



BUSINESS & INDUSTRY GUIDE

Accessing Incentives in Clark County, Arkansas



Table of Contents

EXECUTIVE SUMMARY & INTRODUCTION	3 - 4
LOCAL INCENTIVE FUND PROGRAM	5 - 6
APPLICATION FOR LOCAL INCENTIVES	7 - 12
PROCESS FOR REVIEWING APPLICATIONS FOR INCENTIVES	13
BANKING AND BUSINESS RESOURCES	14 -15
BUSINESS PLAN INFORMATION	16
CHECKLIST	17
CLOSING LETTER	18
ALLIANCE CONTACT INFORMATION	19

Executive Summary

Introduction

In the endeavor to grow your company, the Arkadelphia Regional Economic Development Alliance and Area Chamber of Commerce (Alliance) provides guidance to businesses seeking access to financial incentives and resources offered in Clark County. The Alliance is a collection of organizations and services under one roof that encourages business growth in the county. The Alliance helps recruit, grow, and expand businesses in Clark County and also promotes the area as a destination for new business and industry investment.

This guidebook has been prepared to help navigate the process and obtain the resources and assistance needed to grow. It serves to:

- 1) Explain the process and requirements for accessing local incentive funds;
- 2) Provide options for private, federal, and state funding and assistance; and
- 3) Act as an agreement whereby your company and the Alliance commit to the process that can lead to your business receiving approval of local incentive funds.

Local Incentive Fund

The voters of Clark County approved in 2007, 2014, and again in 2021 the establishment of a half-cent sales tax for the purpose of economic development. Proceeds from the tax are administered by the Economic Development Corporation of Clark County (EDCCC), and are used, among other things to provide incentives to eligible companies that create jobs and make capital investments to locate or expand in the county.

Applicants are those which, at a minimum, fit the utilization guidelines provided to the Clark County Quorum Court by the EDCCC. Eligible applicants may not necessarily receive an incentive award as all funding provided by the EDCCC is discretionary in nature. EDCCC policy is that all applicants must pay each Arkansas employee at least the state minimum wage to be considered. Applications will be reviewed by the Alliance, who shall perform all appropriate due diligence, and provide the EDCCC with information necessary for the EDCCC to make a funding decision.

The EDCCC will designate a set aside of least \$50,000 in incentive funding for companies with ten or fewer employees. This fund is to be replenished up to the \$50,000 level each calendar year.

The Alliance and EDCCC do not and shall not discriminate on the basis of race, color, religion, gender, gender expression, age, national origin, disability, marital status, sexual orientation, or military status in any of its activities, operations, or incentive awards.

Commitment

The Alliance supports your company’s goal of being more competitive, along with the creation of new jobs and capital investment in Clark County. We want to be a partner in your success and our county’s prosperity. To formalize our partnership, we ask for **your signature in two places**. First, please sign the **bottom of this page** to acknowledge receipt of the guidebook and confirm your intention to meet with the Alliance to walk through it. After meeting with the Alliance, please sign the **bottom of the closing letter** at the back of the guidebook. The second signature confirms that you reviewed the guidebook with the Alliance and understand the local incentive funding process. It also signals the beginning of a 60-day period for you to complete your application for local incentive funds, which requires you to collect information, provide it to the Alliance, and submit follow-up information that may be requested.

Signature of Company Representative

Signature of Alliance Representative

Print Name of Company Representative

Print Name of Alliance Representative

Name of Company

Arkadelphia Regional Economic
Development Alliance

Date

Date

Local Incentive Fund Program

Description

The local incentive fund is a financial assistance program provided by the Economic Development Corporation of Clark County (EDCCC). Its purpose is to help qualified businesses in Clark County or those looking to locate in Clark County, offset the costs of capital location or expansion projects and/or train workers. The use of the funds is governed by Arkansas Code A.C.A. § 14-175-101 and Clark County Ordinances 2021-06 and 2022-01.

The Alliance is contracted by the EDCCC to provide certain services which includes partnering with businesses to collect information and help those seeking qualification for incentives. The EDCCC is the sole determiner and decision-maker regarding incentives.

Quick facts:

- Local fund fueled by 1/2-cent sales tax approved in 2021 by Clark County voters to promote economic development.
- Local fund incentivizes companies looking to create jobs and make capital investments to locate or expand in the county.
- Structured as a performance agreement with number of full-time primary jobs created or retained, average wage, capital investment, and/or other specific performance as payback.

Does My Company Qualify for Incentives?

There is a set of criteria to determine whether your company qualifies to apply for the local incentive fund program.

Question 1) Is your company located in Clark County?

