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**A Bright Future for Rural
Communities:
A Guide to Economic Development**



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TEXAS DEPARTMENT OF AGRICULTURE
Susan Combs, Commissioner

November 18, 1999

Fellow Texan:

The economic health and well-being of our rural communities is a key issue for the continued growth and success of Texas. However, the economy in many rural areas is distressed due to a variety of factors, including a declining business and industry base as well as several unprofitable years in agriculture. Many Texas communities are working hard to expand the local economy, and the Texas Department of Agriculture has prepared this guide to assist those communities in their efforts.

This guide is for rural Texans who want to draw on the strengths and natural advantages of their rural communities to create an environment that is attractive for business creation and expansion, wealth generation and expanded employment opportunities. With careful and selective planning, a community may enjoy growth that benefits its citizens, particularly young persons, who will need jobs, education and services to remain in the community.

The Texas Department of Agriculture (TDA) is committed to rural and agribusiness development. TDA works closely with the Texas Department of Economic Development (TDED), Texas Agricultural Extension Service (TAEX) and many other public and private partners to increase opportunities to promote and assist rural communities and agricultural businesses. It is the hope of these organizations that this guide will assist your community in its efforts to remain healthy and growing into the next century.

Sincerely,



Susan Combs
Agriculture Commissioner

THE TEXAS DEPARTMENT OF AGRICULTURE is a service and regulatory agency reaching out to rural and urban Texans. TDA's responsibilities encompass a Texas-sized landscape from creating markets for raw and processed agricultural products to inspecting gasoline pumps, from assisting rural development to regulating pesticides, from promoting Texas cattle breeds around the world to helping farmers and ranchers co-exist with endangered species. TDA has 500 employees, 325 of them stationed throughout the state. Decentralization enables us to reach out directly to constituents and render services quickly and efficiently.



GO TEXAN.

GO TEXAN, launched by Agriculture Commissioner Susan Combs, adds a new dimension to marketing Texas agriculture. The campaign promotes all Texas agricultural products - food, fiber, wine and horticulture - under one easily recognizable trademark: a glowing brand in the shape of Texas. TDA has partnered with food stores, which are labeling fresh and processed Texas foods, plants and cut flowers with the **GO TEXAN** brand. To enhance the campaign's effectiveness, the 76th Texas Legislature established the **GO TEXAN** Partner Program (GOTePP), a \$1 million matching grant program that doubles funds available to promote Texas agriculture.

A Bright Future for Rural Communities: A Guide to Economic Development: TDA, in cooperation with public and private partners, is dedicated to rural economic development and increasing agribusiness opportunities. TDA assists rural communities and agribusinesses throughout Texas by: encouraging the growth of Texas food-and-fiber-related industries; promoting and encouraging new business and job creation; assisting start-up business to identify resources and develop business plans and feasibility studies; identifying financial resources such as grant searches and lending programs; researching communities and helping with site location; attending trade shows and conducting trade missions; advertising, marketing and promoting rural Texas; and working with communities and industry groups to expand, relocate and redevelop.

Texas Agricultural Finance Authority (TAFA) Financial Assistance Programs: TAFA is a public authority within the Texas Department of Agriculture. TAFA provides financial assistance through lending institutions to creditworthy individuals and businesses. TAFA provides loan guarantees and linked deposit loans to agricultural businesses that are engaged in innovative, diversified, or value-added production, processing, marketing, or exporting of agricultural products or other agricultural-related rural economic development projects.

TDA is the lead agency for pesticide regulation, enforcing state and federal laws and regulations. The Pesticide Division's duties include pesticide registration, worker protection, and certification of applicators who use pesticides in agriculture-related activities. The Regulatory Division serves agricultural entities and consumers with a variety of activities from inspecting grocery store scales to certifying organic products to ensuring egg quality and licensing grain warehouses. The Producer Services Division oversees TDA's livestock export facilities, the Family Land Heritage Program and Market News which provides daily livestock, grain, poultry, egg, fruit and vegetable prices.

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Preparing for Economic Development

"The process in which local governments or community based (neighborhood) organizations engage to stimulate or maintain business activity and/or employment. The principal goal of local economic development is to stimulate local employment opportunities in sectors that improve the community, using existing human, natural and institutional resources."

EDWARD BLAKELY

What is economic development?

Economic development is improving your local/regional economy by creating wealth through new jobs (primary and secondary), business retention and expansion, increasing the tax base or recruiting new business. Community development is another dimension that has a major effect on the feasibility and success of economic development programs in a community.

This guide is an inventory of programs and services that can provide community and economic development assistance to Texas rural communities and businesses. Federal and state agencies as well as private and nonprofit agencies and organizations are represented.

Economic development is both art and science. Please consider the information in this guide as suggestions for a basis to grow your own community-based economic development program that is custom-made to fit your area and as a tool to use to help you locate other resources to help with your economic development program.

Blakely, Edward J. 1994 Planning Local Economic Development, Theory and Practice, Second Edition. Thousand Oaks: Sage Publications.

Why?

These are some of the issues your community may need to consider when assessing the need for an economic development program:

- Loss of jobs
- High unemployment and underemployment
- Population growth but no new jobs being created
- Population loss
- Money flowing out of the community
- Low income levels and poverty
- Tax base too low to provide services
- Downtown declining
- Community dependent on one or two large businesses or industries
- Loss of large employer
- Base industry is declining while population wishes to remain in community
- Strong local economy that you would like to keep

Who?

- Are you willing to work to develop your community?
- Do you know if others are already working on economic development in your community? Do you know who they are and have you communicated with them?
- Are there other volunteers?
- Are paid professionals and organizations available and committed to working on economic development?
- What is the interest level of your work force?
- Do you expect to encounter resistance?

What?

- What kind of community and/or economic development needs to be initiated?
- Are your development ideas acceptable and feasible for the community as a whole?

When?

- Successful economic development projects should have time lines!

Where?

- Are there other communities nearby who have similar needs as yours? There may be opportunities to partner and/or create regional alliances to develop an area as well as the communities and economies in that area.

Your community may lack certain features —many do. But, your community also has many strengths and assets - some of which may not be immediately recognized or fully utilized.

Do you know what "economic development" is or where to start?

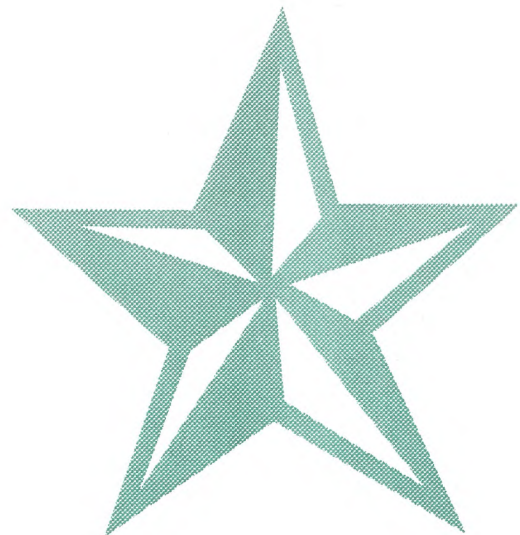
To help you prepare for economic development, the Texas Agricultural Extension Service has prepared a special publication, #B-6009, titled "Is Your Community Ready for Economic Development?" that provides a reference system for assessing your community. Contact your local county extension office or the Texas Department of Agriculture to request a copy of this publication.

There are also many state and federal agencies, local governments and private groups and organizations that can help you get started. Many are listed throughout this guide and in the appendix at the end of the guide which gives more information on each agency and organization and lists specific contact information.

Steps to Success

While many approaches to economic development may prove to be successful, the following are basic steps to help organize an economic development program in your community:

- Preparation
- Community Assessment
- Creation of Community Profile
- Data Gathering and Analysis
- Strategic Planning
- Community Development
- Marketing Your Community
- Business Recruitment
- Feasibility Studies, Project Planning, Business Plans, etc.
- Evaluation and Business Retention
- Maintaining and Sustaining Community Development





**Do you know
what your
community
has to offer?**

**Do you know
what your
community's
needs are?**

The community assessment phase allows you to look into your community and evaluate the community's assets, liabilities and possibilities.

Create a document that inventories what the community has to offer. This document will be used to market your community in the future. At this point, you will also identify what is missing from your community. This process allows you to see possible projects for the future. This is the time to dream big and be comprehensive in your research. Your community assessment will require continual updates as circumstances change in the area.

The first step in almost any economic development effort is research and information collection on the community and its economy. The data must be comprehensive enough to create a solid action plan. Economic analysis helps to identify strengths and weaknesses in the local economy and gives a strong basis for further planning and goal setting.

You may need to gather data such as:

Demographics • Labor market conditions • Survey of labor forces' history, background, skills and experience levels and its willingness to attend training and be retrained in another field • The area's economic base (current, past, future and compared with the state and other areas) • Physical and location conditions and assets including available real estate • Community services and resources.

Note: This data may already exist and be ready to use or just need some updating.

