

*Discover*  
*Phillips County*  
  
**Economic Development**

**Special Request Program**

(Originally drafted 3-22-2010)  
(Overview approval 7-26-2010)  
(Last update 7-26-2010)

**Booklet**

Contains:

**Outline, Guidelines, Procedure for Requests, Restrictions,  
Samples of LOR, MOU, and Special Agreement**

## Special Request Program

The Special Request Program is provided by Phillips County Economic Development for the purpose of giving financial assistance toward projects deemed viable, feasible and justifiable toward promoting the growth of economic or community development within the Phillips County area. This program can be used by (for-profits) businesses needing financial assistance for projects not covered by other PCED programs. This program can also be utilized for community development within Phillips County for (projects, programs, or organizations) within the non-profit sector, whose project goal benefits the PCED mission and goals within the PCED strategic plan (*see attachment #1*). The goal of this program is to provide more flexibility toward assisting particular projects which improve upon the positive development of the local economy and long term economic strength of the county. Each request is reviewed on a case by case manner and MUST follow the program procedures in requesting this special assistance and meet the guidelines in this document.

### Restrictions:

The PCED board will deny a request which fits into a restriction area stated below:

- A non-profit or for-profit organization which is delinquent with any of their personal or business property taxes, either in the county or outside the county
- Requests for direct support for salaries
- Requests for after-the-fact expenses
- Requests which may appear (perceived or real) to the majority of the public as support toward a business or project with unethical or immoral practices
- Organizations which practice discrimination of any type or kind
- A financial request for more than 50% of the total project
- A financial request which does not show a business plan and/or project plan for utilizing the funds given toward an entity
- Does not provide financial background data about the organization
- Organizations who have asked for support through another PCED program within the same year or for the same project

*PCED does **NOT** provide special request program assistance for organizations/groups that would directly use the funds toward:*

- Scholarships/Professorships/Internships
- Awards/Prizes/Competitions
- Student Aid
- Special Collection Acquisition
- Annual Campaigns
- Performances/Productions
- Political support
- Debt reduction (after the fact)

**The PCED board reserves the right to deny a request to ANY organization with or without cause.**

### **Guidelines:**

The Special Request program can be utilized for both “non-profit” organizations and “for-profit” organizations. Because there are requirement variations for each type of organization, these guidelines will begin with common guidelines for both, with “Special” denotation on those guidelines which differ per type of organization. These differences will be distinguished under the special guidelines per organizational structure type (Non-Profit) or (For-profit).

### Common Guidelines:

The following guideline requirements MUST be met by both (for-profit) and (not-for-profit) organizations.

- A financial match by applicant is required – **(Special)**
- The procedural request process must be followed completely
- The request must be made by the organization’s leadership by written request and leadership must be in attendance at the PCED meeting while written request is reviewed to answer questions **(Special)**
- Request must be received on or before the monthly request deadline
- Any special request commitment must be utilized fully within a year from its authorization date
- A follow up written report must be given upon completion of the project or immediately after complete use of the committed funding
- If bids are needed for a project, a request for bids by the organization to all applicable businesses that could provide the needed product or service MUST be let out. Using of local businesses, when possible, is strongly recommended.
- If request is approved, funds will be escrowed at applicant’s local bank – **(Special)**
- If request is approved, a percentage of funds approved will be held in escrow until project is documented complete – **(Special)**
- If a request is over \$20,000, special requirements and conditions of the funds approved, their implementation will be outlined in the Memorandum of Understanding. **(Special)**

### Special Guidelines:

#### **Non-Profit Organizations:**

- The financial (Match)
  - An “overall project” (OP) match of 50% is required of the total project cost. This “OP” match will consist of two primary types of matches, which are: An “Applicant” match and “Other Organization Commitment” (OOC) Matches.
  - An “applicant” match or financial commitment needs to consist of at least 5% of the total project cost. The applicant match must be made by the organization itself. Any amount over the minimum amount will be looked upon favorably by the PCED board, as a true engagement of its membership and need for the project. This commitment can be produced by any, one or combination of, the following: member’s cash commitments, board member’s commitments, cash reserves used, operational cash committed, loan funds taken or monies raised by general fundraising for the organization. Any “applicant” matches/commitments must ONLY be for the current project. Matches for other current projects or prior development projects CANNOT be used for current project. This misuse of a match is sometimes termed as a “Double Dip” match, of which will not be allowed.
  - Any remaining, necessary funding match for the project can be obtained by acquiring other grants from local, regional, state or federal sources in the private or public sectors. This match should be represented by granted cash for project OR a commitment letter for cash. This type of funding commitment for the project will be referred to in this document as “Other Organization Commitment” (OOC) matches. Any OOC match commitments should be gathered

prior to a special request to the PCED committee. **As non-profit organizations have more avenues for grants than for-profit businesses, priority funding discretion will be given toward for-profits.** With this understanding, it is highly recommended that non-profits acquire other organization commitments for their project **BEFORE** submitting a PCED special request.

- An **example** for a project match: A project's total cost is \$120,000 dollars. Overall Project match minimum requirement would be \$60,000 dollars. Minimum required "applicant" match is \$3000 or 5% of total project cost. The (OOC) match would be the remaining overall match requirement of \$57,000 dollars.
- Leadership is defined as the Chairman of the organization or executive board member (vice –chairman, secretary or Treasurer) AND the project manager (organization's director, project manager, committee leader, or other equivalent project/program representative)
- If request is approved, funds for the non-profit organization's project will be given directly to the organization NOT escrowed, UNLESS the PCED board deems it necessary.
- If request is approved and escrowed for a non-profit project, twenty percent (20%) of approved funds provided will be held in the escrow until project is documented complete.
- If a request is over \$20,000, unique special requirements for use of approved funds may be required. These special requirements **MAY** include, and are not restricted to, the following: 1) dividing of total approved monies to be given in smaller denominations over time periods of the project, or 2) special studies (feasibility, engineering, or architectural) be performed prior to use of funds. These will be outlined (marked) in the MOU.

