



A Guide to
Starting a Business
in West Burlington, Iowa
We are here to help!



Iowa Small Business Development Center



Making Connections, Building Community
Burlington – West Burlington



Revised August 2011

Table of Contents

| | |
|---|-------|
| Greater Burlington Partnership: West Burlington – A Great Place for Business..... | 3 |
| SBDC letter: Iowa – A Great Place for Business | 4 |
| Checklist: What to Do When Starting a New Business..... | 5 |
| Resources and Contacts for Small Businesses..... | 6-7 |
| Web Sites of Interest to Small Businesses..... | 8 |
| Economic Data and Vital Statistics..... | 9 |
| Attorneys and Accountants | 10-11 |
| Licenses and Permits | 12-13 |
| Building Permit Requirements..... | 14 |
| Utilities..... | 15-16 |
| Taxes | 17 |
| Iowa Small Business Financial Assistance Programs | 18-21 |
| Other Financial Assistance..... | 22-25 |



Dear Reader:

Congratulations! By exploring this guide, you are taking one of the first steps in starting a new business. The road ahead of you will no doubt be filled with sleepless nights and endless questions. However, your role in our community is vitally important. Most experts agree that between 60 – 80% of all new jobs created in this county come from small businesses. That is a big deal.

The Greater Burlington Partnership exists to be a catalyst in both economic and community development. Essentially, we are business association that works with you to promote the community, enhance the quality of life, and ensure a healthy, positive business climate. Whether we are lobbying for business friendly legislation in Des Moines, hosting ribbon-cuttings, organizing networking events, or selling the community on the road, our staff works daily on your behalf.

Our entrepreneurship committee created the annual Des Moines County Business Plan Competition in 2008 to help entrepreneurs formulate a strong business plan. The winners of the competition share in a prize pool of seed capital grants and also benefit from the free publicity that comes as a result. The competition is held each spring, and I encourage you to participate in the next round.

Again, thank you for considering an investment in the Greater Burlington area. We wish you great success as you build a business, increase employment, and provide a boost to our local economy.

Please take some time to review our website at www.GreaterBurlington.com. If there is a way that we can personally assist you, please don't hesitate to contact me.

Best regards,

A handwritten signature in black ink, appearing to read "Jason Hutcheson", with a stylized flourish at the end.

Jason Hutcheson
Executive Director, Economic Development
319-752-6365
jhutcheson@grreaterburlington.com

Iowa – A Great Place for Business



Congratulations on your decision to make West Burlington the home for your business! Opening a new business is an exciting endeavor and we are here to help you. The information on the following pages will help you get started, but we know that you may have additional questions.

The Iowa Small Business Development Center (SBDC), hosted by Southeastern Community College, is a non-profit organization founded in 1981. The Iowa SBDC provides **free and confidential** business management assistance to owners of small for-profit businesses and individuals interested in starting their own small business. We can assist with developing a business plan, creating financial projections, analyzing demographics, determining the target market, defining a marketing plan, helping you get necessary information about state and federal taxes, registering the business name, licensing information, and much more! We also teach courses and workshops,— at a nominal charge – on a variety of business topics such as QuickBooks® and Basic Business Accounting, to help you grow your business. One-on-one counseling is available in Burlington or at your place of business by appointment. Please contact us at (319) 208-5381 for available dates and times.

Once again, congratulations on your new venture. We look forward to building a strong relationship with you.

Janine Clover, Regional Director

Iowa Small Business Development Center

610 North 4th Street, Suite 209

Burlington, IA 52601

(319) 208-5381 or (866) 722-4692 extension 5381

Website: www.iowasbdc.org - Email: jclover@scciova.edu

Checklist: What to Do When Starting a New Business

Before Start-up

- Develop a business plan, including cash flow projections
- Choose management advisers—an accountant, an attorney, and a banker
- Choose an appropriate name for the business
- Using the business plan, establish a relationship with a banker. Possible bank services include:
 - ◊ Credit-card merchant account
 - ◊ Business checking account
 - ◊ Working capital loan
 - ◊ Equipment loan
 - ◊ Lock-box services
- Select the legal entity and year-end for the business
- Register the business name with County Recorder if the business is a sole proprietor
- Find a location for the business and verify proper zoning with City
- Negotiate a lease
- Design the layout of the facility
- Prepare all the necessary legal documents as applicable:
 - ◊ Partnership agreements
 - ◊ Articles of incorporation and first organizational minutes
 - ◊ Bylaws
 - ◊ Federal identification number (SS-4)
 - ◊ State and local license applications
 - ◊ Sales tax identification number
 - ◊ Industry-specific license
 - ◊ Register the business with the Secretary of State if incorporated or partnership
- Obtain quotes for and then order office furnishings and equipment
- Order office supplies
- Order business cards and business stationery
- Order an appropriate sign or indoor signage for the business
- Purchase adequate insurance **as applicable**:
 - ◊ Health
 - ◊ Malpractice
 - ◊ Liability
 - ◊ Workers' Compensation
 - ◊ Life
 - ◊ Fidelity bond
 - ◊ Computer and equipment
 - ◊ Umbrella
 - ◊ Employee dishonesty