Question 2) Are you creating or retaining “primary jobs”?

A **primary job** means a job,

- For which a majority of the products or services of that enterprise are ultimately used in regional, statewide, national, or international markets infusing new dollars into the local economy; **and**
- That derives less than ten percent (10%) of its total Arkansas revenue from sales to the general public.

Question 3) Does the project meet the criteria of an economic development project?

- a) An economic development project means the land, buildings, furnishings, equipment, facilities, infrastructure, and improvements that are required or suitable for the development, retention, or expansion of:
 - 1) Manufacturing, production, and industrial facilities;
 - 2) Research, technology, and development facilities;
 - 3) Recycling facilities;
 - 4) Distribution centers;
 - 5) Call centers;
 - 6) Warehouse facilities;
 - 7) Job training facilities;
 - 8) Regional or national corporate headquarters facilities, and
 - 9) Sports complexes designed to host local, state, regional, and national competitions, including without limitation baseball, softball, and other sports tournaments.
- b) Infrastructure means:
 - 1) Land acquisition;
 - 2) Site preparation;
 - 3) Road and highway improvements;
 - 4) Rail spur, railroad, and railport construction;
 - 5) Water service;
 - 6) Wastewater treatment;
 - 7) Employee training, which may include equipment for such purposes; and
 - 8) Environmental mitigation or reclamation.

Answer) If the answer to these three questions is yes, then the project qualifies for consideration of receiving incentives.

Application for Local Incentives

Applicant/ Company Info

Local Operating Name of Company

Mailing Address

City/State/Zip

Physical Location of Project

City/State/Zip

County

Name and Title of Local Company Contact

Phone

Company Contact e-mail address

Company Website

Corporate HQ Mailing Address if different from above

Complete Company Name, if company is filing for incentive funds under a different name

EIN of the company applying for incentive funding _____

Ownership of Company (Please check the appropriate box.)

☐ Individual

☐ Partnership

☐ LLC

☐ Taxable Corporation (C Corp)

☐ Small Business Corporation (Sub S Corp)

Please list all of the business entities under common or similar ownership as the company:

NAICS code of the company applying for incentive funding _____

Description of the principal business activity, products manufactured, etc.

Employment

Present employment at the project site: _____

Number of new employees resulting from this project: _____

Average Hourly wage of new employees hired for this project: \$ _____

Total annual payroll of new employees hired for this project: \$ _____

Project Plan

Please indicate the activity planned by the company associated with this application.

(Check all that apply)

☐ New Construction ☐ Expansion of existing business

Estimated Start Date of Project: _____ Estimated Completion Date of Project: _____

Brief Project Description:

Project Cost Estimates: (please include additional pages if necessary)		
Land:	Description:	
		\$
Land Total:		\$
Building:	New construction:	
		\$
	Expansion or purchase of existing facility:	
		\$
Building Total:		\$
Machinery, Equipment & Infrastructure:	Description:	
		\$
Machinery, Equipment & Infrastructure Total:		\$
Total Estimated Project Cost:		\$

Due Diligence Information

Please include the following documents. Additional information and/or discussion may be required once the information below has been provided. A personal or business credit report will be ordered for all companies or individuals making application as noted below.

- A detailed project overview
- Three-year business plan with complete pro-forma financial projection, including income statement, balance sheet, statement of cash flows and all assumptions used in the projections. Each page of the financial projections needs to be signed by the CEO or CFO of the company asserting that the statements are true and accurate to the best of their knowledge. For assistance developing a business plan, please contact the Arkansas Small Business and Technology Development Center.
- A detailed sources and uses of funding for the project.
- A list of all business entities under common or similar ownership as the company.

- A list of all persons that own or control more than 10% of the company and the percentage of ownership and personal financial statements of each, including all supporting information.
- A current resume of all key management personnel, owners, and project consultants (background checks will be conducted).
- If applicable, three years of audited financial statements, including income statements, balance sheets, statement of cash flows and notes. If audited statements are not available each page of the financial statements need to be signed by the chief executive officer or chief financial officer of the company asserting that the statements are true and accurate. If these statements are internally generated or compiled, then tax returns from the previous three years are required.
- Any other pertinent financial information to analyze the economic viability of the project.
- Copies of executed purchase contracts, supply contracts, off-take agreements, or any other contractual obligations that impact the financial position and performance of the company and project. Documents should include but are not limited to terms, conditions, contingencies, limitations.
- A copy or access to all information used to secure investor funding or other outside funding.
- A detailed list of the project's relationship to any sovereign government (funding source, owners or management with ties to a sovereign government or political entity, etc.). This also includes information on any project management of the current project (example: the current project is managed by a company whose ownership reports to a sovereign government).
- A business credit report will be ordered for the company making application. If the business has been in existence for two years or less, a personal credit report will be ordered for persons that own or control more than 10% of the company.