Some sources of economic data are:

- Bureau of Economic Analysis
- Coalition of Community Development
- Community Reinvestment Fund
- Consumer Expenditure Survey
- Council for Urban Economic Development
- Department of Housing and Urban Development
- Economic Development Administration
- Empowerment Zones and Enterprise Communities Internet Home Page
- Federal Transit Administration
- International Council of Shopping Centers
- National Business Incubation Association
- National Retail Federation
- National Technical Information Service
- Rural Development Administration
- Small Business Administration
- Small Business Development Centers
- Texas Agricultural Statistics Service
- Texas A&M Real Estate Center
- Texas State Data Center
- Texas Comptroller of Public Accounts
- Texas Department of Economic Development
- Texas Workforce Commission
- Texas Department of Agriculture
- U.S. Census Bureau
- Texas Agricultural Statistics Service
- U.S. Department of Commerce

(See Appendix A for detailed information on these resources)

While assessing your community, consider the following:

- What are your area's assets and resources?
- Does your community have available:

Housing?

Infrastructure?

Access to health care?

Telecommunications?

Education?

Work force availability and training programs?

Natural resources?

- What are your community's problems and difficulties?
- Does your community lack any of the above mentioned assets and resources?
- Are there any other obstacles to economic development?
- What business, community, economic development or other projects are currently underway?
- Are there other projects that need to be undertaken?
- What are current priorities for development projects?
- Does your community actively recruit new business and industry?
- Does your community have a business retention program?

Rural Resource Teams

There are several tools to use during the assessment phase and many of the organizations in Appendix A will be able to assist with this effort. In addition, Rural Resource Teams are a resource to be used in certain cases. The Texas Rural Development Council (TRDC) has set up a program that assists communities with the community assessment phase. The objective of the TRDC Rural Resource Teams is to provide teams of TRDC members and volunteers to assist rural communities with locally conceived and driven development strategies.


The TRDC Resource Teams, in partnership with the Resource Conservation and Development (RC&D) Councils, Councils of Government (COGS), county extension agents and others are committed to providing rural communities in Texas with a community-based planning and assessment process that involves interviewing a large representation of people in the community, recording their suggestions and having the team of economic development experts write implementation plans for community use. For more information, see TRDC's website at www.trdc.org.

Texas Community Futures Forums

The Texas Community Futures Forum is a statewide process that allows Texans from all segments of the population to prioritize needs and issues based on current and emerging trends. Citizens of Texas identified, discussed and defined their community's current and future needs at forums held in every Texas county in 1999.

This process is not new to the Texas Agricultural Extension Service (TAEX), an outreach state agency and institution of higher education which has successfully conducted long-range program planning with local citizen involvement since 1985. The TAEX facilitates the partnering of county government, businesses and other groups to gather information through citizen forums about local needs and issues and helps organize action teams to address them.

It also is a unique opportunity for many groups to work together in meeting the needs of Texans in the 21st century. This broad approach to needs assessment is sponsored by the Texas A&M University System network of county, district and state faculty. TAEX educators, volunteers and partnering agencies and organizations will implement the process. For more information, please contact your local county extension agent or look up Futures Forums on the Internet at futuresforum.tamu.edu/index.htm.



A strategic plan is a tool to provide direction for area-wide economic development activities and may contain the following elements:


- Community assessment and economic analysis
- Mission statement
- An internal and external assessment of community strengths and weaknesses
- Realistic, attainable goals with time lines and strategies to make effective use of limited resources
- Identified opportunities for growth and development
- Identification of target industries
- Marketing strategy for your community
- Business recruitment strategy
- Business retention strategy
- Continuous community improvement strategy
- Constant evaluation of results and re-evaluation of the program and the strategic plan

The strategic planning process should include goals that encompass job creation that complements your community and available work force and maintains a healthy local economy. It is increasingly important for small and rural communities to work together to identify linkages throughout the region and to look at fitting niche markets in specific industries. Many communities choose to hire professionals for this phase.

The decision to start an economic development program should not be entered into lightly. While growth and development may sound great to you at first mention, there may be consequences you haven't considered. Population growth will most likely occur with your economic development activities and may change your community's qualities and assets. Also consider the types of business and industry that may be attracted to your area and consider any positive and negative aspects for you and your community carefully.

A resource to assist with this process is "Developing Your Local Economy: An Effective Planning Procedure for Rural Texas" which provides a brief overview of, and describes a very basic, action-oriented approach to strategic planning appropriate for rural areas. This publication, #L-2440, is available from the Texas Agricultural Extension Service.

Once you've determined your community's preparedness for economic development, who's involved, who will be affected, identified any barriers or problems that need to be addressed, developed input and support for the program and set some goals, you should be ready to take some action!



Now that you've assessed a need for economic development in your community and developed your strategic plan, how do you bolster support for development projects?

Economic development programs are seldom successful unless the business and political leaders and community's citizens buy into the efforts and projects and see results. It is important to communicate plans and actions with the community regularly and to celebrate each milestone!

Some ways to get the community involved may be:

- Town hall meetings
- Focus groups
- Community surveys
- Media

Regionalism and Associations

Other communities in your area may have similar needs and issues affecting them. Some of the many benefits of regional efforts can be shared resources, larger work force, larger presence in recruiting. A few examples of regional groups in Texas are:

- Central Texas Economic Development District
- High Ground
- I-10 Corridor
- Northeast Texas Economic Development Roundtable
- Partnership of Southeast Texas
- Rio Grande Valley Partnership
- Rolling Plains Industrial Foundation
- Texas Midwest Community Network
- West Texas Alliance

(See Appendix B for more detailed information on these organizations.)

There are also many industry associations that can help you. Please contact TDED or TDA for more information on associations that may be able to assist with data and information gathering or specific industrial or business projects.



Local Resources to assist with Community Development

- Chamber of Commerce
- Churches
- City and County Governments
- Civic and Service Organizations and Associations
- County Extension Agents
- Economic Development Corporations
- Industrial Development Corporations and Foundations
- Regional Alliances and Task Forces
- Utility Providers
- Youth and Senior Organizations
- Rural Conservation and Development Districts

Part of economic development may be to get your community physically ready to handle new growth. Many people perceive community development as the key to economic development, while others see it as a separate program/project in and of itself. Both economic and community development are important and interdependent. Community development will help to build your community's attractiveness, tax base, livability and community profile to help you market your community. TDED will provide you with a template for creating your community's profile on the internet.


Some Issues to Consider

- Access to quality health care
- Available resources (natural and human resources)
- Feasibility of establishing and servicing preferred industries
- Infrastructure:
 - Land, Buildings (speculative or existing), Industrial Park(s)
 - Telecommunications
 - Transportation
 - Water/Wastewater
- Marketing
- Recruitment and retention of healthcare practitioners
- Revenue, Financing, Funding
- Work force (training)
- Tourism

Downtown Revitalization

Many communities are facing a decline in their downtown areas. There are several tools to use to address this problem:

1. Concerned community members and merchants can create public/private partnerships and/or associations dedicated to downtown revitalization.
2. The Texas Main Street Program is administered by the Texas Historical Commission's (THC) Community Heritage Development Division. The Texas Main Street Program helps Texas cities revitalize their historic downtown areas and neighborhood commercial districts by using preservation and economic development strategies. Each year, the THC selects up to five Texas cities and urban areas as official Texas Main Street cities.
3. Professional consultants and economic development specialists may be able to provide expertise and assistance for a revitalization program.
4. The Mayor may create a task force.



Economic development as a practice is job creation and increasing the tax base. While community development, planning, assessing and retention are very important to the economic viability of the community, many people see their duties as economic development professionals as attracting new businesses, new jobs and bringing people from financial insecurity to financial independence.

The information you have put together for the community assessment and the strategic plan will help you determine the role you and others in the community will play in economic development and what level of development needs to occur. A document should be prepared that "sells" your community. This will be a marketing and promotion tool to help highlight your community's assets and strengths. Send this to prospects, recruits, funding/financing sources, etc. to disseminate information about your area and promote your community as a desirable place to live and do business.

The package should include a community profile, history, infrastructure details, information and contacts for service providers, labor force data, economic details, available sites, facilities, industrial parks and training opportunities.

The Internet can be a very valuable tool for marketing your community. Many communities have websites and Internet links available for people searching for information about communities. You may want to provide links and information to the following sources (as well as others) to get the word out about your Texas community:

TDED Community Pages,
community.tded.state.tx.us/communities/

Texas Business Advisor,
www.window.state.tx.us/tba/tba.html

Texas Economic Development Corporations,
www.window.state.tx.us/tba/ecodevcvp.html

Texas Rural Communities, Inc. Smartest Little Towns in Texas,
www.texasrural.org

Texas Rural Development Council
www.trdc.org

Your local utility provider may also host websites or have links to communities on their own website.



How does my community attract businesses?

It is important to recruit businesses that will benefit those businesses and citizens already in the community and improve the quality of life rather than simply adding businesses and jobs that may not prove to be beneficial for your community. While some new jobs may be filled externally, decide which jobs fit the community profile and the available work force and focus on businesses that can hire and/or train your local work force.