*This list may not be all-inclusive

Start-Up

- Establish prices for your goods and services
- Promote the business's opening through:
 - ◊ Press releases to local and national media
 - ◊ Advertising
 - ◊ Direct-mail announcement
 - ◊ Chamber memberships
 - ◊ Promotional items such as pens or hats
 - ◊ Other
 - Seek, interview and make offers to job candidates
 - Select and implement a financial record-keeping system
 - ◊ Accounts payable
 - ◊ Account receivable
 - ◊ Inventory tracking
 - ◊ Order entry

Ongoing Operations

- Develop personnel policies and procedures
- Prepare quarterly payroll returns and verify timely tax deposits
- Prepare quarterly or monthly financial statements
- Perform year-end tax planning, at least one month before the year-end
- Prepare annual federal, state and payroll returns
- Develop employee job descriptions
- Review existing insurance coverage at least once a year
- Prepare and maintain personnel files
- Establish a petty cash fund and policy
- Establish answering mechanism for after hours
- Join industry associations and groups
- Verify listing in the yellow pages of area phone directories
- Register trademarks

Prepared by:
Iowa Small Business Development Center
Southeastern SBDC SCC/Center for Business
1-866-722-4692 ext. 5381 or 319-208-5381
www.iowasbdc.org

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Small Business Administration
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RESOURCES AND CONTACTS FOR SMALL BUSINESSES

Local Resources

Greater Burlington Partnership

River Park Place
610 N. 4th Ste., Ste. 200, Burlington, IA 52601
Web site: www.greaterburlington.com
319-752-6365

Dennis Hinkle
President/CEO
dhinkle@greaterburlington.com

Jason Hutcheson
Executive Director of Economic Development
319-752-6365
jhutcheson@greaterburlington.com

Steve Frevert
Executive Director Downtown Partners, Inc.
319-752-6365
sfrevert@greaterburlington.com

Beth Nickel
Executive Director Convention & Visitors Bureau
319-752-6365
bnickel@greaterburlington.com

Center for Business

Southeastern Community College

River Park Place
610 N. 4th Ste., Ste. 220, Burlington, IA 52601
319-208-5375
Web site: www.scciowa.edu/business

Iowa Small Business Development Center

Southeastern Community College

River Park Place
610 N. 4th St., Ste. 209, Burlington, IA 52601
319-208-5381
Janine Clover-Regional Director
jclover@scciowa.edu
Web site: www.iowasbdc.org

Iowa State University Extension Service

900 Osborn Street, Burlington, IA 52601
319-754-7556
Web site: www.extension.iastate.edu

Southeast Iowa Regional Planning Commission

211 N. Gear Avenue, West Burlington, IA 52655
319-753-5107
Web site: www.seirpc.com

Burlington Public Library

210 N. 4th Street, Burlington, IA 52601
319-753-6147
Web site: www.burlington.lib.ia.us

Iowa Resources

Center for Industrial Research and Service (CIRAS)

2272 Howe Hall, Suite 2620, Ames, IA 50011
515-294-3420
Web site: www.ciras.ia.state.edu

Iowa Department of Economic Development

200 East Grand Avenue, Des Moines, IA 50309
515-242-4700
Web site: www.iowalifechanging.com

Iowa Secretary of State

Hoover Building, Des Moines, IA 50309
515-281-5204
Web site: www.sos.state.ia.us

Iowa Dept. of Revenue & Finance

Hoover Building, Des Moines, IA 50309
800-367-3388
Web site: www.iowa.gov/tax

Iowa Dept. of Natural Resources

Wallace Building, Des Moines, IA 50309
515-281-5145
Web site: www.iowadnr.gov

Iowa Dept. of Inspections & Appeals

Lucas State Office Building
Des Moines, IA 50309
515-271-7250
Web site: www.iowa.gov

Iowa Workforce Development

1000 E. Grand Avenue, Des Moines, IA 50309
515-281-5387/800-562-4692
Web site: www.iowaworkforce.org

Small Business Administration

215 - 4th Avenue SE., Suite 200
Cedar Rapids, IA 52401-1806
319-362-6405
Web site: www.sba.org

USDA - Rural Development

873 Federal Building
210 Walnut Street, Des Moines, IA 50309
515-284-4714
Web site: www.rurdev.usda.gov

Web Sites of Interest To Small Businesses

Southeastern Community College Center for Business-provides workforce training
www.scciowa.edu/business

Greater Burlington Partnership-information about what our organization and/or community has to offer
www.greaterburlington.com

Iowa Economic Trends-Iowa employment statistics, vehicle registrations, Iowa fact book, industry trends
www.iowaworkforce.org/trends

State of Iowa-information on State of Iowa departments and services
www.iowa.gov

Social & Economic Trends Analysis-RECAP provides data and research on local economic, demographic, and social trends
www.seta.iastate.edu