This application is not considered complete until all requested information has been provided.

Certification

The undersigned authority, _____ acknowledges that he/she is the owner or

Company Official (Printed Name)

authorized official of the applicant company and has the authority to act on behalf of the applicant/company.

This affidavit is made for the specific purpose of verifying that the information contained in this application is true and correct. **The applicant acknowledges that only those eligible project costs incurred and/or employees hired after the date this application is received by the Alliance will be considered for funding on a reimbursement basis by the EDCCC.**

The applicant company does hereby agree to report new job creation and investment figures to the Economic Development Corporation of Clark County for the term of the incentive agreement upon request. **The applicant acknowledges that a signed Incentive Agreement will be executed upon the project's approval by the EDCCC containing recapture/claw back provisions if job creation and investment figures are not met.**

Signature of Company Official

Title

Date

Press Release Disclosure

I ☐ **do** ☐ **do not** authorize the Arkadelphia Regional Economic Development Alliance to release to the press the new job creation and investment figures.

The EDCCC is a public organization and all or some of the information you submit may be subject to public disclosure pursuant to the Arkansas Freedom of Information Act.

Signature of Company Official

Title

Date

The eligibility provisions of the individual incentive programs will be administered by the Economic Development Corporation of Clark County (EDCCC). The corporation's approval of this application is based upon its content and the required due diligence items provided.

If you have questions about the incentive programs included in this application, please call the Arkadelphia Regional Economic Development Alliance at (870) 246-1460 or visit the Alliance website at www.arkadelphiaalliance.com.

Submit this application to:

Arkadelphia Regional Economic Development Alliance
201 N 26th St.
Arkadelphia, AR 71923

For AREDA AND EDCCC USE ONLY

Date completed application received: _____

Presented to AREDA Board of Directors for Review: _____

Date

President & CEO

Arkadelphia Regional Economic Development Alliance

EDCCC Board Presentation and Decision:

Project presented to EDCCC on: _____
Date

☐ Fund Amount: _____

☐ Do Not Fund Date: _____

Chairman
Economic Development Corporation of Clark County

Notes:

Process for Reviewing Applications for Incentives

- Initial meeting with the Alliance CEO to discuss project parameters, needs, process, and receive the Business & Industry Guide.
- Complete incentive application along with required due diligence information and return to the Alliance.
- The Alliance CEO and the Board of Directors will review the project for compliance with the eligibility requirements as determined by the EDCCC. A list of those applying for incentives will be supplied by the Alliance to the EDCCC at each regular EDCCC board meeting.
- If the Alliance Board of Directors determines the project meets the EDCCC eligibility requirements, the application will be presented to the EDCCC for consideration. If the Alliance Board determines the project does not meet the EDCCC eligibility requirements, the applicant will be notified and can make an appeal request directly to the EDCCC by asking to be placed on the agenda at the next EDCCC meeting.
- Application and project will be presented to the EDCCC board for consideration and the board will vote to determine any potential incentive funding.
- The Alliance CEO will contact the company with the determination of the EDCCC and will coordinate next steps with the company and EDCCC legal counsel to draft an incentive agreement.

Traditional Banking

Bank of Delight

Terry Bird
600 E Smith Street Gurdon,
AR 71743
870-406-3501
terry.bird@bankofdelight.net

Citizens Bank

Lori Ross
2710 Pine Street
Arkadelphia, AR 71923
870-464-1560
lorir@thecitizensbank.net

Southern Bancorp

Shari Echols
601 Main Street
Arkadelphia, AR 71923
870-246-5811
shari.echols@banksouthern.com

U.S. Small Business Administration

Arkansas Small Business and Technology Development Center

Ryan Cole
UA - Little Rock
501-804-6173
rcole1@ualr.edu

Citizens Bank SBA Loan

Lori Ross
2710 Pine Street
Arkadelphia, AR 71923
870-464-1560
lorir@thecitizensbank.net

Southern Bancorp SBA Loans

Shari Echols
601 Main Street
Arkadelphia, AR 71923
870-246-5811
shari.echols@banksouthern.com

Arkansas Department of Commerce

Arkansas Economic Development Commission (AEDC)

One Commerce Way, Suite 601
Little Rock, AR 72202
501-682-1121
www.arkansasedc.com

Arkansas Development Finance Authority (ADFA)

