, based on eligibility requirements and subject to Sections 3.4 and 3.7.
- **Marketing Incentives:** Up to $3,000 per business per year, based on eligibility requirements.
- **Home-Based Business Incentives:** After successful completion of the eight-week Buda HIVE Cohort Program, up to $5,000 for businesses continuing as home-based businesses or up to $10,000 for businesses transitioning into a brick-and-mortar commercial location. See Section 3.7. The marketing limit and award-frequency requirements continue to apply.

Fiscal Year: The BEDC year is October 1 through September 30.

6. Incentive Application

Each applicant must demonstrate, with supporting documentation, how an incentive award would promote new or expanded business development in Buda. The decisions of the Buda Economic Development Corporation Board of Directors are final.

7. Board Oversight and Discretion

The Buda Small Incentive is a tax-funded program monitored by the Buda Economic Development Corporation Board of Directors. The Board may amend, adjust, or eliminate the program at any time. Incentives are competitive and awarded on a first-come, first-served basis until program funds are depleted.

8. Application and Reimbursement Process

8.1 Apply Online

Submit the application online.
Note: All necessary permits must be secured from the City of Buda prior to submitting your application.

8.2 Review by Incentive Committee

Initial review by the incentive committee occurs at a regularly scheduled monthly meeting. *Note: Review may take up to 45 days.*

8.3 Review by BEDC Board

Final review and approval by the BEDC Board occurs at a regularly scheduled monthly meeting. Meeting information may be found online.

8.5 Award Letter

If approved, the business will receive an award letter from the BEDC within one week of monthly board meeting.

8.6 Performance Agreement Execution

A performance agreement will be generated for e-signature of all parties.

8.7 Reimbursement Submission

Upload copies of all paid invoices, including canceled checks and/or credit card receipts, to the online portal for a one-time reimbursement. BEDC reimbursements are mailed bi-weekly.

8.8 Completion

Reimbursements must be completed within 6 months of performance agreement execution.

8.9 Exit Survey

Complete the Exit Survey in the online portal upon project completion.

9. Notes

The applicant must agree that in the event of default, they shall repay the BEDC the amount of incentive funds received within 30 days of default. Payment shall be in

the form of a cashier's check or money order made payable to the Buda Economic Development Corporation.

10. Appendices

Appendix A: Location Eligibility Verification

Appendix B: Quotes/Estimates of Work

Appendix C: Landlord Letter/Property Owner Authorization

Appendix D: Buda HIVE Cohort Program Completion (for home-based businesses)