- Market your community based on your community assessment and strategic plan.
- Get business leads from TDED, TDA and/or your local utility company.
- Trade shows offer an excellent and cost effective opportunity to showcase your community's strengths and assets and to demonstrate your desire to attract business development. Trade shows bring together industry leaders, investors and progressive communities. Often communities and partners such as utility companies can cooperatively share resources in order to both participate in trade shows to market their region.
- Target industries are those industries identified in your community's self-assessment and strategic planning process that can be attracted to your community, are sustainable in your community and are desirable for your community. By targeting specific industries, your efforts can be focused on business development projects with the greatest chances of success and acceptance in your community.
- Magazines/newspapers - There are many publications and media sources devoted to economic development, industry groups and geographic regions. Your community should consider providing articles and community profiles to reach your target audience and industries. You may also consider advertising your community's assets and desire to welcome business growth in selected media resources.
- Focus direct mail to targeted businesses.
- Use the internet to market your community.
- Network with economic development and industry professionals.



Economic Development: Tools for Economic Development

Sales Tax for Economic Development

Most Texas cities have the option of imposing a local sales and use tax to help finance their communities' economic development efforts. This sales tax, which is commonly called the 4A and/or 4B sales tax, may be approved by the voters of the city at rates not to exceed one half of 1 percent each. This means that most cities can adopt up to a full 1 percent in additional sales tax to fund economic development projects. In rural areas, cities may adopt either or both of the taxes so long as the total rate of all local sales taxes combined would not exceed 2 percent. It is recommended that cities contact the Texas Comptroller of Public Accounts to determine eligibility.

For a city to impose a sales tax for economic development, it must first be approved by the voters. The city's governing body must adopt an ordinance calling for the election at least 45 days before it is held. If the election is successful, the tax becomes effective after one complete calendar quarter elapses from the date the Comptroller's office receives notification of voter approval.

Development Corporations

A community may, but is not required to, form a development corporation to oversee economic development efforts. However, if a community implements an economic development sales tax, both the 4A and 4B sales tax have a unique provision that requires cities to establish a corporation to administer the sales and use tax funds.

The corporation must file articles of incorporation with the Secretary of State. The composition of the corporation's board of directors and the length of a member's term differ between 4A and 4B.

- **4A Board of Directors:** The city's governing body must appoint a five-member board. Each member is appointed to a term not to exceed six years.
- **4B Board of Directors:** The city's governing body must appoint seven directors. Three of the seven directors cannot be employees, officers or members of the city's governing body. The other four directors may be - but are not required to be - members of the governing body or city employees. All directors are appointed to a two-year term under 4B. The directors of a corporation authorized under 4B must be residents of the city authorizing the sales tax unless the city's population is less than 20,000 in which case the directors must be a resident of the county in which the city is principally located.

How can the 4A/4B tax revenue be used?

The 4A tax is primarily intended for manufacturing and industrial development, and cities must use the tax revenues to focus on these areas. Cities may undertake commercial business development projects in designated development areas within the city.

The 4B tax provides cities with a wider range of uses for revenues because it is intended to give communities an opportunity to undertake certain projects for quality of life improvements, including economic development. Before spending 4B sales tax revenue, a corporation is required to hold at least one public hearing on the proposed project that will be funded by this tax.

Cities considering adopting the sales tax for economic development should contact the [Comptroller of Public Accounts](http://www.comptroller.state.tx.us) at 1-800-531-5441 extension 3-4679 for more information.

Hotel/Motel Tax

The state hotel occupancy tax rate is 6 percent. Municipalities and certain counties are also authorized to impose a local hotel tax. Each local taxing authority may impose a hotel tax rate of up to 7 percent. The tax, which is collected and retained locally, is to be used to promote tourism and the convention and hotel industry.

Uses of the revenue collected include:

- Purchase, construction, improvement, enlarging, equipping, repairing, operation and maintenance of convention center facilities or visitor information centers or both;
- Furnishing of facilities, personnel and materials for the registration of convention delegates or registrants;
- Advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity;
- The encouragement, promotion, improvement and application of the arts; and
- Historical restoration and preservation projects or activities or advertising and conducting solicitations and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums.

Tax Abatements

Local governments can abate property taxes as an incentive to businesses to locate or expand in the area. Abatements are negotiated with the appropriate local governmental unit and school district.

Targeted Tax Incentives

The legislature recently passed an omnibus tax relief law to encourage more businesses to relocate, expand or remain in Texas and to give Texas taxpayers relief. The law includes:

- Tax credit for qualifying capital investments in agricultural processing in rural areas;
- Franchise tax exemptions for certain businesses;
- Research and development tax credits; and
- Job creation franchise tax exemptions for certain value-added agricultural processing.

Contact the Comptroller of Public Accounts at 1-800-531-5441 for more information regarding taxes and tax incentives.



Other Texas Incentives

No Corporate or Personal Income Tax - Texas maintains a pro-business attitude, limiting the number of state controls and taxes in regulating the activities of business which is evidenced by the absence of income taxes.

Right-to Work State - Texas labor laws give workers the freedom to choose where they want to work without undue pressure. These laws also lend stability to the work force and help Texas maintain a low rate of lost time due to work stoppages.

Ordinances and Zoning - Communities may want to institute ordinances and/or zoning requirements to retain control over future development and current infrastructure and resources. These tools allow communities to offer incentives or to penalize property owners for positive or negative development activities. It also gives the city a valuable tool with which to lure new business and redevelop areas that have thrived in the past.

Pro-Business Regulations - Texas has neither state nor county zoning, nor subdivision or building regulations.

Industrial Parks

Many communities choose to create industrial parks. Some communities believe if they build a park, the businesses and people will follow, and often they do. Others would say this speculative building is unnecessary because if the climate is right, businesses will come anyway and build for themselves, saving your community money for education, infrastructure or other needs. Regardless of the choice of who should develop an industrial park, a park can be a valuable tool for marketing your community to business prospects.

Industrial districts or foundations may be exempt from certain taxes. They may offer incentives such as infrastructure, land sold at below market value, cash incentives and tax abatements.

For more information on Industrial Parks, Texas Rural Communities, Inc. has published the [Development Options for Rural Texas, A Resource Manual](#).



Economic Development: Texas Business Incentives

T*exas has some unique and business-friendly laws, regulations, programs and other attributes that are attractive to businesses seeking to locate or expand in this state. You should familiarize yourself with these programs and incentives, some of which are more fully described in the appendix.*

Local, state and federal groups and governments offer a number of business incentives including tax abatements, enterprise zones, foreign trade zones, training programs and financing assistance such as:

- Economic Development Sales Tax
- Enterprise Zones and Projects
- Farmers Home Administration
- Financing SBA 504 Loan Program
- Foreign Trade Zones
- Industrial Districts
- Industrial Foundations
- Local Incentives
- No Corporate or Personal Income Taxes
- Pro-business Regulations
- Reinvestment Zones
- Right-to-Work State
- SBA 7(A) Loan Program
- SBA Low Documentation Program
- Skills Development Fund
- Smart Jobs Fund
- Tax Abatement
- Texas Agricultural Finance Authority
- Texas Capital Fund Infrastructure Program
- Texas Capital Fund Real Estate Development Program
- Texas Exporters Loan Guarantee Program
- Texas Linked Deposit Program (TDED)
- Texas Manufacturing Assistance Center
- Texas Rural Economic Development Program
- Texas Rural Loan Fund
- Texas Small Business Industrial Revenue Bond Program
- USDA Business and Industry Loans
- USDA Rural Development Housing, Infrastructure, Utilities, and other programs

You can request TDA's *Financial Resources Handbook for Rural Texas* and Texas Rural Communities, Inc.'s *Development Options for Rural Texas, A Resource Manual* for more complete information on many of the programs listed above.

Small Business Development Centers

Texas Small Business Development Centers (SBDC) work with existing and startup small companies to help them grow and compete in today's global economy. SBDCs are available for small companies in every phase of the business life cycle, providing management expertise and objectivity to help entrepreneurs make sound decisions and succeed. The resulting improvement in their business performance leads to job creation, investments and economic growth for communities all across Texas. SBDCs can assist with the following:

- Business Counseling Services
- Accounting and Bookkeeping
- Annual Business Checkup
- Business Planning
- Capital Acquisition
- Cash Flow
- Computing Applications
- Customer Service
- Financial Analysis
- Financing and Loan Packaging
- Franchising
- Government Contracting
- Home-based Business
- Human Resources
- International Trade
- Manufacturing
- Marketing and Advertising
- Market Research
- Minority Business Development
- OSHA/Workplace Safety
- Product Development
- Public Relations
- Retailing
- Regulatory Assistance
- SBA Loan Guarantee Assistance
- Strategic Planning
- Taxes
- Technology Commercialization
- Women's Business Issues
- Work Force Development

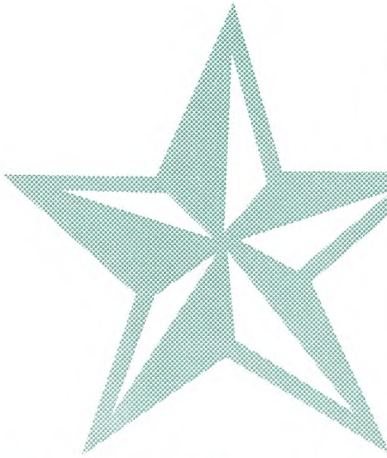


OK, so now
you've got businesses
interested in your
community and they
want information
and assistance.

Who can help you?

The following are available to assist you with your economic development efforts. Descriptions of the programs and missions of most are available in the appendix.