Small Business Administration (SBA) -official website for the U.S. SBA, dedicated to providing support to small businesses across the nation
www.sbaonline.sba.gov

U.S. Federal Statistics-provide data and trend information on such topics as economic and population trends, crime, education, health care, aviation safety, energy use, farm production
www.fedstats.gov

U.S. Census-2010 Census information
www.census.gov

Iowa Department of Revenue-Sales tax, withholding tax, and income tax information
www.iowa.gov/tax

Iowa Small Business Development Center (SBDC)-conducts research, counsels, and trains business people in management, financing, and operating small businesses, and provides comprehensive information services and access to experts in a variety of fields.
www.iowasbdc.org

SCORE-nonprofit organization dedicated to educating and helping small business start and grow
www.score.org

Internal Revenue Service (IRS)- the U.S. government agency responsible for tax collection and tax law enforcement. Contains downloadable forms, instructions, and agency publications.
www.irs.gov

U.S. Patent and Trademark Office-an agency in the United States Department of Commerce that issues patents to inventors and copyrights as well as trademarks.
www.uspto.gov

Economic Data

Data/Stats available online:

- Building & Sites
- Business Climate
- Area Maps
- Cost of Living
- Demographics
- Utilities
- Workforce

www.greaterburlington.com

www.greatriverbiz.com

www.iowalifechanging.com

www.censtats.census.gov

Vital Statistics

West Burlington

Total Population: 2,968

Total Housing Units: 1479

Average Household Size: 2.12

Average Family Income: \$38,958

Medium Age: 44.4

Des Moines County

Total Population: 40,325

Total Area: 416.15 square miles

Total Housing Units: 18,535

Persons per Square Mile: 96.9

Iowa

Total Population: 3,046,355

Total Housing Units: 1,336,417

Average Household Size: 2.4

Median Age: 38

Market Research Services

Iowa SBDC Market Research

Iowa Small Business Development Centers provide high quality, **free** market research that is applicable to small business. From identifying likely customers and industry trends to analyzing direct competition, Iowa SBDC Market Research services can help you get the edge you need to be successful in your industry. Call (319) 208-5381 for more information or visit our website at www.iowasbdc.org

Center for Industrial Research and Service (CIRAS)

The Center for Industrial Research and Service (CIRAS) works to enhance the performance of Iowa companies through research, education, and technical assistance. The Iowa State University-based organization develops numerous company assistance programs in areas such as biorenewables, engineering, government procurement, management practices, productivity, and quality systems. Visit www.ciras.iastate.edu or call (515) 294-3420 for more information.

Institute for Physical Research and Technology (IPRT)

IPRT has worked on over 2,300 technical assistance and research projects with Iowa companies since 1998. Their expertise helps Iowa companies solve technical problems; create new products, and increase productivity and quality. IPRT's efforts also lead to the development of new, high-tech companies. For more information, visit www.iprt.iastate.edu or call (515) 294-8902.

Strategic Marketing Services (SMS)

A division of the University of Northern Iowa's Business and Community Services, SMS provides insight and actionable solutions to meet marketing and business objectives. Strategic Marketing Services offers a full range of qualitative and quantitative marketing research and analysis services to respond to a wide variety of challenges. More information may be obtained at www.sms.uni.edu

Business Education Services MyEntre.Net

Provided by the University of Northern Iowa's Regional Business Center, MyEntre.Net is a community of entrepreneurs and service providers, who grow, learn and share online. Webinars provide members with free, interactive presentations by business experts. Visit www.myentre.net and get started!

Attorneys

Anderson, Roberts, Porth, & Wallace P.L.C. Law Firm
Main at Court
Burlington, IA 52601
319-754-7585
www.arplaw.com

Aspelmeier, Fisch, Power, Engberg & Helling
321 N. 3rd Street
Burlington, IA 52601
319-754-6587
www.seialaw.com

Beckman Law Offices P.L.C.
314 N. 4th Street
Burlington, Iowa 52601
319-754-8404
www.iowalaw.com

Cray, Goddard, Miller, Taylor & Chelf, L.L.P.
205 Washington Street, Suite 300
Burlington, IA 52601
319-752-4537
www.burlington-attorneys.com

Hirsch, Adams, Putnam, Cahill, & Rashid, P.L.C.
101 Jefferson Street
Burlington, IA 52601
319-754-7545
www.burlingtonlegal.com

Robberts & Kirkman L.L.L.P.
205 Washington Street, Suite 201
Burlington, IA 52601
319-758-9800
www.robberlaw.com

Schulte, Engler, Gordon, Benne & Clark L.L.L.P.
100 Valley Street
Burlington, IA 52601
319-753-6201
www.burlingtonialawyers.com

Accountants

Accounting Professionals of Burlington, Inc.
203 West Agency Road
West Burlington, IA 52655
319-758-0474

Ann M. Menke, CPA, PC
406 Avenue E
West Point, IA 52656
319-837-6042
www.annmenke.com