#### **For-Profit Organizations:**

- The financial (Match)
  - An "applicant" financial commitment of at least 50% of the total project cost must be made by the organization itself. Any amount committed by the organization over the minimum amount will be looked upon favorably by the PCED board. With the business (organization) meeting or exceeding the minimum match, the request reflects a true need and also proves the engagement and involvement of its leadership for the project. The "applicant" financial commitment can consist of single or multiple funding avenues, including but not limited to: (private capital, business capital, bank loan, special revolving loans, venture capital, an IWW program loan, & other State or Federal program loans)
- Leadership is defined as the owner(s) of the business.
- If request is approved, funding provided will be escrowed with the applicant's bank.
- If request is approved, twenty percent (20%) of the funds provided will be held in the escrow until project is documented complete.
- If a request is over \$20,000, applicant must sign the Special Request MOU, but also a special addition to the MOU agreement which includes, but is not limited to, understandings which state, in full or in part, the following:
  - The intention of our company to use Special Request funds are for the purpose outlined in the project we presented to the PCED board.
  - It is our mission to stay in business and expand in the Phillips County area.
  - Whether unforeseen or foreseen circumstances leads to the closure and ultimate selling of the business and/or property of the business, payment of the grant proceeds given to business will be paid back to Phillips County Economic Development. This repayment of grant funds will be pro-rated based on a scaled percentage. This scaled percentage will be based on the time period the business continued to operate after grant funds were given to the business. This

grant probationary period will cover a five year period starting from the time it receives the funding. The pro-rated scale for repayment, if business closes or is sold outright is:

|                                       |                                       |
|---------------------------------------|---------------------------------------|
| ▪ Closure within 1 <sup>st</sup> year | 100% of total grant amount- paid back |
| ▪ Within 2 <sup>nd</sup> year         | 80% of total grant amount- paid back  |
| ▪ Within 3 <sup>rd</sup> year         | 60% of total grant amount- paid back  |
| ▪ Within 4 <sup>th</sup> year         | 40% of total grant amount- paid back  |
| ▪ Within 5 <sup>th</sup> year         | 20% of total grant amount- paid back  |
| ▪ After 5 <sup>th</sup> year          | 0% of total grant amount- paid back   |

#### **Request (Application) Process:**

- Contact PCED office staff
  - Inform staff as to your intention through an official meeting with the PCED director
  - Request any documents needed to make the request
- Compile the needed information to present to PCED committee. This information is required in your request OR as an attachment of your request.
  - Items Required in the (Letter of Request): On organization's letterhead paper – signed by leadership
    - Key Contact information (address, phone #, e-mail)
    - Total Project amount
    - Amount requested
    - Short Narrative
    - Outline of project
    - History of organization
    - Explanation of how funds will be used (project plan) – see **(types of support)**
    - Justification of need for special financial assistance requested
    - Matching sources of funding (detailed outline of all matches received to-date)
    - Quick summary of budget figures
    - If bids were needed, why a particular bid was used (especially if not local)
    - Organization's key contacts (board member info, or owner info)
    - Any other requested information from the PCED board or its staff
    - Time frame of project
    - Economic and/or community development created by project
    - Amount of new jobs created through this project/request
  - Items Required as attachments to the (Letter of Request)
    - Verification of Matches (commitment letters from OOC matches, minutes from organization authorizing "applicant" match and/or commitment letter from owner stating their funding commitment to this project)
    - Project budget
    - Organization's financial (current year for non-profits) (3 yrs – for-profits)
    - Business Plan Cash Flow – 3 years (for-profits)
    - Copy of Bids let out (accepted and not accepted by organization)
- Review of request by PCED Staff – (for placement on agenda)
  - If complete – organization put on PCED agenda
  - If not complete – organization is contacted and must return within 24 hours the properly completed documentation to stay on upcoming PCED agenda. Otherwise, request will be moved to the next month's agenda.

- Receipt of Documents – All parts of request must be received in PCED office on or before 5 pm the Monday **BEFORE** the regular PCED meeting date.

**Steps for organization after request is on PCED agenda:**

- A confirmation of organization being on the agenda will be sent to the (key contact) with a time to be at the PCED board meeting.
- Leader of Business/Organization will need to be present at the PCED meeting to give a short summary of request and answer questions from board pertaining to request.
- After PCED board makes a decision, an official notification (via letter or e-mail) will be sent out to the organization from the PCED staff as to the determination of the financial request, any specific guidelines for the usage of the funds, or other pertinent information pertaining to the request. A time will be scheduled with the organization for the leadership to sign needed documents, such as the MOU agreement, or additional agreements.
- Follow-up Activities
  - Keep the PCED Director informed of activities throughout the project
  - Upon completion of the project or usage of funds, a summary of the project's results **is required** to be sent to the PCED office.
  - Recognition of PCED's involvement needs to be publicly given.

**General Understandings of the Special Request Program for the Requesting Organization:**

- Financials given for the request will be reviewed only by the PCED Director and PCED board chair prior to the PCED board meeting. This financials given for the request will be destroyed as soon as a decision is made by the board.
- If the request is granted, a letter of commitment with any additional requirements will be sent to the requesting organization. If the additional requirements are accepted by the organization, a Memorandum of Understanding (MOU) will be signed by both parties.
- Any funds authorized, but not used within a year time period, **MUST** be returned to the PCED; **unless**, special arrangements with the PCED board is made **PRIOR** to the time period terminating.
- If any changes occur during the course of the funded project that **MAY** affect the funds use and/or purpose, these changes **MUST** be approved by the PCED board prior to being implemented.
- Requests from an organization are encouraged only to be made once a year (no matter if the projects are different)
- Recognition of PCED's involvement will become public upon a request being made.
- The PCED board may (if deemed necessary) amend the special request amount being asked for by the organization. There are several reasons for such an amendment, which includes, but is not limited to, the following: PCED's funds available for program at time of request, some items listed in request may be decided upon as not being within PCED's mission, economic impact study may suggest a lower involvement (support), or grading software for program may suggest a lower involvement (support)