- Texas Department of Agriculture
- Texas Department of Economic Development
- Texas Agricultural Extension Service
- Small Business Development Centers
- Business Incubators
- Chambers of Commerce
- Economic Development and Industrial Corporations and Foundations



"Small business incubator" is the generic name applied to a business development group that provides the environment and resources to accelerate business growth. Incubators reverse the trend of more than one-half of all small businesses failing - more than 80 percent of startup businesses developed in an incubator succeed.

Incubators use a structured program that focuses on the "what's missing" aspect of the marketing, operations, finance and administrative components of the business, then provides the "what's missing" to take the business to succeeding levels of development.

An incubator is a type of educational institution that teaches hands-on "entrepreneurial development" in a very precise manner tailored specifically for each business owner. It teaches only what the business owner doesn't know or can't do. Since each business owner and each business is different, the methodology is designed to teach you what you need to know in the best way.

Incubators don't just "start" businesses (Assistance in starting a business can be found from many other sources.) Incubators "quick start" businesses and help them grow at a rate that is 7 to 22 times faster than businesses started otherwise. Incubators do this by maintaining an inventory of business experts, consultants, advisors, procedures, methodologies, state-of-the-art technologies and total resources that businesses are likely to use in the growth process.

Virtually any type of business, in almost every type of industry has been grown with an incubator development program. Many incubators now have specialized Entrepreneurial Development Programs by business type, like the Software Business Center, Product Development Center and International Business Center, to name a few. There are also some incubators for particular types of business owners, such as the Women's Business Center.

Emerging, growth, mature and other companies past the startup stage can benefit from an Entrepreneurial Development Program without being physically located in the incubator.

Some incubators will find financing for you if you qualify according to the incubator guidelines, pass the screening and are accepted into the Development Program. Most incubators have an internal "seed fund" and access to private placements in addition to conventional forms of debt and equity financing.

Call the Texas Business Incubator Association at 713-932-7495 ext. 49 to find out if there is a business incubator in your area.

Do you know what your industry and businesses will need?

The ability to get goods to markets is essential to prospects considering your area. It is extremely important to offer a package that meets those needs in terms of infrastructure and information.

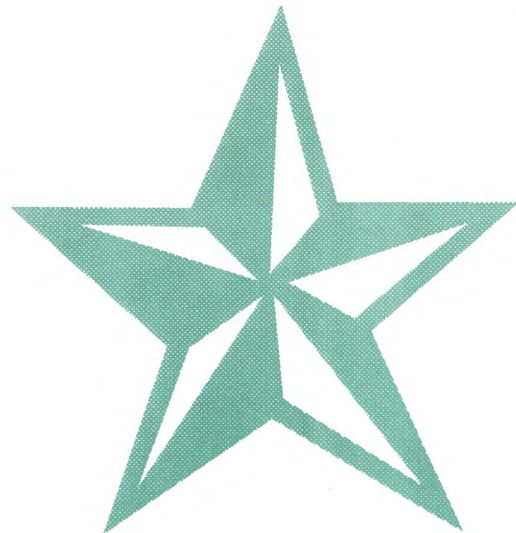
Be prepared to make available current inventories of:

- Your Community's Infrastructure
 - Land
 - Buildings
 - Equipment
 - Access to Market (Transportation, etc.)
 - Natural Resources
 - Telecommunications
 - Highways, Ports, Airports, Waterways, Rail Lines, Intermodal Hubs
- Regulatory and Permitting Information and Assistance
- Financing Packages and Sources
- Labor Force
- Incentive Packages
- Tax Information

How to set up a Business in Texas

There are several options as to how to set up a business. You may need to provide prospects with contact information for setting up the following types of businesses in Texas and the entity responsible for their legal structure:

- Sole Proprietorship
County Clerk
- General Partnership
- Joint Venture
- Corporation
Texas Secretary of State
- Limited Partnership
Texas Secretary of State
- Limited Liability Partnership ("LLP")
Texas Secretary of State
- Limited Liability Company ("LLC")
Texas Secretary of State



Transportation

Access to potential business sites and transportation for workers are issues that need to be addressed in marketing your community. Texas is fortunate in having superior transportation resources to foster economic development.

The Texas Department of Transportation (TxDOT) has 25 district offices throughout the state, which can provide valuable information to you and potential businesses.

- TxDOT maintains short- and long-range transportation plans, which describe anticipated roadway investments.
- A variety of maps in different scales is available.
- The department also has information on the 41 rural transit system that serve the state and other public transportation resources.
- TxDOT works with local governments to maintain and improve general aviation facilities.

Contact information for TxDOT is found in Appendix A.



Work Force

Work force can make a huge difference in a prospect's willingness to relocate in your area. A trained and motivated work force can convince a company to move when it might not otherwise do so.

Communities can market themselves by advertising a strong work ethic and a skilled labor force. One of Texas' many incentives for businesses to expand or locate in the state is our ability to offer a variety of training programs to keep our labor force competitive.

There are 28 Local Work force Development Areas in Texas which provide:

- Job search services
- Job training for Temporary Assistance to Needy Families (TANF) recipients
- Supplemental services such as TANF and childcare/transport/counseling for low income families
- Assistance in obtaining program skills updating

Employers in Texas need to be aware of laws such as the Texas Pay Day Law, Texas Child Labor Law and the Texas Minimum Wage Act. You can obtain more information from the Texas Workforce Commission or the Department of Labor or other work force related programs such as:

- Training Programs
- Skills Development Fund
- Self Sufficiency Program
- Smart Jobs
- Trade Adjustment Assistance Foreign Imports -funds used to help with layoffs after a plant closes
- Rapid response - associated with unemployment insurance program - helps displaced employees find another job and in the interim get unemployment insurance benefits and to help determine eligibility.
- Workers Compensation Insurance (Workers Compensation Commission)
- Federal programs for job training and counseling

Texas Taxes

Texas is known as a low tax burden state and is one of the few states that does not impose personal or corporate income taxes. Texas has NO state income tax. A low tax burden is a powerful incentive with which to market your community to both businesses and workers with desirable skills. Texas businesses are, however, responsible for the following major business taxes:

- Corporate Franchise Tax
- Sales and Use Tax
- Ad Valorem (Property) Tax
- Unemployment Insurance Tax
- Workers Compensation Insurance

For more information on these and other Texas taxes, contact the Texas Comptroller of Public Accounts.

Permitting Requirements for Businesses in Texas

Certain industries may require state, federal or local permits. You should be familiar with commonly required permits, the permitting entity and the process to obtain permits to assist targeted businesses. Some commonly required permits include:

Environmental Permits

- Air Emission Permits, General Air Permitting Procedures and Standard Exemptions from Air Permits
Texas Natural Resource Conservation Commission
Texas Department of Health
- Construction Permits
Texas Natural Resource Conservation Commission
- Operating Permits
Texas Natural Resource Conservation Commission

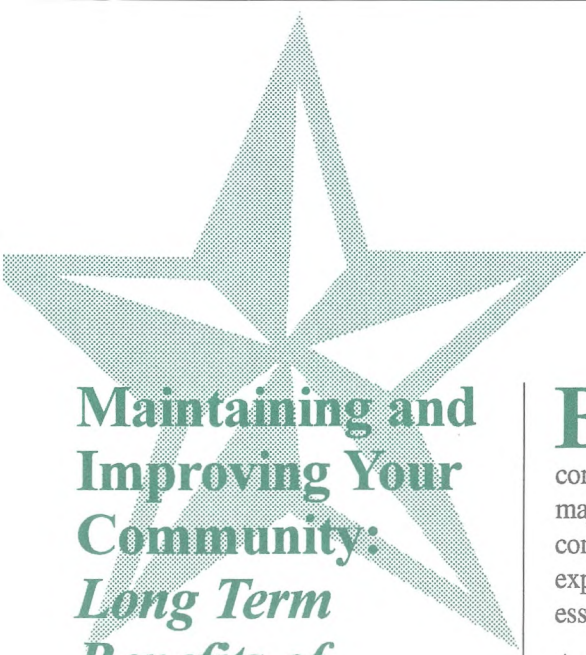
Wastewater Discharge Permits

- Discharge Through Publicly-Owned Treatment Works
Local publicly owned treatment works (POTW)
- Direct Discharges into Surface Waters
U.S. Environmental Protection Agency
U.S. Army Corps of Engineers (Section 404 of the Clean Water Act)
Texas Natural Resource Conservation Commission
- Effluent Limitations in National Pollution Discharge Elimination System and State Discharge Permits
Texas Natural Resource Conservation Commission
- Certain facilities in the Gulf Coast area may require a permit consistent with the Texas Coastal Management Program
Texas General Land Office

Sales and Use Tax Permit

- Texas Comptroller of Public Accounts

For more information call 1-800-888-0511 to request "A Guide to Texas Business Licenses and Permits" available from the Texas Department of Economic Development.



**Maintaining and
Improving Your
Community:
Long Term
Benefits of
Economic
Development**

Business expansion and recruitment and the creation of desirable jobs are not an end unto themselves. A viable community for sustained economic development is a community that is prepared to continually evaluate and improve its infrastructure, unique features and social fabric. Progressive community development will be an incentive to retain both your community's business base as well as its work force, their families and community institutions.

Building on prospects and attracting new businesses are only two components of a successful economic development program. The majority of all new jobs created in your community are more likely to come from expansion of existing businesses. A business retention and expansion program that encourages existing businesses to grow is essential to the long-term success of your community.