CPA Associates P.C.
401 S. Roosevelt Ave. Ste 2A
Burlington, IA 52601
319-752-6348
www.cpaapc.com

First Rate Accounting Service
218 N. 3rd Street, Suite 615
Burlington, IA 52601
319-753-2838

FMA Inc.
400 South Roosevelt Avenue
Burlington, IA 52601
319-754-7706

H&R Block, Inc.
3000 Division Street
Burlington, Iowa 52601
319-753-5454
www.hrblock.com

Sheakley Pay Systems
401 S. Roosevelt Ste2B
Burlington, IA 52601
319-752-3612
800-582-2327
www.prodatapayroll.com

TD &T Financial Group, P.C.
Brian K. Isom, CPA, Principal
201 Jefferson Suite 204
Burlington, IA 52601
319-753-9877
www.tdtpc.com

LICENSES & PERMITS

Business License Requirement

Business licenses are required for temporary or permanent businesses. Applications must be submitted to West Burlington City Hall, 122 Broadway St., West Burlington, IA 52655. The following information must be submitted with your completed application:

1. Type of Business
2. Site Plan or detailed drawing showing the location you will be conducting business
3. Business Contact Information, including name and phone number during and after normal business hours.
4. Copy of Federal Tax ID #
5. License Fee.

The following is a brief description of permits and licenses that are required.

Home Businesses and Occupations

West Burlington does not require permits for home businesses. However, the nature of such businesses located in residential zoning districts is strictly regulated by the Zoning Code. In all such cases, the home business and occupation must be a secondary use which is clearly incidental to the use of the home for residential purposes. Contact the Building Department (752-5451) for information on home businesses and occupations.

Alcoholic Beverages

A liquor license or beer permit is required for all businesses that involve the sale of alcoholic beverages. The City Council and the State of Iowa need to approve all liquor licenses and beer permits. Contact the City Clerk's Office for information (752-5451).

Cigarettes

A Cigarette Permit is required to sell cigarettes. Contact the City Clerk's Office for information (752-5451).

Soliciting and Peddling

The West Burlington City Code requires all persons engaged in peddling or soliciting to first register with, and obtain a permit from the Chief of Police.

Taxicabs

Owners of taxicab businesses operating in West Burlington must obtain a license from the City, pursuant to City Code Chapter 124.

Tree Service Businesses

The West Burlington City Code Chapter 125 requires all tree service businesses to obtain a license.

Building Permit

A permit must be obtained prior to starting any construction, alteration or placement of signage. Applications must be submitted with one original set of certified plans, computations and specifications prepared and signed by an engineer or architect licensed in the State of Iowa.

Zoning

For planning and zoning questions contact Kelly D. Fry, Planning Zoning Secretary, fryk@westburlington.org (319) 752-5451, ext.103

Use of Right-of-Way

No person or other entity shall use the public right-of-way or other public property without first obtaining a franchise, license or lease from the City. The City shall not enter into or issue any franchise, license or lease that grants exclusive rights. An application for a license or lease shall be filed with the Clerk. A complete copy of City Code Chapter 113 regulating the use of public property and right-of-way is available.

Contact: City Clerk's Office Phone: (319)752-5451 ext. 103

A Guide to Opening a Business In West Burlington, Iowa

BUILDING PERMIT REQUIREMENTS

| TYPE OF CONSTRUCTION | PERMIT REQUIRED | FEE REQUIRED | COMMENTS |
|---|--------------------|-----------------|--|
| <i>New Construction</i> | | | |
| Homes | Yes | Yes | |
| Garages | Yes | Yes | |
| Stores/Offices | Yes | Yes | |
| Storage Buildings (shed) | Yes | Yes | |
| Temporary Structures | Yes | No | Permit valid for 60 days (includes tents) |
| <i>Remodel (interior & exterior)</i> | | | |
| All Businesses | Yes | Yes | |
| Certificate of Occupancies | Yes | No | |
| Fences | Yes | No | |
| <i>Public Sidewalks</i> | | | |
| New | Yes | No | |
| Repair | Yes | No | |
| <i>Miscellaneous</i> | | | |
| Driveways, including curb cuts | Yes | No | |
| Parking Lots | Yes | No | |
| Signs: Permanent & Temporary | Yes | No | |
| Roof | No | No | Permit required only when changed/modified effects load bearing design |
| Siding | Yes | No | |
| Residential Interior Remodeling | No | No | Permit only when load bearing walls are affected |
| Window Replacement | No | No | Permit only when load bearing walls are affected |
| Decks | Yes | No | |
| Patios | Yes | No | |
| Swimming Pools | Yes | No | Wading pools not included |
| TV antenna, satellite | Yes | No | |
| Demolition | Yes | No | |
| Moving of Building | Yes | No | Obtain permit from Police Chief |

UTILITIES

The City of West Burlington supplies water and sanitary sewer service to businesses and residences to most locations within the city limits. To order new service for an existing line, contact the City Clerk's Office (752-5451). The City will charge a deposit prior to establishing a new service account.

