

Hidalgo County Enterprise Project

The purpose of this project is to embark in business entrepreneurship within the communities of Hidalgo County. The project is funded by Unclaimed Property Capital Credits from the Texas Comptroller of Public Accounts. In order to pursue economic development opportunities or partnerships with the cities within the County, Hidalgo County has certified to the state that the purpose of these funds will be in compliance with the provisions of Section 381.004 of the Texas Local Government. The intention of this project is to encourage entrepreneurship, create critical jobs, advance commerce, and promote tourism to boost our local economy. Entrepreneurs who seek an interest in this possible enterprise must read on.

The project seeks to encourage entrepreneurially oriented residents who seek to develop their own ideas and technologies. This project also seeks to provide the participants with forums in which they develop skill in presenting their business idea to the committee and receive constructive feedback for increasing the probability of successfully launching their proposal.

Participants will have the opportunity to compete for grant prize money to be used for the betterment or launch of their enterprise.

Eligibility Rules

Participants. The grant opportunity is for Hidalgo County entrepreneurs who have newly developed or currently own a business project with economic challenges. Entrepreneurs must be Hidalgo County residents and the business must be within Hidalgo County. They must (1) have played a major role in conceiving the enterprise, (2) have management roles in the enterprise, and (3) own significant equity in the enterprise.

The Team. There is no restriction on the total size of the enterprise's founding team.

Nature of Enterprise. The project is for new or existing qualifying businesses with economic challenges. **A qualifying business is one that has demonstrated they have moved beyond the business plan strategy by showing some form of proven customer traction.**

Prior Activity. Enterprises can apply multiple times; however, they can only be awarded once.

Hidalgo County Enterprise Project Submission Requirements

Property Guidelines

- The originator of the business plan will retain all rights to the business plan. Nondisclosure statements for any business project will not be required to be agreed upon by any judge, reviewer, staff, or audience.

- Business projects may become public and entrants should not assume any right of confidentiality in any information disclosed.
- Hidalgo County, the organizers of this project, may make copies, take photographs, videotape and/or audiotape the presentations including the business plan and other documents, charts or material prepared for use in presentation. Participants retain all proprietary rights.

Business Plan Process

Phase I – Intent to Apply

- All participants must fill out an *Intent to Apply Form* which is available online at <http://www.hidalgocountyenterpriseproject.com> Description may not exceed 1000 words

Description must include:

- The nature, demand, and purpose of the business.
- Viability of the project regarding geographic location and demographics.
- Pricing, sales, promotional strategies.
- Management, educational, professional experience.
- Provide complete financial projections within 2 to 4 years.
- Employment creation projections.

Phase II – Formats

- If the business plan is accepted as qualified, the following format must be followed to continue to Phase II of the project process.
- Plans must be limited to 30 pages of text, including the executive summary and summary financial data. Detailed spreadsheets and appropriate appendices may follow the text portion of the plan but will be limited to 10 pages maximum. In total, the plan should be no longer than 40 pages.
- Financial data should include a cash flow statement, income statement, and balance sheet. Include an explanation of the offering to investors indicating how much money is required, how it will be used, and the proposed structure of the deal, i.e., stock, debentures, etc. The team is

not required to reveal its desired deal, although the judges may ask questions about it. Also, delineate the possible exit strategies.

- Attachments should only be included when they support the plan. The text portion of the plan (30 pages) must contain all pertinent information in a clear and concise manner.
- Six (6) hard copies as well as one (1) electronic copy of the final plan are due at the Hidalgo County Judge's office on or before **July 1, 2017, no exceptions**. Five (5) copies will be distributed to the panel of judges prior to the project and the Hidalgo County Judge's Office will retain the final copy.

Phase III – Written Plan Evaluation Criteria

- Judges will use the *Business Plan Evaluation Form - Written Plan* to assess the written portion of the business plan. This section is worth a total of 60 points.
- It consists of six parts; Part I – Market Opportunity, Part II – Distinctive Competence, Part III – Management Capability, Part IV - Financial Understanding, Part V – Investment Potential and Part VI – Innovation.
- Plans should be sent the Hidalgo County Judge's Office at 100 E. Cano, Edinburg, TX 78539.

Phase IV - Presentation Guidelines & Evaluation Form

- The Business Plan – Oral Presentation Evaluation Form will be used to determine the quality of the oral presentation and is worth a total of 40 points.
- 15 minutes will be provided to present the business plan. If questions are presented, they will take place during this time.
- Please give advance notice of equipment needs.

Awards

- The project winners will ultimately receive a grant award of up to \$20,000. The business must agree to comply with all guidelines stipulated by Hidalgo County by signing the *Compliance Agreement*.
- The entrepreneurs **MUST** start their business in the location originally presented and must remain in Hidalgo County for a period at least five (5) years.
- The entrepreneurs must use the funds within one (1) year from the date of winning the event.

- The business will provide the proper invoices to the Hidalgo County Auditor's Office for review; thus will be processed for reimbursement.

For more information on the Hidalgo County Enterprise project, please contact:

Michael Leo
Economic Development Director
Hidalgo County Judge's Office
100 E. Cano, ste 201
Edinburg, TX 78539
956-318-2600
Michael.leo@co.hidalgo.tx.us

DRAFT