**Types of support:**

Every project request will be evaluated on its own merits by the PCED board. Special request assistance could have one or multiple types of support within their project. A list of types of support of which organizations **MAY** have in projects and can ask support for through this special request is listed below:

- Building/renovation
- Computer systems

- Conferences/seminars
- Curriculum development
- Electronic or Online media/marketing
- Emergency funds
- Endowments (challenge or matching)
- Equipment
- Exhibitions (trade shows, other events out-of-state)
- Faculty/staff development
- Special film/video/radio marketing
- General/operating support
- Land acquisition
- Management development
- Program development
- Program evaluation
- Research
- Seed money (start-up funds)

#### **Evaluation of Requests:**

There are several levels of evaluation for determining if a special request will be approved, amended or denied. The levels of evaluation which encompass the primary reasoning for the determination of special requests, are listed below, but are not limited to only the following determination points:

- Pre-qualification evaluation: This step is performed by PCED staff to ensure all guidelines for submission have been met, before even reaching the PCED board.
- Financial Verification: This level is performed by the PCED director and the PCED chairman in private, to evaluate the long term needs and sustainability of the organization with or without the project request. The financial data requested is used to determine a “positive” or “negative” amount of points for the spreadsheet calculation.
- Spreadsheet calculation: This step involves using a software spreadsheet in which the positives of the project are calculated to produce an estimated grade point level for the request.
- Economic Impact Study: This process is performed through an informal, local process on every project. If an organization has 1) a substantial request (deemed by PCED board), and/or 2) is a for-profit organization, the PCED board may require that an independent economic impact study be performed. This process usual takes an additional 30 to 60 days. Having a study performed on any request is at the PCED board’s discretion.
- Presentation: A portion of the request taken into consideration by the PCED board is the ability to answer all verbal questions about the request, project and/or business/organization.

#### **Special Notice:**

At the current time, the PCED board is updating the protocols of this program. These guidelines are the most current, but may be subject to possible changes between receiving this program information and project review. Any changes to these guidelines will be outlined to you either during your request or before.



# **Attachments:**

1. PCED Strategic Plan -- 2008-2013
2. Letter of Request (Sample)
3. Memorandum of Understanding (Non-profits)
4. Memorandum of Understanding Special Addition (For-profit businesses)
5. Special Addition to the MOU agreement if commitment of funds is over \$20,000 toward (For-profit businesses)



# Attachment #1



**Approved & Adopted by PCED Board: 9-29-2008**

## **Strategic Plan 2008 - 2013**

**P.O. Box 604 – 205 F. Street  
Phillipsburg, KS 67661  
(785) 543-5809 FAX: (785) 543-5762  
[www.DiscoverPCED.com](http://www.DiscoverPCED.com)**

# **Phillips County Economic Development Strategic Plan**

## **-Discovering Phillips County Development Opportunities-**

### **Overview**

#### **Core Values:**

The PCED organization, staff, and board endeavors to exemplify the following characteristic traits: Technical Competency, Respect & Dignity, Accountability, Integrity, Trustworthiness, and Servant Leadership. These trait values are completed and improved upon through collaboration, commitment, communication, and confidentiality.

#### **Core Purpose:**

To provide direction and support as a catalyst for programs/projects that will provide continued stability and future expansion of the Phillips County economy.

#### **Core Goal:**

Increase of the financial strength of the Phillips County economy two-fold  
Employment growth of 300 jobs over the next 10 years.

#### **Mission:**

To enhance economic opportunities through community development and/or the retention, expansion, recruitment and creation of business throughout all of Phillips County.

#### **Use of Strategic Plan:**

This strategic plan should be utilized as a guide for county-wide development and a useful measurement tool in the development process. It also should be continuously used as a map by which to steer development decisions throughout the next five years. It is made also to be adaptable and usable, so it may be updated with additions when needed or suggested. A review of progress completed within the plan and opportunities to expand/add to the plan should be considered on a yearly basis throughout the (5) five years of this strategic plan.

#### **Origins of Information:**

The information for this plan was compiled primarily through the Discover Phillips County Initiative (DPCI) and facts gathered from surveys and face-to-face interviews performed by the Phillips County Economic Development staff. The DPCI is a volunteer based leadership group, assisted through its conception by the Huck Boyd National Center of Rural Development, to identify a direction for community development in Phillips County. Identifying this direction for Phillips County's community development came from three public meetings (with more than 350 residents in attendance), over 50 face-to-face residential & business interviews, and 23 collective DPCI committee meetings over two years to review ideas and start implementing projects.

## **Phillips County Economic Development Philosophy:**

The Phillips County Economic Development (PCED) is committed to advancing economic vitality and innovation to enhance the community and the quality of life for Phillips County citizens. To reach our goals, it will take a cooperative partnership between the leadership of Phillips County, the cities within Phillips County, and Phillips County Economic Development. Other groups, such as the local chambers, the Convention & Visitors Bureau, & the Phillipsburg Main Street organization will be interactively involved with a variety of development activities. Private foundations, such as the Hansen, Morgan, & Cole Foundations, will be strong local financial partnerships for long term implementation of the strategic plan. PCED will continue to develop strong communication with these partners at the local levels and also continue to advance networking partnerships at the state, national, and international levels. These partnerships are built on a desire to improve the community and the cooperative spirit among our citizens. There is a general understanding that economic development and community development are the results of continuous improvement that depends on teamwork, community pride, a “get-it-done” attitude, and a sense of forward-thinking. Through the cooperative (team) efforts of the entire community, we envision the future of Phillips County to include:

- Aggressive pursuit of employer growth. This can be achieved through expansion of existing businesses as well as business creation through entrepreneurial businesses, and the commitment from the community to provide appropriate incentives and the infrastructure required to facilitate growth in both categories. The community will also encourage investments in downtown development, business parks, speculative buildings, and affordable housing.
- An outstanding quality of life. Phillips County is fortunate to have elements critically important to our future growth and expansion: excellent schools, a critical care medical center, performing art center, a variety of recreation activities, safe neighborhoods, rich history, fun-filled events, entrepreneurial shopping atmosphere, friendly people, strong work ethic, a downtown county seat square and so much more. These points make Phillips County a point of destination for developing businesses and for people desiring to relocate and/or raise a family. Phillips County will be especially inviting to young people seeking jobs, business succession and to be a community well suited for retirement.
- Recognition as a rural, regional center for North central Kansas. Located on the major north/south trucking corridor of Highway #183 and a major east/west tourist route of Highway #36, the transportation system will help encourage entrepreneurial growth and maintain Phillips County as the rural, regional location for employment, entrepreneurial business development, and cultural needs.
- Support of activities that stabilize population in neighboring counties. Phillips County will participate in multi-county efforts to address common issues and opportunities. For Phillips County to excel, the region must improve, grow and excel.
- Variety of additional financial sources and community vehicles. Development of a variety of financial sources to provide appropriate programs that give strong support for a solid economic development future. Being supported by an economic sales tax, the PCED continues to perform operational activities in a frugal, manner, while knowing it must proactively expend funds to

achieve the goal of long term support for the Phillips County economy. While Phillips County will work to utilize every appropriate program offered by the State of Kansas and the Federal Government, Phillips County is also a county that actively creates additional funding opportunities.

- Strong community improvements and development activities. Community development is an essential part of a strong, economic engine. PCED recognizes that strong and continued improvement to those community aspects which continually entice our youth and families (our workforce) to live in our area, then the stronger the entire economy becomes.
- Succession planning for businesses and residents. Although everyone tends to avoid planning for the conclusion of the life of a business, it is critical to the long-term survival of our towns, county and businesses to look at the next generation of leaders for the community and business owners. PCED understands this is a critical need to review, since approximately 85% of business owners in Phillips County are close to retirement (ages 55 to 65). New business entrepreneurs will be sought out and informed of the opportunities in our county. Also, our current retirees will need to be provided with options for continuing their legacy (support of Phillips County) after they pass on. Over the next 50 years, Phillips County is estimated to lose 62 million dollars in the transfer of wealth from its past residents. As we know, economic development's primary function is the flow of money in and into an economy; so with this enormous potential transfer of wealth, PCED will aggressively work on retaining this future life force of our community.
- Reliable supply of diversified, quality workforce: Growing businesses and recruited businesses demand a ready market of quality workforce. With the continued efforts toward community and business development, new families and residents will be available to be employed in and around the Phillips County area. Additional training at all levels of education will better prepare residents as a diversified, workforce available to provide a better quality of service. Providing and facilitating training for this workforce at all levels will be initiated by PCED working independently and collaboratively with other organizations at the K-12 level, vocational level, and post-educational level.
- Well marketed region for living, working, and growing a business: Promotion of Phillips County will be actively performed by an entire mix of media sources, promotional items, website information, and networking. Using a wide variety of marketing, PCED will work with other local organizations, to strategically coordinate marketing planning so as to have one focused branding theme for Phillips County. Cooperation between organizations should save expenses in some circumstances; thus, allowing more marketing to be performed.

# **Phillips County Economic Development Strategic Plan**

## **-Discovering Phillips County Development Opportunities-**

### **Specific Goals**

#### **Business Expansion/Retention:**

Development of programs that nurture growth and investment in existing and emerging businesses will be the core focus of our economic development activities, as national statistics show that 80% to 85% of new jobs are created by growing existing businesses in addition to nurturing start-up and emerging businesses. Below are specific action tasks:

- Utilize the Kansas Department of Commerce Business Retention and Expansion Survey (BRES) on a two or three year cycle to assess the needs of existing, local industry.
- Promote development of infrastructure such as: streets, business parks, utilities, and communication systems.
- Implementation of a Neighborhood Revitalization Plan (Property tax rebate program) to encourage expansion and improvement of current business properties.
- Educate local employers about the Kansas Department of Commerce programs such as KIT, KIR, KEIOF, and other programs relevant to their business needs.
- Provide input into the structure of state and local incentives and city/county planning efforts specifically for business retention and expansion
- Continue reviewing possible niche needs for business expansion, so that local programs to assist may be developed
- Continue to expand the knowledge, expertise, and linkages to State and Federal programs
- Facilitate access to capital through revolving loan funds, local banks, and other sources
- Collaborate with others to encourage local buying of goods and services
- Business succession education for current owners and networking possibilities for future owners of existing owners.
- Supporting new programs which encourage new entrepreneurial owners of existing businesses or establishing new businesses
- Encouraging organizations and residents to support Phillips County and its businesses during this beginning of transition of wealth time period through a variety of education or

# **Phillips County Economic Development Strategic Plan**

## **-Discovering Phillips County Development Opportunities-**

### **Specific Goals**

#### **Business Recruitment:**

Develop programs and conditions that will successfully attract new targeted businesses that will diversify the economy as well as complement existing businesses. Below are specific action tasks:

- Provide input into the structure of local incentives and city/county planning efforts specifically for business recruitment and startups
- Strengthen the relationship with the Kansas Department of Commerce which is a source for business prospect inquiries
- Target trade shows and events to promote our community and advantages
- Contact recruiters, consultants, and site selectors to build relationships
- Continue to expand the knowledge, expertise, networking and linkages to State and Federal programs
- Focus recruiting efforts on target businesses and industries that will enhance the business atmosphere
- Promote development of infrastructure development such as: streets, business parks, utilities, and communication systems for ready-to-go properties
- Continuously enhance the PCED website to provide information to site selectors, consultants, entrepreneurs, and others interested in business activity in the area.