For new structures, the City will provide the water meters and couplings. Building owners pay for this cost, which vary depending on the size and type of meter.

When new water lines and sewer lines are involved, the contractor normally orders the new services. City Public Works personnel will make the connections for water services up to one inch in size. Owners are responsible for making the sewer connections, but the City needs to inspect all connections before they are covered.

All water leaks should be reported immediately to the City. Property owners are responsible for repairing leaks from the water main to and within the building. For questions concerning excessive water usage, contact the City Clerk's Office (752-5451).

GARBAGE COLLECTION

The City provides garbage collection and recycling collection services to all residential buildings having three or fewer units. The owners of all larger multiple family residential buildings and all commercial buildings must obtain this service on their own.

GAS AND ELECTRICITY

Alliant Energy serves the City of West Burlington for natural gas and electrical service. The telephone number for Alliant Energy 24 Hour Customer Service is 1-800-822-4348.

TELEPHONE

Qwest serves the City of West Burlington for local telephone service. The telephone number for Qwest residence customers is 1-888-244-5901 and the number for business customers is 1-888-225-7511.

Utilities

City of West Burlington, Public Works Department

122 Broadway Street
West Burlington, IA 52655
Phone 319-752.5451
www.westburlington.org/city_depts/public_works.htm

Electric and Natural Gas: Alliant Energy

Phone: 800.255.4268
www.alliantenergy.com

Des Moines County Area Recyclers

1818 West Burlington Ave.
Burlington, IA 52601
319.753.8126
www.wastewrap.org

Des Moines County Regional Landfill

13758 Washington Rd.
West Burlington, IA 52655
319.753.8722

Telecommunications

I Wireless
Iowa Telecom
Mediacom
Qwest
US Cellular
Verizon
Nextel
Iconnect

TAXES

Property Tax

Property tax rates for properties located in Des Moines County can be obtained from the Des Moines County Assessor in the Des Moines County Courthouse, 513 N. Main Street, Burlington

Contact: *Des Moines County Assessor*, 319.753.8224

Federal Identification Number (Federal ID Number), or Employer Identification Number (EIN)

This form is needed if you are legally organized as a partnership, corporation (C, S, or LLC), or Single Member Limited Liability Company, or if your business has employees. *Form SS4*, can be applied for online, faxed, or mailed.

Contact: *Internal Revenue Service*, www.irs.gov, 1.800.829.1040

Sales and Use Tax

This form is needed if your business collects sales tax in the State of Iowa. A *Business Tax Permit*, can be applied for online, faxed, or mailed.

Contact: *Iowa Department of Revenue and Finance*
www.iowa.gov/tax 1.800.367.3388

Iowa Withholding Tax

This form is needed if your business has employees. A *Business Tax Permit*, can be applied for online, faxed, or mailed.

Contact: *Iowa Department of Revenue and Finance*
www.iowa.gov/tax 1.800.367.3388

Hotel/Motel Tax

A 7% hotel/motel tax is collected hotels/motels located in the city limits of Burlington/West Burlington, Iowa. There is a 5% state tax that applies for a total check out rate of 12%.

Contact: *Iowa Department of Revenue and Finance*
www.iowa.gov/tax 1.800.367.3388

IOWA SMALL BUSINESS FINANCIAL ASSISTANCE PROGRAMS

Funding programs for small businesses can generally be viewed as coming from the three levels of government: local, state and federal. The following is a list of Iowa Financial Assistance programs; this list is not all inclusive, and there may be other programs available in different regions and counties in Iowa.

Banks: Banks lend commercially, (in-house), or they use a guaranteed loan program such as SBA 7(A). Before approaching the bank, be prepared by completing a business plan and financial projections. Approach your bank FIRST; they know you and you have an established history with them.

Federal

The SBA does not make direct loans to small business. The SBA sets the guidelines for loans which are made by its partners and guarantees that these loans will be repaid, thus eliminating some of the risk for the lending partners. Please note; the Small Business Administration (SBA) **does not** provide any grant programs for small businesses. Financial assistance is given through loan programs only.

SBA 7(A) Guarantee Loan Program

The 7(A) Loan Program is the SBA's primary business loan program. The SBA offers loans from \$100,000 to \$2 million. Terms of loans:

- Real Estate – up to 90%, up to 25 years, fully amortizing
- Business Acquisition – up to 85%, up to 10 years, fully amortizing
- Debt Refinance – up to 100%, 7 to 25 years fully amortizing depending on the use of loan proceeds
- Equipment, Inventory and Working Capital – up to 100%, 7 to 10 years fully amortizing

SBA guaranty fees range from 2% to 3.75% depending on the size of the loan. Additional fees for loan packaging, appraisal, environmental, title/escrow, construction, etc. may apply.

SBA 504 Loan Program

This SBA program offers loans from \$500,000 to \$8 million for financing the acquisition or construction of owner occupied properties and equipment.