A community, county or group of communities working together may start a business retention and expansion program. Many retention and expansion programs begin with business visits to determine the types of assistance and help that will interest local firms. This program fosters good will with area businesses and allows community leaders to learn about local firms and their problems. Some barriers to expansion may be work force issues, lack of space or sites, permitting problems or lack of support from the community and local leaders.

By working together and using program development, many problems impacting local firms can be resolved. This program will require people and time! Be prepared to keep in touch with your businesses and to keep them happy and healthy.

For more information on business retention programs, contact Texas Rural Communities, Inc., TDA, TDED or your local utility provider.



For more information on TDA Agribusiness and Rural Economic Development programs see:

www.agr.state.tx.us

Check out the TRDC and TDED comprehensive economic development guides on the Web:

www.trdc.org/resource.html

www.edinfo.state.tx.us/

This guidebook for Rural Economic Development is not a complete resource for all aspects of rural economic development. It was prepared to serve as a starting point for rural citizens, communities and businesses that see a need to develop their communities and local economies.

This publication:

- raises the questions that should be asked and answered before engaging in an economic development effort;
- discusses the process of community and economic development from its start to an ongoing maintenance program; and
- outlines the basic steps and principles involved in a rural economic development program.

Throughout this guide and the following appendices are references and descriptions to the various organizations that can assist your community and that have special expertise in various facets of community and economic development. Also included are descriptions of publications that offer detailed information on resources and component parts of an economic development program.

The Texas Department of Agriculture and the partner organizations that assisted in the preparation of this guidebook are committed to:

- providing assistance to rural Texans and their communities in developing their communities as desirable places to live and work;
- developing the infrastructure needed to attract and retain desirable businesses and jobs; and
- providing assistance and guidance in developing business and other economic activities that will provide sustainable jobs and economic prosperity for current and future generations of rural Texans.

The Texas Department of Agriculture and the Texas Department of Economic Development have joined together to operate a toll-free Rural Assistance Hotline. Call 1-877-428-7848 for comprehensive assistance on rural economic development issues.

Appendix A: Agencies and Organizations to Contact



For a complete list of federal agencies, visit:

www.whitehouse.gov/WH/Independent_Agencies/html/independent_links.html

For a complete listing of Texas state agencies, visit:

www.state.tx.us

Army Corps of Engineers

When requested, the Corps provides engineering expertise to other agencies, state and local governments, academia, private firms and foreign nations. The work ranges from constructing wastewater treatment plants and space launch facilities, to other complex engineering tasks. Engineering professionals help remove toxic wastes, and help other nations with the damages caused by disasters and war.

Headquarters

ATTN: CECS-I
20 Massachusetts Ave., NW
Washington, DC 20314
Phone: (202) 761-0118
Fax: (202) 761-0824
www.usace.army.mil/

Bureau of Economic Analysis (BEA)

BEA, an agency of the U.S. Department of Commerce, is the nation's economic accountant, preparing estimates that illuminate key national, international, and regional aspects of the U.S. economy.

1441 L Street, NW
Washington, DC 20230
Phone: (202) 606-5556
www.bea.doc.gov/

Consumer Expenditure Survey (Bureau of Labor Statistics)

This program consists of two surveys - the quarterly Interview survey and the Diary survey - that provide information about the buying habits of American consumers, including data on their expenditures, income and consumer unit (families and single consumers) characteristics.

Consumer Expenditure Surveys -
Branch of Information and Analysis
Postal Square Building, Room 3985
2 Massachusetts Avenue, N.E.
Washington, DC 20212-0001

Phone: (202) 606-6900

Fax: (202) 606-7006

stats.bls.gov/csxhome.htm

Department of Housing and Urban Development (HUD)

HUD insures home mortgages and loans for home improvement, channels funds from investors into the mortgage industry and makes direct loans for construction or rehabilitation of housing projects for the elderly and disabled.

P.O. Box 2905

Fort Worth, Texas 76113

Phone: (817) 978-9000

www.hud.gov/

Economic Development Administration (EDA)

The EDA was established within the U.S. Department of Commerce to generate jobs, help retain existing jobs and stimulate industrial and commercial growth in economically distressed areas of the United States. EDA assistance is available to rural and urban areas of the nation experiencing high unemployment, low income or other severe economic distress.

14th & Constitution Avenue, Room 7800B
Washington, DC 20230
Phone: (202) 482-5081
www.doc.gov/eda/

Environmental Protection Agency (EPA)

EPA's mission is to protect human health and the natural environment.

**401 M Street, SW
Washington, DC 20460-0003
Phone: (202) 260-2090
www.epa.gov/**

Federal Transit Administration

The Federal Transit Administration (FTA) provides financial and technical assistance to the local transit systems.

**819 Taylor Street
Room 8A36
Fort Worth, Texas 76102
Phone: (817) 978-0550
Fax: (817) 978-0575
www.fta.dot.gov/**

National Technical Information Service

The National Technical Information Service is the federal government's central source for the sale of scientific, technical, engineering and related business information produced by or for the U.S. government and complementary material from international sources.

**Technology Administration
U.S. Department of Commerce
Springfield, Virginia 22161
Phone: (703) 605-6000
Fax: (703) 605-6900
www.ntis.gov/index.html**

Small Business Administration (SBA)

The SBA provides financial, technical and management assistance to help Americans start, run and grow their businesses. With a portfolio of business loans, loan guarantees and disaster loans worth more than \$45 billion, SBA is the nation's largest single financial backer of small businesses.

**4300 Amon Carter Boulevard
Suite 108
Fort Worth, Texas 76155
Phone: (817) 885-6581
Fax: (817) 885-6588
TTY/TDD: (817) 885-6552
www.sbaonline.sba.gov/**

United States Census Bureau

The Census Bureau's mission is to be the preeminent collector and provider of timely, relevant and quality data about the people and economy of the United States. The Census Bureau provides the best mix of timeliness, relevancy, quality and cost for the data collected and services provided.

**Washington, DC 20233
Phone: (301) 457-4100
Fax: (301) 457-4714
www.census.gov/index.html**

**United States Department of Agriculture
Rural Business-Cooperative Service**

The mission of the Rural Business-Cooperative Service is "to enhance the quality of life for rural Americans by providing leadership in building competitive businesses including sustainable cooperatives that can prosper in the global marketplace."

**101 South Main, Suite 102
Temple, Texas 76501
Phone: (254) 742-9710
Fax: (254) 742-9709
www.rurdev.usda.gov/tx/index.html**

USDA Forest Service

The phrase, Caring for the Land and Serving People, captures the Forest Service's mission. As set forth in law, the mission is to achieve quality land management under the sustainable multiple-use management concept to meet the diverse needs of the people.

**Sydney R. Yates Federal Building
201 14th Street, S.W. at
Independence Ave., SW
Washington, D.C. 20024
Phone: (202) 205-1661
www.fs.fed.us/**



Texas Agricultural Statistics Service

TASS's mission is to serve Texas, its agriculture and its rural communities by providing meaningful, accurate and objective statistical information and services.

P.O. Box 70
Austin, Texas 78767
Phone: (512) 916-5581
Fax: (512) 916-5956
www.io.com/~ta

Texas Agricultural Finance Authority

The Texas Agricultural Finance Authority ("Authority") was created in 1987 as an agency within the Texas Department of Agriculture. The Authority provides financial assistance for the expansion, development and diversification of production, processing, marketing and exporting of Texas agricultural products. The Authority has designed programs for Texas agricultural businesses that provide added value to Texas agricultural commodities

P.O. Box 12847
Austin, Texas 78711
Phone: (512) 475-1614
Fax: (512) 475-1762
Email: rkennedy@agr.state.tx.us
www.agr.state.tx.us

Texas Agricultural Extension Service (TAEX)

TAEX offers education that transfers new knowledge and technologies from research to users, enhances communities and the environment and enables individuals and families to improve the quality of their lives through better decision-making skills.

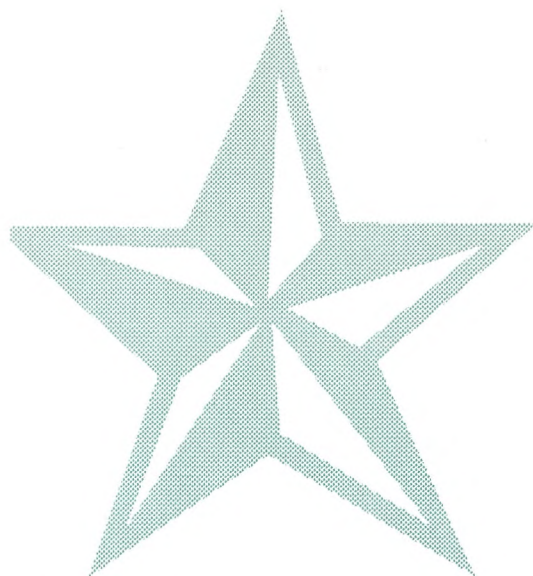
Room 106, Jack K. Williams
Administration Bldg.
College Station, Texas 77843-7101
Phone: (409) 845-7808
Fax: (409) 845-9542
Email: agextension@tamu.edu
www.agextension.tamu.edu

Texas Department of Agriculture

The Texas Department of Agriculture is responsible for agricultural regulatory activities, marketing of Texas agricultural products, producer outreach, public health, rural economic development, encouraging value-added processing of Texas agricultural products, agricultural resource protection, agricultural research and economic analysis.