Ro Arrington

501-682-5900 | robert.arrington@arkansas.gov

Clint O'Neal, Executive Director

501-682-7351 | coneal@arkansasedc.com

AEDC- Small Business and Entrepreneurship Development

Esperanza Massana-Crane
501-682-7684 | emassana@arkansasedc.com

Business Resources

Arkansas Manufacturing Solutions

Bill Kraus

One Commerce Way, Suite 601

Little Rock, AR 72202

870-972-3000 | BKraus@ArkansasEDC.com

www.mfgsolutions.org

Their industry experts help manufacturers increase sales and cut costs by improving production processes. Staff specialists in your line of business visit your company to assess your needs, identify the pain points, and provide solutions. There is a free initial assessment, then a fee for additional services.

Arkansas Capital Corporation

Bert King

200 River Market Avenue, Suite 400 Little Rock, AR 72201

800-216-7237 | bking@arcapital.com

www.arcapital.com

Group of affiliate companies that empower entrepreneurs by providing capital to businesses. Other focus areas include New Markets Tax Credits and EB-5 lending.

Clark County Workforce Training Group

Scott Sikora

ASU Three Rivers

501-332-0249 | ssikora@asutr.edu

www.asutr.edu

The Clark County Workforce Training Group (CCWTG) is a newly formed partnership with Business and Industry in Clark County, the Arkadelphia Regional Economic Development Area Alliance & Area Chamber of Commerce (Alliance), Arkansas State University Three Rivers (ASUTR), Henderson State University (HSU), and West Central Arkansas Planning and Development District (WCAPDD). The goal of the partnership is to provide entry-level, technical, and leadership training by leveraging their collective resources in support of workforce training and economic develop in Clark County.

Business Plan

Essential Elements

A business plan provides direction and is usually a requirement seeking financing. It is a systematic assessment of all the factors critical to your business purpose and goals.

What to include in your business plan:

Title Page – This describes what the plan is for and includes general information on your business.

Business/Executive Summary – A one-page overview written after your business plan is finalized.

Company Description – This is typically called the management plan or operations plan. Describe the company's ownership/background, structure, staff (how many full-time and part-time workers), and product information. Formulate your goals and objectives for this new business or expansion.

Market Strategy – Outline your market analysis of the industry you are entering or expanding, your customers and your competitors.

Finances and Financial Projections – The financial plan includes how you will finance your business or business expansion, costs, and financial projections. What are the funds going to be used for (building, equipment, infrastructure, etc.)?

Succession Plan – What leadership and management structure is in place should something happen to the principal(s) of the company? Are they adequately trained? Do they inspire confidence?

What is your funding request? How much funding are you putting in, how much is coming from investors, banks, etc.?

Supporting Documentation – List all of your attachments under this heading in your plan for referral. For example: maps of location, resumes, equipment, investors, etc.

Checklist

Use this to see if your application is complete

- _____ Signed commitment letter on Page 4 of this guide
- _____ Signed closing letter on Page 18 of this guide
- _____ Met with the Alliance
- _____ Completed application for incentives
- _____ Included detailed project overview and information about the site, building, property, or equipment
- _____ Provided a three-year business plan with supporting documentation
- _____ Provided sources and uses of funding for the project
- _____ Disclosed investors' information
- _____ Provided financial statements
- _____ Provided copies of contracts for which the project is dependent
- _____ Included information from Arkansas Economic Development Commission (AEDC), if appropriate
- _____ Other

Closing Letter

Signature Requested

You have finished reviewing the guidebook. We hope it thoroughly and clearly outlined the Clark County local incentive funding program and process.

Please sign the bottom of this closing letter. It confirms that you met with the Alliance to review the guidebook and understand the local incentive funding process. It also signals the beginning of a 60-day period for you to complete your application for local incentive funds, which requires you to collect information, provide it to the Alliance, and submit follow-up information that may be requested by the Alliance or the EDCCC.

Signature of Company Representative

Signature of Alliance Representative

Print Name of Company Representative

Print Name of Alliance Representative

Name of Company

Arkadelphia Regional Economic
Development Alliance

Date

Date

Alliance Contact Information

Shelley Short, IOM

President & CEO

Arkadelphia Regional Economic Development Alliance and Area Chamber of Commerce

201 N. 26th Street

Arkadelphia, AR 71923

501-944-2028 mobile | 870-246-1460 office

shelley@arkadelphiaalliance.com



arkadelphia 
regional economic development alliance
and area chamber of commerce
201 N. 26th Street | Arkadelphia, AR 71923
870-246-1460 | arkadelphiaalliance.com