- Terms of Loans:
 - Bank first trust deed - 25 Years, fully amortizing, competitive fixed and floating rates available
 - SBA second trust deed – 20 Years, fully amortizing, fixed rates
- Loan Advance Rates:
 - General purpose real estate – up to 90%
 - Special purpose real estate – up to 85%
- Loan Costs:
 - 1.5% of the first trust deed loan
 - Additional fees for SBA/CDC second trust deed loan
 - Loan packaging, appraisal, environmental, title/escrow, construction fees vary depending on size of project, etc.

SBA Patriot Express Loan

The Patriot Express Loan is for veterans and their spouse wanting to establish or expand a small business. Loans have a 7-year term. For loans of \$5,000 to \$25,000 at Prime +4.75% and loans of \$26,000 to \$50,000 at prime + 3.75%. The loans are unsecured and no collateral is required. The SBA guarantee fee of 2% of the guaranteed portion (85%) of the loan will be deducted from the loan proceeds. Loan payments are automatically drafted from the business checking account at borrowers established institution.

For more information on loans offered through the SBA visit the Web site www.sba.gov or Borrego Springs Bank at <http://www.borregospringsbank.com/>

USDA Business and Industry Loan Guarantee Program

The USDA guarantees loans to eligible lenders to businesses to benefit rural areas, up to 80 percent of the original loan amount. These loans can be guaranteed in cities up to 50,000 population with priority to applicants in rural communities of 25,000 or less. Visit www.rurdev.usda.gov

State of Iowa

Iowa MicroLoan

This program offers small loans and technical assistance grants for small businesses with no more than 10 full time employees. Iowa MicroLoan offers Iowa residents loans of \$5,000 up to \$50,000 for start-up, expansion or refinancing of micro businesses. Applicants must have applied for a loan at a traditional credit source and have been denied before this opportunity is available. The maximum loan term is six years. For more information call 515-212-0182 or visit www.iowamicroloan.org.

Wellmark Community Ventures Fund

Applicant Company must be an Iowa based for-profit company. Typical funding will provide \$10,000 to \$100,000 in convertible debt financing. The loan term is 5 years at a rate of 7% interest. Interest is payable at the end of 5 years. A request may be made to extend the loan for an additional two years. For application or more information visit www.jpec.org/wellmark.

Iowa Targeted Small Business Program

This financial assistance program is available to women, minorities and disabled individuals who own or are starting a business. This IDED program offers:

- A low interest loan, up to \$50,000, at an interest rate of 0-5%, to be repaid in monthly installments over a five to seven year period. The first installment can be deferred for three months for a start-up business and one month for an existing business.
- Loan guarantees up to \$50,000. Loan guarantees can cover up to 80% of a loan obtained from a bank or other conventional lender. The interest rate is at the discretion of the lender.
- In limited cases, an equity grant, to be used to leverage other financing, SBA or conventional, in amounts up to \$50,000.

In order to apply for financing, the business has to be certified as a Targeted Small Business first through the Iowa Department of Inspections and Appeals. The second step is to complete TSB application, found at the IDED website, www.iowalifechanging.com.

Iowa Self-Employment (ISE)

This program allows qualified individuals with disabilities to establish, acquire, or expand a small business by providing technical and financial assistance. Technical Assistance funds of up to \$10,000 may be used to pay for any specific business-related consulting service, such as developing a feasibility study or business plan, or accounting and legal services. Financial Assistance funds of up to \$10,000 may be used to purchase equipment, supplies, rent or other start-up, expansion or acquisition costs identified in an approved business plan. Expenditures for financial assistance cannot exceed \$10,000 and applicants must provide 50% of the of the equipment or working capital needed to start, expand or acquire a business by providing a dollar-for-dollar match of the financial assistance requested. To be eligible for the program, applicants must be active clients of the Iowa Department of Education, Iowa Vocational Rehabilitation Services, or the Iowa Department for the Blind. To learn more, 515-281-4211 or DVRS.Webmaster@iowa.gov

Demonstration Fund

Provides grants and loans to accelerate commercialization of products by companies in three targeted industry clusters — Bioscience, Advanced Manufacturing and Information technology. The purpose of the fund is to encourage commercialization of innovation thereby fostering competitive, profitable companies that create high paying jobs and wealth in Iowa. Funding is approved by the IDED Board of Directors. Go to www.iowalifechanging.com for application.

Community Economic Betterment Account

This program is structured to provide financial assistance to businesses and industries that require such assistance in order to create new job opportunities. Retail businesses are ineligible for this program. CEBA funds are intended to be only a small piece of the financial package with the majority of the investment coming from private and local public resources. For more information call IDED at 515-242-4795 or 800-532-1215 or www.iowalifechanging.com for application.

Value Added Processes/Products Financial Assistance Program

This program is to encourage the increased utilization of agricultural commodities produced in the state of Iowa. The two components to the program relate to: 1. operations which are involved in the development of new and innovative products or processes related to agriculture and 2. renewable fuel productions facilities with a priority given to those renewable fuel facilities which produce a co-product which directly supports livestock production operations. For more information call IDED at 515-242-4795 or 800-532-1215 or www.iowalifechanging.com for application.