# Phillips County Economic Development Strategic Plan

## -Discovering Phillips County Development Opportunities-

### Specific Goals

#### **Foster Entrepreneurism:**

Every product or service starts with a few people who have the genius and enthusiasm for great ideas, but who sometimes need the assistance of others to bring the idea to reality. The PCED will provide the support tools through access to capital, networking, mentoring, and educational opportunities. Below are specific action tasks:

- Endorse entrepreneur classes and degrees at the high school, vocational-technical school and university levels
- Collaborate with the local Entrepreneurial Center to encourage and support the development of classes that local businesses are requesting or are needing
- Build on the alliance with Small Business Development Center (SBDC) training system and other educational programs and organizations
- Implementation for improvements at the existing incubation facility so provide more support for new start-up businesses
- Facilitate access to capital through revolving loan funds, local banks, and other sources
- Creation of new financial programs specifically geared toward entrepreneurs
- Continue to expand the knowledge, expertise and linkages to State and Federal programs
- Focus on retaining and educating local graduates about entrepreneurialism
- Research and investigate the possibility of support of entrepreneurial training in K-12
- Continuation of a non-traditional, entrepreneurial PCED scholarship program

# **Phillips County Economic Development Strategic Plan**

## **-Discovering Phillips County Development Opportunities-**

### **Specific Goals**

#### **Foster Community Development Issues:**

Encouraging the growth and development of vital community needs, while developing business, is critical for establishing a strong living atmosphere for the current and future workforce and the workforce families. The PCED has been working with the Discover Phillips County Initiative which showed four key points of interest for community development. The four key points (areas) of community development from the initiative focused on Housing, Recreation & Fitness, Attractiveness & Beautification, and Infrastructure. Below are specific action tasks:

- Continue to work with the Discover Phillips County Initiative group
- Establish specific task force groups to address specific areas brought forward through the Initiative
- Encourage cooperation between towns and organizations to coordinate county-wide support for projects
- Pursue development of a local program that would encourage new housing construction and multi-use housing alternatives, such as; (an independent living complex, improved rental properties, and others housing opportunities)
- Support for new recreational activities that would enhance the quality of life issues for both visitors, but also for residents.
- Investigation into the support of a county-wide recreation commission
- Working with towns across the county to develop realistic programs that would encourage revitalization, attraction, and beautification of their towns for their own specific town goals.
- Continue to work directly with the Discover Phillipsburg Main Street program
- Encourage establishment of volunteer groups to act as the leaders in each of the towns
- Creation of wealth retention programs and projects through collaboration with other existing community foundations or other sources of gifting entities

# **Phillips County Economic Development Strategic Plan**

## **-Discovering Phillips County Development Opportunities-**

### **Specific Goals**

#### **Marketing/Image:**

Market Phillips County in a way to promote its assets, values, history, and progressive outlook toward the future so as to create a positive image that will increase economic activity, invite new residents and workforce, and attract investment in the community. Below are specific action tasks:

- Create a continuous and unified marketing theme for Phillips County
- Enhance and/or develop brochures, videos, the Web Site, and other marketing tools to promote the quality of life, opportunities, and business development avenues
- Work in conjunction with Phillips County and communities within Phillips County to utilize State and Federal resources for marketing businesses and communities
- Collaborate with the media on presenting a positive image of Phillips County
- Communicate regularly with our businesses and the entire community
- Continue to enhance a more approachable feel to the PCED organization
- Communicate yearly the importance of marketing the positives of our rural area to our local children attending our schools
- Continuously enhance the PCED Web Site to provide information to site selectors, consultants, entrepreneurs, and others interested in business activity in the area.
- Conducting an annual meeting for marketing our direction and accomplishments to our local businesses and organizations
- Establish more economic development education at the local level through awareness to the public, such as (Newspaper column, website blog, weekly radio announcements, radio talk show or other instrumental means)
- Training to our local residents on the benefits and assets of the community
- Utilize the Discover Phillips County marketing and encourage other entities using marketing and advertisements to utilize the branding effect of the initiative logo
- Involve marketing avenues with our school alumni

# Phillips County Economic Development Strategic Plan

## -Discovering Phillips County Development Opportunities-

### Specific Goals

#### **Funding / New Program Development:**

Long-term, consistent funding is critical to enable us to reach our goals to be a catalyst for growth in Phillips County. This funding provides PCED the ability to create new programs, support projects, continual support and representation for development activities and technical assistance. Work with our private partners to increase funding possibilities for new programs and projects in the future. Below are specific action tasks:

- Increase Private Sector funding, primarily from foundations, to increase the possibilities of support for programs and projects for development
- Requesting grant support from both local and alternative sources to match PCED funding on an annual basis for our project & programs fund (GLRF). This will grow special fund support faster in order to enhance development activities in specialized areas.
- Establish stronger communication with Phillips County alumni and alumni groups, in order to better inform alumni of business opportunities and allow them the possibility to invest back into the area through a business, workforce referral, or financial support.
- Present the operational budget and special programs to the public on an annual basis
- Develop knowledge, expertise, and linkages to State and Federal grants programs
- Establish a perception and awareness that Phillips County is an excellent area to invest grant funding into due to its progressive nature and follow-through on development activities.
- Creation of county-wide program which will focus on the next economic development incentive program for business development, which will be workforce recruitment.
- Pursuit of a business succession training and program
- Investigate the creation of an economic development plan in the case of a critical emergency

# **Phillips County Economic Development Strategic Plan**

## **-Discovering Phillips County Development Opportunities-**

### **Specific Goals**

#### **Networking / Regionalism:**

Because of a growing population in North West and North central Kansas, it is important to the long term survival of Phillips County, PCED should work in cooperation with economic development professionals, elected officials, and the residents of each county to provide support for growth and development within the entire region. Below are specific action tasks:

- Enhance our relationship with the surrounding communities towns
- Support efforts by surrounding economic development groups to encourage growth in population and business activity
- Improve our legislative stand for benefits in rural area and development positions by actively participating with a strong regional group that can have more influence at the state or national level
- Continue to support the efforts of the Western Kansas Rural Economic Development Alliance (wKREDA) which cover over 50 counties in the western half of the State of Kansas
- Continue support of regional programs which will enhance the possibilities for growth of Phillips county population, regional workforce, business improvement, and economic stability and growth (WHJ Initiative, EB-5 Program, and others)
- Continue to encourage and support the efforts of the Solomon Valley Resource Conservation and Development (SVRCD) organization which covers the immediate counties surrounding Phillips County
- Improve awareness of Phillips County at international levels by PCED having leadership roles with regional initiatives and becoming a part of organizations which provide international contacts, leadership and educational information and opportunities for our residents; such as (KARL – Kansas Agriculture and Rural Leadership Program, Kansas Calvary or IEDC – International Economic Development Council).