Susan Combs, Commissioner
1700 North Congress Ave
P.O. Box 12847
Austin, Texas 78711
Phone: (512) 463-7476
Fax: (512) 463-1104
TDDITT: (800) 735-2989
Email: susan.combs@agr.state.tx.us
www.agr.state.tx.us

Toll-Free Rural Assistance Hotline:
1-877-428-7848



Texas Comptroller of Public Accounts

As Texas' chief financial officer, the comptroller collects taxes and fees owed the state and recommends ways of streamlining state government and making it leaner, more efficient and accountable to taxpayers.

The comptroller provides economic development assistance to local governments and businesses. Help includes information on grants, data on local economies and sources of training and purchasing opportunities.

The comptroller works hand-in-hand with local governments that collect state taxes and offers workshops on financial management topics, local sales taxes, and court costs, fees and fines.

The comptroller studies and reports on economic trends and conditions in all sectors and regions of the state. This helps determine the long-term impact of government decisions. The comptroller's office is also home to the Texas Business Advisor and the Grant Directory.

Carole Keeton Rylander, Texas Comptroller of Public Accounts

Lyndon B. Johnson State Office Building
111 East 17th Street
Post Office Box 13528, Capitol Station
Austin, Texas 78711-3528
Phone: (800) 252-5555
Fax: (512) 475-0900
www.window.state.tx.us

Texas A&M System

The Texas A&M University System is dedicated to keeping Texans informed of The A&M System's efforts to partner its programs with communities. Its ultimate goal is to coordinate energies, resources and strategies into a collaborative, results-based approach to improving our quality of life.

John B. Connally Bldg.
301 Tarrow, Suite 521
College Station, Texas 77840-7896
Phone: (409) 458-6200
Fax: (409) 862-6605
tamusystem.tamu.edu

Texas A&M Real Estate Center

The mission of the Real Estate Center is to conduct real estate related research based on needs of the Texas citizenry and to disseminate the results and findings. During the first quarter century of service, the Center achieved many notable successes in research, service to the general public, service to the real estate industry, support of higher education and institutional building.

Texas A&M University
College Station, Texas 77843-2115
Phone: (800) 244-2144
Fax: (409) 845-0460
recenter.tamu.edu

Center for Rural Health Initiatives

As the Texas State Office of Rural Health, the Center for Rural Health Initiatives administers programs and services designed to ensure health and well-being in rural communities throughout the state. The Center: provides funding opportunities; serves as a rural information clearinghouse; administers scholarship and loan repayment programs for healthcare professionals; provides a comprehensive service for recruitment and retention of healthcare providers by local communities; assists communities with assessments of health care delivery and availability; develops impact statements and policy development in an advocacy role; collaborates and partners with other state agencies and professional organizations and participates in national leadership roles.

P.O. Drawer 1708
Austin, Texas 78767-1708
211 E. 7th Street, Suite 915
Austin, Texas 78701
Phone: (512) 479-8891
Fax: (512) 479-8898
Toll Free: (877) TEX-CRHI or
(877) 839-2744
Email: crhi@crhi.state.tx.us
www.crhi.state.tx.us

Texas Department of Economic Development (TDED)

Formerly the Texas Department of Commerce, TDED is one of the state's economic development agencies, in partnership with TDA. TDED disseminates information and provides assistance to individuals, businesses and communities in the areas of international trade, business retention, tourism, worker-training incentives, rural affairs, defense economic adjustment and other business matters.

**1700 North Congress,
Stephen F. Austin Building
P. O. Box 12728
Austin, Texas 78711-2728
Phone: (512) 936-0100
Fax: (512) 936-0219
Email: robertc@tded.state.tx.us
www.tded.state.tx.us/**

Texas Department of Health

The Texas Department of Health is responsible for planning and delivering health services to the people of Texas.

**1100 West 49th Street
Austin, Texas 78756-3199
Phone: (512) 458-7111
Fax: (512) 458-7477
www.tdh.state.tx.us**

Texas Department of Housing and Community Affairs (TDHCA)

The goals of TDHCA are to increase the availability of safe, decent and affordable housing, improve Texas communities by supporting community and economic development, improve the living conditions for the poor and homeless and regulate the manufactured housing industry.

**P.O. Box 13941
Austin, Texas 78711
Phone: (512) 475-3800
Fax: (512) 469-9606
link.tsl.state.tx.us/tx/TDHCA**

Texas Department of Transportation

The Texas Department of Transportation is responsible for planning activities for the state transportation system. Transportation projects are planned at the 25 district offices located around the state. To contact your local district office, please call the toll-free number below.

**125 East 11th St.
Austin, Texas 78701-2483
Phone: (800) 55T-xDOT
www.dot.state.tx.us**

Texas Engineering Extension Service (TEEX)

As one of the largest providers of work force training in the nation, the Texas Engineering Extension Service is known for its innovative, customized programs and its hands-on and on-site training. Through a variety of delivery systems, tailored to fit customer needs, TEEX offers technical and vocational work force training, manufacturing and technical assistance and technology transfer services.

**Texas A&M University
College Station, Texas 77843
Phone: (877) 833-9638
tamusystem.tamu.edu/agencies/teex_home.html**

Texas General Land Office (GLO)

The General Land Office was originally responsible for managing the public domain by collecting and keeping records, providing maps and surveys and issuing land titles. Since then the GLO's duties have evolved, but its core mission is still the management of state lands and mineral-right properties totaling 20.3 million acres.

**David Dewhurst, Commissioner
1700 North Congress Ave
Austin, Texas 78701
Phone: (512) 463-5001
Fax: (512) 475-1558
www.glo.state.tx.us**



Texas Historical Commission (THC)

THC's mission is to protect and preserve the state's historic and prehistoric resources for the use, education, enjoyment and economic benefit of present and future generations.

P.O. Box 12276

Austin, Texas 78711-2276

Phone: (512) 463-6092

Fax: (512) 463-5862

www.thc.state.tx.us

Texas Manufacturing Assistance Center (TMAC)

TMAC's mission is to improve the competitiveness of small Texas manufacturers by helping firms adopt state-of-the-art manufacturing technologies and techniques. TMAC offices are located throughout our region, providing a variety of services to small manufacturers

Technology & Economic Development

Texas A&M University System

College Station, Texas 77843-8000

Phone: (409) 862-1670

(800) 625-4876

teex.cy-net.net/TMAC

Texas Office of the Attorney General

The Attorney General is the lawyer for the people of Texas and is charged by the Texas Constitution to: defend the laws and the Constitution of the State of Texas, represent the state in litigation and approve public bond issues. The Handbook on Economic Development Laws for Texas Cities is available from the Attorney General's office.

John Cornyn, Attorney General

P.O. Box 12548

Austin, Texas 78711-2548

Phone: (512) 463-2100

Fax: (512) 463-2063

www.oag.state.tx.us

Texas Natural Resource Conservation Commission (TNRCC)

TNRCC is the state agency in charge of monitoring and regulating air quality, pollution prevention and recycling, waste management and water resource management.

P.O. Box 13087

Austin, Texas 78711-3087

12100 Park 35 Circle, Austin, TX 78753

Phone: (512) 239-1000

Fax: (512) 239-1123

www.tnrcc.state.tx.us

Texas Parks and Wildlife Department (TPWD)

Texas Parks and Wildlife provides outdoor recreational opportunities by managing and protecting wildlife and wildlife habitat and acquiring and managing parklands and historic areas. TPWD manages and conserves the natural and cultural resources of Texas for the use and enjoyment of present and future generations. The agency currently has 10 internal divisions: Wildlife, Coastal Fisheries, Inland Fisheries, Law Enforcement, State Parks, Infrastructure, Resource Protection, Communications, Administrative Resources and Human Resources.

4200 Smith School Road

Austin, Texas 78744

Phone: (512) 389-4828 or (800) 262-8755

www.tpwd.state.tx.us

Texas Secretary of State (SOS)

The SOS Corporations Section files documents affecting business organizations and non-profit corporations.

Elton Bomer, Secretary of State

P.O. Box 13697

1019 Brazos

Austin, Texas 78701

Phone: (512) 463-5586

Fax: (512) 463-5709

www.sos.state.tx.us



Texas State Data Center at Texas A&M

The Texas State Data Center, in cooperation with a network of affiliates, functions as a focal point for the distribution of census information for Texas. It also disseminates population estimates and projections for Texas, as well as other information from the federal government, state government and other sources.

Texas A&M University
College Station, Texas 77843-2125
Phone: (409) 845-5115
Fax: (409) 862-3061
txassdc@txsdc.sun.tamu.edu

Texas Tech University

The mission of Texas Tech University is to provide the highest standard of excellence in higher education while pursuing continuous quality improvement. Texas Tech fosters the intellectual and personal development of students, stimulates the greatest degree of meaningful research and supports faculty and staff in order to serve constituents.

P.O. Box 42011
Lubbock, Texas 79409
Phone: (806) 742-2161
Fax: (806) 742-8050
www.ttu.edu

Texas Workforce Commission (TWC)

The TWC administers employment, employment-related educational programs and job training programs. The commission also administers the state's unemployment compensation insurance program.