Local

Southeast Iowa Revolving Loan Fund

The (RLF) is a loan pool established by southeast Iowa region to assist new and existing businesses develop and expand. Funds are used in conjunction with local lenders to serve as gap financing for proposals and the lender serves as the primary source of funding. Eligibility is based on the following: new or expanding businesses in southeast Iowa, (Des Moines, Henry, Louisa, Lee counties), creation or retention of jobs, need for gap financing, and the proposal will support and enhance the regional economy. Program administered by SEIRPC, 319-753-5107, or www.seirpc.com

Revolving Loan Program

Established by Geode RC&D and the USDA in 2001, the program focuses on small and emerging rural businesses to overcome gaps in local capital markets. Loans are available in amounts ranging

from \$5,000 to \$20,000, with a term of 3 to 7 years. The annual interest rate will begin at 4%; however this may fluctuate with changes in the prime rate. The loan is available only to rural areas with a population under 5,000. The program focuses on enterprises in rural areas that enhance or protect natural resources, job creation, value-added agriculture enterprises, and enterprises that serve the under-employed, elderly and disabled. Contact Geode RC&D for an application at 319-752-6395 or geode@geodercd.org.

Grant Information

Grants can be found from three sources:

1. Federal or State Government
2. Private Foundations
3. Business Plan Writing Contests

The Federal Government has a web-site that lists all of the grant money available for education, housing, health care, elderly care, child care, non-profit businesses, and some, but very few, for-profit businesses.

The website www.grants.gov, lists all federal grant programs, how to apply, application deadlines, and eligibility requirements. DO NOT BUY GRANT INFO ON THE WEB!

Most publications on “free money” are outdated as soon as they are published. Why? Grants are available for a limited time period; they are not on-going.

Private Foundations may either be publicly held companies, such as Dell, Microsoft, General Mills, privately held businesses, or individuals. The best place to find out if a company has a foundation, is to look up the company on the internet, (most large corporations have a web-site) and look under their foundation tab on their web-site. Most foundations give to non-profit organizations, very few give to for-profit organizations.

Business Plan Writing Contests are increasing becoming a popular way to “win” grant money. Check your local Iowa SBDC office for more information.

-Henry Co, contact the Mt. Pleasant Chamber at 319-385-3101

-Des Moines Co, contact Grow Greater Burlington at 319-208-0043

-Lee Co, contact LCEDG at 319-463-5599

For further assistance with any of these programs or to learn how to write a business plan contact the Iowa Small Business Development Center at Southeastern Community College, (319) 208-5381 or 866-722-4692 ext. 5381. Visit our website at www.iowasbdc.org.

*These programs are not inclusive—there may be financial assistance available for a particular situation.



Financial Assistance

The Greater Burlington Area and the State of Iowa offer a wide range of flexible business assistance programs. Projects are evaluated individually and every effort is made to create a package that will assist a business/industry in expanding or locating within the community. The level of assistance is based upon several key factors such as the number of jobs created and/or retained, the average wage of those jobs, and the projection for future growth.

Many of the programs have a wage threshold that must be met obtained in order to qualify for a major incentive. This threshold is based upon the average county wage (measured quarterly) and, depending upon the program, 51% of the new jobs created must pay at or above the current county average.

The Des Moines County average wage history is as follows:
Current - \$15.98

A synopsis of local, regional, and state business assistance programs is provided below:

[Burlington Area Development Fund](#)
[Enterprise Zone](#)
[Job Training Programs](#)
[Targeted Jobs Withholding Tax Credit](#)
[Tax Abatement](#)
[Other State and Local Programs](#)

To get your project started, please contact: Jason Hutcheson Executive Director Greater Burlington Partnership 319-752-6365 jhutcheson@greaterburlington.com

Burlington Area Development Fund

The City of Burlington, the City of West Burlington, Des Moines County and Grow Greater Burlington, Inc. cooperate to provide a job and wage driven incentive program for businesses and industries creating capital investment and adding jobs in Flint Ridge Business Park.

Eligibility

Businesses eligible for this local incentive fund, and given priority, are for-profit businesses that are: 1) manufacturing; 2) warehouse/distribution centers; 3) teleservices; 4) corporate headquarters; 5) transportation; or 6) financial services that meet the following criteria:

- Investing a minimum of \$650,000 in new real property in Flint Ridge Business Park
- Creating a minimum of 5 new full-time equivalent (FTE) jobs within 24 months and maintaining them for a minimum of 36 months
- Pays an hourly wage equal to at least 85% of the average county wage for Des Moines County
- Existing companies in the Burlington/West Burlington area that expand into Flint Ridge Business Park must stay current on property taxes for a facility that is vacated for a period of time equal to the remaining term of the tax increment financing (TIF) district.

Type of Assistance

The form of assistance may be a forgivable loan, an interest rate buy-down, or land. All incentives will be secured contractually in the form of a loan agreement. The loan will be called if the company does not meet the performance targets.