# Attachment #2

<<Letter of Request – Sample>>

<place on business letterhead>

1-1-2009

<current date>

To PCED Board,

The <name of business> is a locally run and owned <type of service> store or group. Our products include <types of services or products that will be provided>. All the items a small town resident may need. I purchased the store from a previous owner, , three years ago <a little history>. I worked with the previous owner at the store for years prior to buying it <share some experience information>. Some improvements were made to the store prior to its purchase; such as new registers, programming software <improvements – if any>. Unfortunately, some needed items were left to be repaired or purchased by a future owner. These include floor, ceiling tiles, cabinets, refrigeration units, other items <items needed that are in request>. The refrigeration units are old and are not energy efficient, and we are considering replacing these in the future, but not now. The most pressing need is the \_\_\_\_\_ <items needed>. The major reason for these items is \_\_\_\_\_ <why there is a need for item(s) now>.

We currently employ \_\_ full-time and \_\_ part-time employees <employee or volunteer info>. Most of the part-time employees are high-school students. These jobs are needed for stocking and registering, but also provide the students with job experience. We have a management plan in place to help keep our part-time staff busy doing multiple jobs within the store <about management plan or working plan>. The majority of my knowledge for running the business, and I feel we do a good job, is from on-the-job training from working every area of the store when previous owner had the business <current owner experience or organization's history>. Some references would be \_Mr. A\_\_\_\_\_, \_\_\_Mr. B\_\_\_\_\_, and \_\_\_Mr. C\_\_\_\_\_. <references or supporter of program>

One reason for initially moving to \_\_\_\_\_, was the small town feeling and being involved with a small business and to have a job in this field while raising a family. My feeling has not changed, just got bigger in ownership rather than being an employee. I realize that \_\_<location-area-town>\_\_\_\_ is the great place to raise my children. It has a safe environment, a good school, and strong local support. I have also grown from my interest of having a job, to being a business owner <general information about why owner is in area with business>. At times, this can be hard in a small town, especially with limited customers. But we have some very loyal customers, and we feel we give great service for a small town \_\_retail store\_\_\_\_\_ <type of business or activities>. We have given support, whenever financially possible, to service clubs or events in the community. We are a member of the Chamber <give examples of involvement – commitment outside business> helping with service projects in town.

Our project is simple, but this improvement is needed and would impact our cash flow in a big way without your financial assistance. We need \_\_\_\_\_ <list items needed to complete project>. I have been talking with <local bank>, through \_\_\_\_\_ <banker>, about the project and this program. He is more than willing to loan the money for the required match, if this program could help with funds through a grant for some of the cost of the project. Most all the bids received for project

are from inside the county and a few are from outside the county. I feel \_\_\_\_\_  
<business with bid chosen to do work> will be able to provide the best services for the project <if a bid was not used, why?>. I also understand how important it is to keep business local, as was another reason for my choice. The total project cost will be \$ \_\_\_\_\_ dollars. I really feel the <items improved by project> will be a positive start in protecting the building and helping improve the business and our service <what does this project do to improve business or help community development>. It will also allow me (us) to start focusing on internal improvements without worrying about damage from leaking water onto the floor, ceiling tiles, wiring, or inventory. Also, I will not have to worry about safety issues for the customers going through the store when I have the leaks or trying to clean up the mess.

We would like to ask for your help in financial assistance in the amount of \$ \_\_\_\_\_ through the Special Request Program for this improvement project of \_\_\_\_\_ <name of business>. The other \_\_\_\_\_ <matching amount> which is \_\_\_\_\_ <% match business provides> percent of the project cost, we will provide through a \_\_\_\_\_ <how you will get matching funds..i.e. bank loan, cash savings, 2<sup>nd</sup> mortgage, other> as a match. The required program documents which were listed in the program outline or specifically requested by PCED staff or board members is attached to this letter of request. I will be available to answer any questions during your meeting or over the phone prior to the meeting.

We would like to thank you for sharing this program information with us and providing the opportunity of such grant assistance. I understand that grant funding is not guaranteed, but we are very thankful that we have this option available for our Phillips County businesses. <any other comments>

Again thanks for your time. I look forward to discussing this request in person with the PCED board on \_\_\_\_\_ <date of next regular PCED meeting>.

Sincerely;

<your Name> **“always sign document”**

Business Information:

<business name>

<address>

<phone #'s>

<e-mail>

<website address>

## **Information on Sample “Letter of Request”:**

This sample of the “Letter of Request” is meant to be a guide for those business owners or non-profit organizations applying for special financial assistance from the Phillips County Economic Development (PCED) Committee. It is recommended by the PCED committee and PCED staff that as much information about the project be disclosed (in detail) as possible, to better illuminate the need and viability of the project for the applicant.

This document should NOT be used as an application sheet for funds. Some similarities are expected, but simply just filling in the blank of this sample or duplicating word for word from the sample letter with no originality for the request, is strongly discouraged.

Since most loan programs are made up of application sheets, the general public is accustomed to those types of request paperwork. Since grants requests are unique in many ways, especially due to the funding not having the requirement of being paid back (in most situations), the applicant is expected to request these funds in a more unique and challenging way. This process is done through what is called a “letter of request” for funds. In reality, it is a formal request through a narrative style, rather than a fill-in-the-blank style form. As the narrative request is not generally used, the previous example (sample) was given to help guide a newcomer through the process.

In the sample, you will notice that all the requirements made in the Special Request Program are mentioned and addressed. Keep in mind, that the “Letter of Request”, is one of the key parts of the business owners (applicant) request. It is very much like an executive summary. If this was the only item (piece of paperwork) that the PCED board received, they should be able to answer ninety percent if not most of their questions about your project and the request itself. The other ten percent of validation comes from your attached documents, such as the business plan, financials, bids or other requested documents. Keep in mind a business plan includes future projections of financials for the business or project (future budget – if applicable). The financial covers historical figures of the business or organization.