101 East 15th St.
Austin, Texas 78778-0001
Phone: (512) 463-2222
Employer's Hotline: (800) 832-9394
Employee's Hotline: (800) 832-2829
Payday, Child Labor and Texas Minimum Wage Law: (800) 832-9243
Alien Labor Certification: (800) 252-9924
TWC Fraud and Program Abuse Hotline: (800) 252-3642
Career Information Hotline: (800) 822 PLAN
www.twc.state.tx.us

Texas Workers' Compensation Commission

The Texas Workers' Compensation Commission is a state agency that monitors the delivery of benefits to injured workers and eligible family members of workers killed on the job. The commission also helps resolve disputes about claims and provides workplace health and safety services.

4000 S. IH-35
Austin, Texas 78704
Phone: (512) 448-7900
www.twcc.state.tx.us

American Economic Development Council (AEDC)

The American Economic Development Council is a high-participation organization for people committed to economic development. The largest and oldest economic development society, AEDC serves close to 3,000 members and has been a home base for the profession since 1926. AEDC helps members create sustainable local economic development capabilities which are globally competitive; gives leadership in building knowledge, forming alliances, and managing key issues; and serves as a career anchor for economic developers who are - or wish to become - leaders in the profession.

1030 Higgins
Park Ridge, Illinois 60068
Phone: (847) 692-9944
Fax: (847) 696-2990
www.aedc.org/

Community Reinvestment Fund (CRF)

CRF is a nonprofit organization that provides a secondary market for economic development loans. The fund buys loans from economic development organizations and uses them as collateral to sell bonds to private investors. It tailors each loan purchase to the needs of the client and has auxiliary services like loan servicing, portfolio management and training.

2400 Foshay Tower
821 Marquette Avenue
Minneapolis, Minnesota 55402
Phone: (612) 338-3050, (800) 475-3050
Fax: (612) 338-3236
www.crfusa.com/

Council for Urban Economic Development

The Council offers many resources for economic development, including technical assistance, discussion forums and research tools.

1730 K Street, NW
Suite 700
Washington, DC 20006
Phone: (202) 223-4735
Fax: (202) 223-4745
www.cued.org

National Business Incubation Association (NBIA)

As the leading source of information for the business incubation industry, NBIA offers professional development activities that help business assistance professionals create and administer effective incubation programs.

20 East Circle Dr., Suite 190
Athens, Ohio 45701-3751
Phone: (740) 593-4331
Fax: (740) 593-1996
www.nbia.org

National Retail Federation (NRF)

As the world's largest retail trade association, NRF's mission is to conduct programs and services in research, education, training, information technology and government affairs to protect and advance the interests of the retail industry.

325 7th Street, NW, Suite 1000
Washington, DC 20004
Phone: (202) 783-7971 or (800) NRF-HOW2
Fax: (202) 737-2849
www.nrf.com/default-java.htm

Small Business Development Centers (SBDC)

Texas Small Business Development Centers work with existing and startup small companies to help them grow and compete in today's global economy. SBDCs are available for small companies in every phase of the business life cycle, providing management expertise and objectivity to help entrepreneurs make sound decisions and succeed.

North Texas SBDC
1402 Corinth Street
Dallas, Texas 75212
Phone: (214) 860-5831

Northwest Texas SBDC
2579 South Loop 289, Suite 210
Lubbock, Texas 79423
Phone: (806) 745-3973

South Texas Border SBDC
1222 North Main, Suite 450
San Antonio, Texas 78212
Phone: (713) 752-8444

University of Houston SBDC
1100 Louisiana, Suite 500
Houston, Texas 77002-4309
Phone: (210) 458-2450

Texas Association of Regional Councils (TARC)

TARC was organized in 1973 as an association of Texas' 24 regional councils of governments, more commonly called COGs. COGs are comprised of local governments—cities, counties, special districts (such as water or conservation districts), school districts, etc. that come together to work on issues that tend to cross their boundaries. This can be a very important role in a state the size of Texas, where citizens look to their mayors and county judges for answers in all types of government issues. COGs provide a variety of services from nutrition programs for the elderly to 9-1-1 planning to economic development assistance.

1305 San Antonio Street
Austin, Texas 78701
Phone: (512) 478-4715
Fax: (512) 478-1049
www.txregionalcouncil.org/index.htm



Texas Association of Resource Conservation and Development (RC&D)

The purpose of RC&D is to promote conservation, development and utilization of natural resources; to improve the general level of economic activity; and to enhance the environment and standard of living in all communities. The aim is to provide a system of rural development, encourage the wise use of natural resources and improve the quality of life in America.

Joe Cantu, President
318 Mountain View Lane
Pipe Creek, Texas 78063
Phone: (830) 535-9528
Fax: (830) 510-6388

Texas Business Incubator Association (TBIA)

TBIA's mission is to advance the business incubator industry in Texas; to assist those communities and individuals seeking to open business incubators; to educate managers and operators of business incubators in methods of successfully growing small businesses; to educate those residents in business operations; to influence legislation favorable to small business incubators; and to assist the state of Texas and the United States in economic development and diversification.

9610 Long Point Road, Suite 100
Houston, Texas 77055
Phone: (713) 932-7495 ext. 49
www.tbia.org

Texas Water Development Board (TWDB)

TWDB was created in 1957 as the state's water planning and infrastructure financing agency. The Board's mission is to provide leadership, technical services and financial assistance to support planning, conservation and responsible development of water for the State of Texas. TWDB also maintains a centralized data bank of information on the state's natural resources called the Texas Natural Resources Information System (TNRIS) and manages the

Strategic Mapping Initiative (StratMap).

P.O. Box 13231
1700 North Congress,
Stephen F. Austin Building
Austin, Texas 78711-3231
Phone: (512) 463-7847
Fax: (512) 475-2053
Email: info@twdb.state.tx.us
www.twdb.state.tx.us

Texas Economic Development Council (TEDC)

TEDC provides information, educational and legislative services to its 1,000 members. TEDC's objective is to expand existing industry, recruit new firms to the state and develop strategies that promote a positive business climate in Texas.

1005 N. Congress Ave., Suite 162
Austin, Texas 78701
Phone: (512) 480-8432
Fax: (512) 472-7907
www.texasedc.org

Texas Rural Communities, Inc.

Texas Rural Communities, Inc. is a nonprofit organization serving rural Texas communities, individuals, groups and support organizations through rural economic development, educational, loan and grant programs.

12401 Hymeadow Drive, Suite 1B
Austin, Texas 78750
Phone: (512) 219-0468
Fax: (512) 219-0416
www.texasrural.org

Texas Rural Development Council

The Texas Rural Development Council matches the resources of the federal, state and local governments and the private sector - both profit and non-profit - with locally conceived and driven development strategies.

Cheryl Hinckley, Executive Director
8140 Burnet Road, Suite 218
Austin, Texas 78757-7799
Phone: (512) 323-6515
Fax: (512) 323-6526
www.trdc.org

Appendix B: Regional Groups and Organizations

High Ground of Texas

High Ground is a marketing coalition made up of over 45 members with economic development interests in the region. Its main purpose is to create jobs and increase the tax base of the region.

Lorie Vincent, Executive Director

**P.O. Box 716
Stratford, Texas 79084
Phone: (806) 366-7510
Fax: (806) 366-7511
Email: higround@xit.net**

I-10 Corridor Association

The I-10 Corridor Association is the leading business advocacy organization, serving rural communities along Interstate 10 between Houston and San Antonio.

**202 S. Bell
Bellville, Texas 77418
Phone: (800) 221-4161
Fax: (409) 865-9706**

Partnership of Southeast Texas

The Partnership of Southeast Texas is a non-profit economic development corporation that works to develop cooperative efforts on a regional basis. Its purpose is to facilitate the retention and creation of jobs in a nine-county area in Southeast Texas.

**P.O. Box 3828
Beaumont, Texas 77704
Phone: (409) 838-6800
Fax: (409) 835-2026
Email: agalassi@ih2000.net**

Rio Grande Valley Partnership (RGVP)

The RGVP is a regional chamber of commerce serving the Rio Grande Valley to coordinate area improvement projects. The RGVP takes on a wide variety of activities directed at improving the area's economy and quality of life.

**P.O. Box 1499
Weslaco, Texas 78599
Phone: (956) 968-3141
Fax: (956) 968-0210
www.hiline.net/rgvcc**

Rolling Plains Industrial Foundation

The Rolling Plains Industrial Foundation is a nonprofit organization created to represent nine communities in a region located in rural West Texas. The foundation was formed to enhance the marketing and management of economic prospects.

**120 S. Swenson
Stamford, Texas 79553
Phone: (915) 773-3544
Fax: (915) 773-3547**

Texas Midwest Community Network

Texas Midwest Community Network is a regional organization focused on economic development, tourism development, regional awareness and promotion and political action. The organization serves more than 20 counties and 40 communities in the Abilene trade area.

**P.O. Box 605
Baird, Texas 79504
Phone: (915) 893-2099
texasmidwest.org**

West Texas Alliance

The West Texas Alliance is an economic development coalition located in the Panhandle of Texas including the cities of Brownfield, Lamesa, Levelland and Littlefield which are actively recruiting dairies into their area.