Enterprise Zone

The City of Burlington has two Enterprise Zones within the city limits. These designated zones provide numerous benefits, and maps outlining the qualifying areas in Burlington may be found [here](#).

Eligibility Requirements

- The business must make a minimum qualifying investment of \$500,000 over a three year period. Qualifying investment includes the cost of land, buildings, improvements to buildings, manufacturing machinery and equipment, and/or computer hardware.
- The business must create at least 10 full-time, project-related jobs over a three year period and maintain them for an additional 10 years.
- The business must provide all full-time employees with a standard medical and dental insurance plan of which the business pays 80% of the premiums for employee-only coverage or provide a monetarily-equivalent benefit package.
- The business must pay new employees a starting wage which is equal to or greater than 90% of the average county or regional wage, whichever is lower. The current threshold is at \$14.03/hour.
- The business cannot be a retail establishment or a business whose entrance is limited by coverage charge or membership
- The business cannot close or relocate its operation in one area of the state and relocate substantially the same operation in the Enterprise Zone.
- The local Enterprise Zone Commission and IDED must approve the business' application for Enterprise Zone program incentives prior to project initiation.

Tax Incentives

- A local property tax exemption of up to 100% of the value added to the property to a period not to exceed 10 years.
- Additional funding for training new employees. If applicable, these funds would be in addition to those authorized under the Iowa New Jobs Training Program.
- A refund of state sales, service, or use taxes paid to contractors or subcontractors during construction.
- For warehouse or distribution center projects, a refund of sales and use taxes paid on racks, shelving, and conveyor equipment.
- An investment tax credit of up to a maximum of 10% of the qualifying investment, amortized over 5 years. This tax credit is earned when the corresponding asset is placed in service and can be carried forward for up to seven additional years or until depleted, whichever occurs first.
- The State's refundable research activities credit may be doubled while the business is participating in the program for up to a maximum of 10 years.

Job Training Programs

If your company is expanding its workforce, you may be eligible for job training dollars to defray the costs. The State of Iowa, through Southeastern Community College (SCC), offers two programs outlined below.

Iowa Industrial New Jobs Training (260E)

The Industrial New Jobs Training Program provides businesses which are expanding their Iowa workforce with new employee training. This program is financed through bonds sold by SCC.

Depending on wages paid, the business then diverts either 1.5% or 3% of the Iowa state withholding taxes generated by the new positions to SCC to retire the bonds.

In addition to increasing worker productivity and company profitability, businesses participating in the Iowa Industrial New Jobs Training Program may also be eligible for reimbursement up to 50 percent of the annual gross payroll costs expended for on-the-job training, as well as a corporate tax credit if Iowa employment is increased by at least 10 percent.

Iowa Jobs Training Program (260F)

The Iowa Jobs Training Program provides job training services to current employees of eligible businesses that are located in Iowa. Eligible businesses can work with SCC, which will assess training needs, determine funds availability and provide training. For participating businesses, the advantages include valuable employee training at a reduced - or no - cost.

Business Eligibility Requirements:

- Must be located in, or relocating to Iowa.
- Must be engaged in interstate or intrastate commerce for the purpose of manufacturing, processing, assembling products, warehousing, wholesaling, or conducting research and development.
- Service-providing businesses must have customers outside of Iowa.
- Cannot have closed or substantially reduced its employment base at any of its other business sites in Iowa in order to relocate substantially the same operation to another area of the state. (260E)
- Within the 36-month period prior to the date of applying for program services, a business cannot have closed or reduced its employment base by more than 20 percent at any of its other business sites in Iowa in order to relocate substantially the same operation to another area of the state. (260F)

Targeted Jobs Withholding Credit

In late 2006, the City of Burlington was designated as one of only five pilot cities for the new Targeted Jobs Withholding Tax Credit program.

Under this program, a withholding agreement between the city and the employer allows up to 3% of the gross wages paid by the business to be directed to the city on a quarterly basis. The

A Guide to Opening a Business In West Burlington, Iowa

city must then match these funds dollar for dollar and use the funds in an urban renewal project related to the employer.

A 'targeted job' is defined as a job with a business that is or will be located in an urban renewal area and that pays a minimum wage equal to the county-wide average wage. In addition, the withholding agreement must be with:

1. A business that is locating to its community from another state and is creating targeted jobs within an urban renewal area; or
2. An existing Iowa business that is creating ten new targeted jobs or makes a qualifying investment of \$500,000 within an urban renewal area.

The maximum term of a withholding agreement is ten years.

Tax Abatement

The Cities of Burlington and West Burlington have two commercial tax abatement schedules, and the property owner can indicate a preference.

100% Abatement Option

100% exemption - 3 Years

10-Year Sliding Scale Option:

80% - Year 1

70% - Year 2

60% - Year 3

50% - Year 4

40% - Years 5 & 6

30% - Years 7 & 8

20% - Years 9 & 10