# Attachment #3

<<Memorandum of Understanding – Non-Profit Organization generic copy>>

## Special Request Program Memorandum of Understanding (MOU) – Non-profit organizations

This Memorandum of Understanding (MOU) is between the Phillips County Economic Development committee (PCEDc) and the (organization) \_\_\_\_\_ (Known hereafter as the applicant). The Special Request Program (SRP) guidelines were given to the applicant prior to the request made to the PCEDc. Applying for these Special Request Program funds did not guarantee or constitute the applicant would receive any funds. The applicant provided all required project information as indicated in the “items required” section. The applicant was APPROVED for SRP funds by the PCED committee for the project, which was presented in writing. SRP financial assistance was committed to the project in the (amount) of \$ \_\_\_\_\_ dollars. Approval for the project was given by an affirmative vote of the PCEDc during their regular meeting on \_\_\_\_\_. The applicant is providing “applicant” match monies for the project in the amount of \$ \_\_\_\_\_ dollars and “Other Organizational Commitment” match monies in the amount of \$ \_\_\_\_\_ dollars. This total “overall match” for the project totals \$ \_\_\_\_\_ dollars, which represents \_\_\_\_\_% percent of the total project cost, which is \$ \_\_\_\_\_ dollars. The “overall match” meets or exceeds the required minimum for the program. It is understood by the applicant that the financial assistance will be made out directly to the organization, unless the special requirements on “escrowing” is marked. A copy of the “letter of request”, its attachments and this signed MOU will be given to the applicant’s bank, and any other applicable organization involved with this project request.

The applicant understands and will adhere to all the guidelines for and within the Special Request Program (SRP). Any special requirements in the (non-profit) section of the SRP guidelines or other more specific guidelines added by the PCED committee of which have “filled boxes” marked below will apply to these funds and/or applicant:

- The financial assistance in this agreement will be made out to the applicant's bank, and funds will be provided through an escrowed account at the applicant's bank
- Twenty percent (20%) of approved SRP funds provided will be held in the escrow until project is documented complete, by the following  
\_\_\_\_\_.
- Approved SRP funds will be provided in smaller denominations over specific time periods within the project. These special allocation periods are:
  - o Time Period #1 \_\_\_\_\_
  - o Time Period #2 \_\_\_\_\_
  - o Time Period #3 \_\_\_\_\_
- Approved SRP funds will be provided after completion of a special study/analysis being performed and a copy of such study is provided to the PCED committee. This requirement does not prevent the applicant from requesting special assistance from the PCED committee for such a special study to be performed through another separate request.
- Any other special requirements, placed on the applicant by the PCED committee listed:  
\_\_\_\_\_  
\_\_\_\_\_

The signature of the PCEDc chairman on the bottom of this MOU is a commitment of these SRP funds for the specific project outlined which was approved by the PCED committee on <date> \_\_\_\_\_. A signature by the applicant at the bottom indicates an understanding by the same that the rules applicable to these special requested program funds will be met as indicated in this MOU and throughout the guidelines of the Special Request Program. It is understood by applicant, that a follow-up report will be given to the PCED committee after completion of project. Acceptance of funds, allows the PCED committee to use and acknowledge the applicant's

business as a recipient of SRP funding through media sources. A testimonial by the applicant will also be given to PCED staff for use on its development website upon completion of the project.

\_\_\_\_\_ Date: \_\_\_\_\_

Paul Merklein, Chairman - PCED committee

\_\_\_\_\_ Date: \_\_\_\_\_

<<business name>> – << owner>>, <<title>> (applicant)

# Attachment #4

<<Memorandum of Understanding (MOU) – For-Profit businesses>>

## Special Request Program Memorandum of Understanding (MOU) –For-Profit Business

This Memorandum of Understanding (MOU) is between the Phillips County Economic Development committee (PCEDc) and the (business) \_\_\_\_\_ (Known hereafter as the applicant). The Special Request Program (SRP) guidelines were given to the applicant prior to the request made to the PCEDc. Applying for these Special Request Program funds did not guarantee or constitute the applicant would receive any funds. The applicant provided all required project information as indicated in the “items required” section. The applicant was APPROVED for SRP funds by the PCED committee for the project, which was presented in writing. SRP financial assistance was committed to the project in the (amount) of \$\_\_\_\_\_ dollars. Approval for the project was given by an affirmative vote of the PCEDc during their regular meeting on \_\_\_\_\_. The applicant is providing “applicant” match monies for the project in the amount of \$ \_\_\_\_\_ dollars. This match represents \_\_\_\_\_% percent of the total project cost, which is \$ \_\_\_\_\_ dollars. The “applicant” match meets or exceeds the required minimum for the program. It is understood by the applicant that the financial assistance for this project will be made out to the applicant’s bank, and funds will be provided through an escrowed account at the applicant’s bank, \_\_\_\_\_(name of bank) at \_\_\_\_\_(bank address). A copy of the “letter of request”, its attachments and this signed MOU will be given to the applicant’s bank, and any other applicable organization involved with this project request.

The applicant understands and will adhere to all the guidelines for and within the Special Request Program (SRP). Any special requirements in the (non-profit) section of the SRP guidelines or other more

specific guidelines added by the PCED committee of which have “filled boxes” marked below will apply to these funds and/or applicant:

- Twenty percent (20%) of approved SRP funds provided will be held in the escrow until project is documented complete, by the following  
\_\_\_\_\_.
- Approved SRP funds will be provided in smaller denominations over specific time periods within the project. These special allocation periods are:
  - o Time Period #1 \_\_\_\_\_
  - o Time Period #2 \_\_\_\_\_
  - o Time Period #3 \_\_\_\_\_
- Approved SRP funds will be provided after completion of a special study/analysis being performed and a copy of such study is provided to the PCED committee. This requirement does not prevent the applicant from requesting special assistance from the PCED committee for such a special study to be performed through another separate request.
- Special Addition to the MOU agreement must be signed (*attached*)
- Any other special requirements, placed on the applicant by the PCED committee listed:  
\_\_\_\_\_  
\_\_\_\_\_

The signature of the PCEDc chairman on the bottom of this MOU is a commitment of these SRP funds for the specific project outlined which was approved by the PCED committee on <date> \_\_\_\_\_. A signature by the applicant at the bottom indicates an understanding by the same that the rules applicable to these special requested program funds will be met as indicated in this MOU and throughout the guidelines of the Special Request Program. It is understood by applicant, that a follow-up report will be given to the PCED committee after

completion of project. Acceptance of funds, allows the PCED committee to use and acknowledge the applicant's business as a recipient of SRP funding through media sources. A testimonial by the applicant will also be given to PCED staff for use on its development website upon completion of the project.

