

Texas Department of Agriculture
Texas Capital Fund
Real Estate Development Program

Frequently Asked Questions

Q: What is the purpose of the Real Estate Development Program?

A: The Texas Capital Fund (TCF) Real Estate Development program funds the acquisition or renovation of an existing building, new construction or land acquisition, primarily in Texas' rural communities and counties in support of projects that create new jobs for low-to-moderate income persons.

Q: Who is eligible to apply for the Texas Capital Fund Real Estate Development Program?

A: Eligible applicants are "non-entitlement" city or county governments that do not receive direct funding from the United States Department of Housing and Urban Development (HUD). Non-entitlement units of local government include cities with a population of less than 50,000 and counties with a population of less than 200,000. Awarded cities and counties receive funds to make public infrastructure and/or real estate improvements to support a specific business that is expanding or beginning operations in the applicant's jurisdiction.

Q: When do you accept applications for the Real Estate Development Program?

A: The Texas Capital Fund Real Estate Development Program has an open application period wherein applications received on or before the 20th of each month will be reviewed for funding based on competitive scoring factors and funding availability.

Q: Is the Texas Capital Fund Real Estate Development Program a grant or a loan?

A: The TCF Real Estate award must be repaid. The business must make payment to the applicant. The amount of the payment is computed by dividing 240 into the amount of the award less the administration. No interest is charged on the loan amount.

Q: Can my city/county apply for more than one grant at a time?

A: Yes, and you may also request both infrastructure and real estate funds in one application for the benefiting company.

Q: What is the maximum amount of funds a city or county may receive?

A: The standard maximum award is \$750,000 with two jumbo awards of \$1,000,000 and one jumbo award up to \$1,500,000 offered each program year. The minimum award is \$100,000.

Q: What can the money be used for?

A: Purchase and/or renovation of an existing building, new building construction or land acquisition. It may also be used for private infrastructure.

Q: How are the TCF Real Estate Development applications evaluated?

A: Projects are evaluated by using a scoring system based on three major criteria: community need, job impact and economic impact. Applications for each month are ranked by score and funded based on funding availability.

Q: Is there a maximum cost per job created or retained?

A: Yes. The cost per job created or retained cannot exceed \$25,000.

Q: Are funds available to pay someone to do the administration of the contract?

A: Yes, \$25,000 to \$60,000 of grant funds may be used for administration purposes. The amount is dependant upon the amount of the award. These funds may be used to pay a city employee for time spent administering the contract, or it may be used to hire an outside administrator.

Q: How long does the community have to complete the project and hire the employees?

A: The contract period is three years from the execution date of the contract.

Q: What is required to complete the project?

A: The new or retained jobs must be documented on the benefitting company's payroll by the end of the contract period.

Q: If a community receives an award will they have a primary point of contact at the Texas Department of Agriculture?

A: Yes. There will be a TDA representative available to provide technical assistance throughout the term of the contract. In addition, a TDA representative will conduct an on-site visit to view the project area and discuss award requirements.

For more information, contact:

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