

**Velva Community Development Corporation
Grant and Loan Application Guidelines
April 2007**

Introduction

Established in 1973 the Velva Community Development Corporation (VCDC) mission is to promote business, economic, population and community development in and around the City of Velva. The VCDC receives funding from one half of the 1% Velva City sales tax designated for economic development plus local jobs development funds and provides funding to qualified applicants via grants and/or loans.

Funding Eligibility

A business or organization seeking VCDC funding must meet one or more of the following criteria:

- A new or existing business that pays quarterly North Dakota sales tax where 1% of the tax collected is given to the city of Velva through the sales and use tax.

- A new or existing business that will directly or indirectly create or retain jobs in the community.

- An existing business that changes ownership within the community and includes job retention and/or creation.

- A new or existing business willing to relocate to a newly or recently rehabilitated space on Velva's main street from Hwy 52 to 2nd Avenue may be eligible for a rent or lease funding. Additionally the business or organization owner must sign and present to the VCDC a valid rental agreement with a minimum three-year term. Said business or organization may receive payment equal to the first lease cost, disbursed annually over the three year lease period. Approved rent or lease payments will be paid jointly to the building's tenant and owner.

- A business, organization or project the focus of which is to encourage people and/or businesses to relocate to the Velva area.

- A business, organization or project that is currently or will be in direct competition with an existing local business or organization will normally be ineligible for VCDC assistance. However, in limited instances VCDC funding may be available depending upon the above criteria and the level of new or improved services not currently available in the Velva area.

Velva Community Development Corporation

Funding Programs

- 1). Grant** - Funds provide by the VCDC where repayment is not intended unless the applicant fails to comply with the terms of the grant.
- 2). Loan** – Funds provided by the VCDC where repayment is required.

Applicant Process

- 1).** Obtain and complete a VCDC funding application and provide the necessary attachments.
- 2).** Return the completed application package to the VCDC.
- 3).** Present the application to the VCDC Board.
- 4).** If approved by the VCDC Board, you may be required to attend the Velva Sales and Use Tax Committee meeting convened to consider the application.
- 5).** If approved by the Velva Sales and Use Tax Committee, you may be required to attend the Velva City Commission meeting convened to consider the application.
- 6).** If approved by the Velva City Commission, sign contractual agreement(s), return to the VCDC and receive funding.
- 7).** Where applicable, provide timely updates and payments to the VCDC.

Note: Normally the completed application process requires 2-3 months. In rare, but justified circumstances the process can be expedited in a period less than 2 months.

Contact Information:

VCDC
%Randy Hauck, Chairman
615 Hwy 52 West
Velva, ND 58790

Day 701-338-2855 ext. #310
Fax 701-624-0310
E-mail randyjh@verendrye.com