\_\_\_\_\_ Date: \_\_\_\_\_

Paul Merklein, Chairman - PCED committee

\_\_\_\_\_ Date: \_\_\_\_\_

<<business name>> – << owner>>, <<title>> (applicant)



# Attachment #5

*Addendum A to (MOU) – For-Profit businesses  
(for a businesses receiving more than \$20,000 of support from the Special Request Program)*

## **Special Request Program Addendum A to the MOU agreement - For-Profit Businesses**

This Addendum A to the Memorandum of Understanding (MOU) is between the Phillips County Economic Development committee (PCEDc) (a political subdivision of Phillips County, Kansas) and \_\_\_\_\_ (insert name of business) \_\_\_\_\_ (hereafter referred to as the "Applicant"). Due to the request and approval of funds through the Special Request Program (SRP) being over \$20,000 dollars, Applicant agrees to specific contractual obligations in the form of conditions precedent and conditions subsequent to the receipt of the funds by Applicant. In consideration for the receipt of the funds specified herein, Applicant hereby covenants and warrants to PCEDc as follows:

1. Applicant intends to develop and expand its business in Phillips County.
2. Applicant intends to continue this business for a period of more than five years, absent any reasonably unforeseeable circumstances that would have a material impact on its business requiring closure or cessation of operations.
3. In the event circumstances occur which are not reasonably within the control of Applicant, and its business should close or cease to operate for a period exceeding ninety (90) days, Applicant dissolves or forfeits its articles of incorporation or organization, or Applicant files for bankruptcy protection (hereinafter referred to as "Events of Default"), then Applicant agrees to repay specific amounts of the SRP funds on a percentage basis tied to the number of years the business was operational from the time SRP funds were given as specified below. Specifically, if an Event of Default occurs within five (5) years from the date Applicant receives the SRP funds,

the Applicant understands and agrees to repay a percentage of the SRP funds based on the following times and percentages listed below:

| <u>Length of Time Business Operates</u> | <u>Percent of Fund Repayment Due</u>       |
|---|--|
| Within 1 year from receipt of funds:    | 100% of SRP funds                          |
| Between 1 year and 2 years              | 80% of SRP funds                           |
| Between 2 years and 3 years             | 60% of SRP funds                           |
| Between 3 years and 4 years             | 40% of SRP funds                           |
| Between 4 years and 5 years             | 20% of SRP funds                           |
| After 5 years                           | 0% of SRP funds<br>(no repayment required) |

Applicant's signature on this Addendum A indicates an understanding of these contractual obligations undertaken by the Applicant upon receiving the SRP funds. This Addendum A, including the Unconditional and Continuing Guarantee set forth below (if executed), shall be attached to the MOU and shall be incorporated by reference as though fully set forth therein.

\_\_\_\_\_ Date: \_\_\_\_\_

Paul Merklein, Chairman - PCED committee

APPLICANT: (Name of Business)

\_\_\_\_\_ Date: \_\_\_\_\_

Signature

By: \_\_\_\_\_

Title: \_\_\_\_\_

[Continued to Next Page]

**UNCONDITIONAL AND CONTINUING GUARANTEE**

The undersigned Guarantor(s) unconditionally guarantee the payments referenced in this Addendum A to the MOU Agreement, including any costs associated with the collection of said payments, to include but not limited to reasonable attorney's fees. I/we understand that if more than one Guarantor signs this Unconditional and Continuing Guarantee ("Guarantee") the obligations of each Guarantor shall be joint and several. If Applicant is a corporate entity or partnership, PCEDc may proceed directly against any Guarantor for the performance hereby guaranteed without first taking any action against the Applicant or any other person or entity and without proceeding to foreclose on any collateral in which you have an interest, and I/we hereby waive any right to require you to first proceed against the Applicant or any other person or entity, or to exhaust any collateral before enforcing this Guarantee. I/we hereby waive any claim or defense arising by reason of any statute of limitations or disability or other claim or defense of Applicant, its successor(s) or assigns. This is a continuing guarantee and I understand and agree that it shall remain in full force and effect until all payments hereunder have been paid or the terms of this Addendum A expire of their own accord. If any provision of this Guarantee is invalid or cannot be enforced for any reason, the remainder of this Guarantee shall remain in full force and effect. Any provision of this Guarantee that is contrary to any applicable law shall be considered to be modified to the extent required to conform with the law, if possible, and if not possible, shall be omitted from this Guarantee. This Guarantee, the MOU and Addendum A to the MOU constitute the entire agreement between PCEDc and the undersigned, and no modification hereof shall be enforceable unless such modification shall be in writing signed by Applicant, Guarantor and PCEDc.

\_\_\_\_\_  
Signature of Guarantor

\_\_\_\_\_  
Signature of Guarantor

STATE OF KANSAS            )  
  )  
COUNTY OF PHILLIPS        )

Before me, the undersigned, a Notary Public, within and for said County and State, on this the \_\_\_\_ day of \_\_\_\_\_, 2010, personally appeared \_\_\_\_\_ and \_\_\_\_\_, to me personally known to be the identical persons who executed the within and foregoing instrument and acknowledged to me that he/she executed the same as his/her free and voluntary act for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last written above.

\_\_\_\_\_  
Notary Public  
\_\_\_\_\_  
Printed Name  
My Commission Expires: \_\_\_\_\_

