

***“ Discover Browns Valley Challenge ”  
Business Loan Incentive Program  
DBVC-BLIP***

***The Browns Valley Economic Development Authority (BV-EDA) is offering an incentive package of up to 10K per qualifying business that will open in downtown Browns Valley, by December 31, of 2016. (Round 1 limited up to 2 businesses).***

**OVERVIEW**

**The “ Discover Browns Valley Challenge ” is an entrepreneurial start up competition for the Browns Valley Downtown area.**

**Eligible business concepts are:**

- 1) New Businesses.**
- 2) A second or third satellite business from an existing location in another town.**
- 3) A significant expansion of a current downtown business that includes an additional business concept.**

***The Challenge Competition has 3 phases:***

**Phases 1, 2, 3:**

- 1. A one page business concept application (provided). Also provide upto a “ 1-page business pitch ” a brief overview of your business idea.***

***Phase 1 concepts are reviewed, winning concepts are then required to agree to and pass a credit check prior to advancing to phase 2.***

- 2. At this point, Browns Valley Economic Development Manager will contact successful phase 1 applicants for credit application process/completion, and subsequent business plan review/interview.***

- 3. Is the final phase where finalist will present their business plans and ideas to the committee. The committee will fully examine plans and presentations, contact references, confirm credit check process, and determine up to 2 awardees.***

**DBVC-BLIP GOALS:**

*To provide an on-going, positive process for the recruitment of businesses that will enhance the business mix in downtown Browns Valley.*

*Identify opportunities for manufacturing, job growth, and community enhancement.*

*To transform empty business spaces into productive locations.*

*To display the community's commitment to downtown Browns Valley, and to promote Browns Valley as a great place to live, work, and more!*

***DISCOVER BROWNS VALLEY MN...THE BIG LITTLE CITY  
BETWEEN TWO LAKES!***

***Lake Traverse and Big Stone Lake***

***Minnesota's best of the west on the MN/SD border...Discover the beauty of Browns Valley and more!***

***Discover Browns Valley Challenge BLIP Application Packets  
available upon request:***

***Contact City of Browns Valley  
Tom Schmitz, City Administrator***

***Phone: 320-695-2110  
Email: [tom.schmitz@prtel.co](mailto:tom.schmitz@prtel.co)***

***PO Box 334  
Browns Valley, MN 56219***

***Phase 1 application***

***Date:***

***\*Business Concept Name or Potential Name of Business:***

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***\* Also provide up to a “ 1-page business pitch ” a brief overview of your business.***

***Names: ( include all members if a team: indicate team lead)***

***Team Lead Contact Information:***

***Address: (Street, City, State, Zip)***

***Phone (Home):***

***Cell:***

***Email address:***

***I have read the competition/program rules timeline and eligibility requirements, and I attest that all information included in this application and business concept is true and accurate.***

***Signed:***

***Date:***

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***(Lead Contact)***

***Return to: City of Browns Valley EDA  
PO 334 Browns Valley, MN 56219***

***Discover Browns Valley Challenge  
Business Loan Incentive Program  
DBVC-BLIP***

***Competition-Program Rules, timeline and eligibility requirements:***

***OVERVIEW:***

***The purpose of this program is to provide small loans with matching funds for the promotion of economic activity within downtown Browns Valley.***

***These small loans (upto 10K) may be forgivable upon satisfaction of DBVC-BLIP requirements.***

***Applicants shall be referred to the City of Browns Valley Economic Development Authority by the “ Discover Browns Valley Challenge Business Acceleration Committee ” (BV-EDA, City Adm., BV EDA Mgr.)***

***QUALIFICATIONS: a. b. c. d. e. f. g***

***a. Open to all citizens and permanent residents of the United States 18 years of age or older.***

***b. Proposed business can be a new business, the second or third location for an existing out-of-town business or franchise, or a current downtown business expanding with a substantial new product or service.***

***c. Proposed business can be a one person concept or a team concept.***

***d. If the applicant owns a business outside of Browns Valley (i.e., already located in another city) and the proposed business is to open up a new store, the proposed business to be located in Browns Valley cannot be more then the second or third location.***

***e. A current downtown business can apply as an expansion, so long as it introduces and expansion with a substantial new product or service in the current business.***

***f. DBVC-BLIP geographic boundaries shall be limited to the City Limits of Browns Valley, MN.***

***g. Applicants must have gone through all three-phases of the application process to be considered for a forgivable loan through the DBVC-BLIP.***

***RULES:***

- 1. The Browns Valley EDA is providing upto 20K per year for the BLIP.***
- 2. The applicant shall be required to invest an amount equal to 25% of the loan amount (matching funds) in the proposed business to receive the loan.  
Ex. \$10K loan would require 2.5K in matching funds by the applicant.  
Written proof of the investment of matching funds shall be submitted to the EDA prior to distribution of loan proceeds.***
- 3. Repayment of any of the principal of the loan will be delayed and interest forgiven for one year after distribution of loan proceeds.  
Annual interest payments, together with payment of 20% of the loan proceeds distributed (unless loan proceeds are forgiven in accordance with these rules) will be made each subsequent year beginning with the second year.***
- 4. Loan will carry a fixed rate of interest in appx. range of 2.5 to 3.5%.***
- 5. All aspects of the DBVC-BLIP shall be followed.***
- 6. After Phase 3 of the DBVC-BLIP application process, the City EDA shall review the application and make a recommendation to the Browns Valley City Council.***