**P.O. Box 1010
Levelland, Texas 79336
Phone: (806) 894-0113
Fax: (806) 894-0119**

Central Texas Economic Development District (CTEDD)

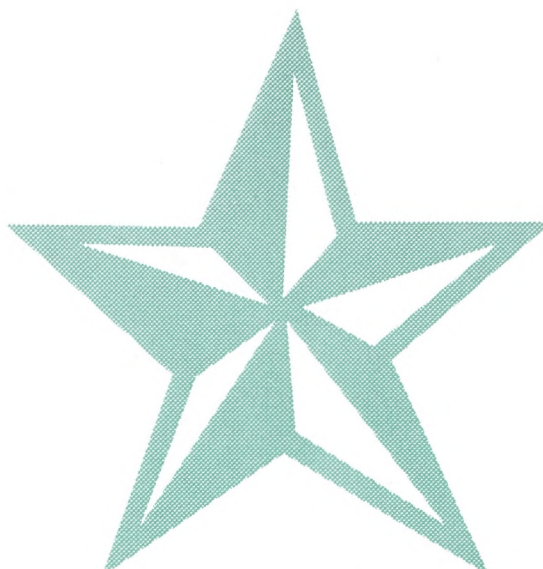
A 14 county economic development district in Central Texas which is closely associated with the U.S. Department of Commerce's Economic Development Administration (EDA), the CTEDD was organized in 1967. CTEDD's geographical service area includes the counties of Bell, Bosque, Coryell, Ellis, Falls, Freestone, Hamilton, Hill, Johnson, Limestone, McLennan, Milam, Navarro and Somervell. The role of the CTEDD is to promote, assist and coordinate an environment for economic strategy, growth and development.

**P.O. Box 154118
Waco, Texas 76715
Phone: (254) 799-0258
Fax: (254) 799-0294
www.ctedd.org
Email: ctedd@calpha.com**

North East Texas Economic Developers Roundtable (NETEDR)

The NETEDR includes economic development professionals, utility representatives and Chamber of Commerce representatives from the following counties: Anderson, Bowie, Camp, Cass, Cherokee, Delta, Franklin, Gregg, Harrison, Henderson, Hopkins, Lamar, Marion, Morris, Panola, Red River, Rusk, Smith, Titus, Upshur, Van Zandt and Wood.

**112 Plaza West
PO Box 5307
Texarkana Texas 75505-5307
Phone: (903) 832 8636
Fax: (903) 832-3441**





Appendix C: Financial Resources

Texas Agricultural Finance Authority Programs

The Texas Agricultural Finance Authority was created in 1987 as a public authority within the Texas Department of Agriculture. The Authority provides financial assistance through eligible lending institutions to creditworthy individuals and businesses.

- **Loan Guaranty Program** provides financial assistance through loan guarantees to agricultural businesses that are, or propose to be, engaged in innovative, diversified, or value-added production, processing, marketing or exporting of an agricultural product or other agricultural-related rural economic development projects.
- **Direct Loan Program** may provide a direct loan to an eligible applicant in cooperation with the eligible applicant's lender. The Authority will consider a direct loan only when the eligible applicant and a participating lender provide evidence that a direct loan is in the best interest of the applicant, the lender and the Authority.
- **Participation Purchase Program** provides assistance to lending institutions for eligible agricultural projects through the purchase of an undivided interest in a loan made by a lender.
- **Young Farmer Loan Guarantee Program** provides financial assistance through loan guarantees to eligible applicants who wish to establish or enhance their farm and/or ranch operation or establish an agricultural-related business.
- **Farm & Ranch Finance Program** provides financial assistance to eligible and creditworthy applicants for the purchase of farm and/or ranch land, which will be in full time agricultural use.
- **Linked Deposit Program** enables private commercial lending at below market rates to eligible applicants for eligible projects.
- **Revenue Bond Program** provides an opportunity for an eligible agricultural business to finance an agricultural project through the issuance of bond indebtedness.

For more information contact the TAFE staff at TDA at (512) 475-1614.

- The Capital Access Fund is designed as a public/private partnership between the state of Texas and lending institutions to assist a "near bankable" business in accessing the capital they need.

Contact: Texas Department of Economic Development, (512) 936-0223

- The Linked Deposit Program (TDED) was established to encourage lending to qualified businesses, or those that are historically underutilized businesses, child care providers, non-profit corporations and small businesses located in an Enterprise Zone, by providing lenders and borrowers a lower cost of capital. Loan amounts range from \$10,000 to \$250,000.

Contact: Texas Department of Economic Development, (512) 936-0223

- The Texas Leverage Fund is an "economic development bank" offering an added source of financing to communities that have passed either the 4A or 4B economic development sales tax. TDED may loan funds to a local Industrial Development Corporation (IDC) or the entity that oversees the economic development sales tax to finance a qualified project for an individual, a business, a non-profit organization or governmental entity.

Contact: Texas Department of Economic Development, (512) 936-0142

Other financial/funding programs that you may consider:

- Industrial Revenue Bond (TDED). The State of Texas Small Business Industrial Revenue Bond Program is designed to provide tax-exempt financing to finance land and depreciable property for eligible industrial or manufacturing projects.

Contact: Texas Department of Economic Development, (512) 936-0142, or email buserv@tded.state.tx.us

- Texas Enterprise Zone Program is set up to encourage job creation and capital investment in areas of economic distress. The program provides communities with an economic development tool through which they can offer state and local incentives and program priority to new or expanding businesses located in these designated areas. To offer certain incentives to a business, a city and/or county must establish an enterprise zone. Businesses located in an enterprise zone may be eligible for local and/or state benefits. Enterprise projects are eligible for a refund of state sales or use taxes paid on machinery and equipment, building materials, labor for the rehabilitation of existing buildings and electricity and natural gas purchased for use in the enterprise zone.

Contact: Your local chamber of commerce or economic development office or TDED.

- Rural Development Grants: Texas Rural Communities, Inc. is a nonprofit organization serving rural Texas communities, individuals, groups and support organizations through rural economic development, educational, loan and grant programs. Rural Development Grants are awarded to organizations working to improve the quality of rural life. Also available is Development Options for Rural Texas: A Resource Manual. It is designed especially for small town leaders and presents, in detail, the choices and alternatives that make up successful economic development programs.

Contact: Texas Rural Communities, Inc. (512) 219-0468

- Rural Economic Development Grants are grants from the Rural Business-Cooperative Service (RBS) to rural communities through Rural Utilities Service (RUS) borrowers. The grants are used for revolving loan funds for community facilities and infrastructure and for assistance in conjunction with Rural Economic Development Loans.

Contact: Rural Business-Cooperative Service-USDA, (254) 742-9774

Grants

There are many private organizations and foundations that have grant funds available. The state does not have an inventory of these programs. You may want to consult your local library for information about private grants.

The state of Texas tracks all state and federal grant programs available. The Office of the Governor maintains a database of these programs.

You may access it online at www.governor.state.tx.us/Grants/ or call the Office of the Governor at (512) 463-1778.

Texas Engineering Extension Station (TEES)

Center for Community Support (CCS)

A division of the Public Policy Research Institute (PPRI) at Texas A&M University. TEES CCS provides a broad range of information, data and proposal writing services at no cost for Texas community based non-profit organizations to pursue competitive funding for programs designed to improve quality of life and promote safe and healthy lifestyles among citizens of the state.

TEES - CCS

Public Policy Research Institute
H.C. Dulie Bell Bldg., Suite 309H
Texas A&M University
College Station, Texas 77843-4476
Phone: (409) 845-8800
ppriweb.tamu.edu/ccs

- Rural Economic Development Loans provide zero-interest loans and grants to Rural Utilities Service (RUS) financed telephone and electric utilities to promote rural economic development and job creation projects. These projects should result in a sustainable increase in the productivity of economic resources in rural areas and thereby lead to a higher level of income for rural citizens.

Contact: Rural Business-Cooperative Service-USDA,
 (254) 742-9774

- The Business and Industry (B&I) Direct Loan Program provides loans to public entities and private parties that cannot obtain credit from other sources. Loans to private parties can be made for improving, developing or financing business and industry, creating jobs and improving the economic and environmental climate in rural communities (including pollution abatement).

Contact: Rural Business-Cooperative Service-USDA,
 (254) 742-9774

- The Business and Industry (B&I) Guaranteed Loan Program helps create jobs and stimulates rural economies by providing financial backing for rural businesses. This program provides guarantees up to 90 percent of a loan made by a commercial lender.

Contact: Rural Business-Cooperative Service-USDA,
 (254) 742-9774

- Rural Business Opportunity Grant funds provide for technical assistance training and planning activities that improve economic conditions in rural areas.

Contact: Rural Business-Cooperative Service-USDA,
 (254) 742-9774

- Rural Business Enterprise Grants. The Rural Business-Cooperative Service (RBS) makes grants under the Rural Business Enterprise Grants (RBEG) Program to public bodies, nonprofit corporations and federally-recognized Indian tribal groups to finance and facilitate development of small and emerging private business enterprises located in areas outside the boundary of a city or unincorporated areas of 50,000 or more and its immediately adjacent urbanized or urbanizing area.

Contact: Rural Business-Cooperative Service-USDA,
 (254) 742-9774

To receive more comprehensive financial resource information contact TDA to request a copy of the Financial Resources Handbook.

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