



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



Iowa Small Business Development Center



Making Connections, Building Community



Revised January 2013

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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](http://www.GreaterBurlington.com). If there is a way that we can personally assist you, please don't hesitate to contact me.

Best regards,

Jason Hutcheson  
President and CEO  
Greater Burlington Partnership  
319-752-6365  
[jhutcheson@greaterburlington.com](mailto:jhutcheson@greaterburlington.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 4<sup>th</sup> Street, Suite 209

Burlington, IA 52601

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

Website: [www.iowasbdc.org](http://www.iowasbdc.org) - Email: [jclover@scciova.edu](mailto: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](http://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. 4<sup>th</sup> Ste., Ste. 200, Burlington, IA 52601  
Web site: [www.greaterburlington.com](http://www.greaterburlington.com)  
319-752-6365

Jason Hutcheson  
President/CEO  
319-752-6365  
[jhutcheson@greaterburlington.com](mailto:jhutcheson@greaterburlington.com)

Steve Frevert  
Executive Director Downtown Partners, Inc.  
319-752-6365  
[sfrevert@greaterburlington.com](mailto:sfrevert@greaterburlington.com)

Beth Nickel  
Executive Director Convention & Visitors Bureau  
319-752-6365  
[bnickel@greaterburlington.com](mailto:bnickel@greaterburlington.com)

#### Center for Business

##### Southeastern Community College

River Park Place  
610 N. 4<sup>th</sup> Ste., Ste. 220, Burlington, IA 52601  
319-208-5375  
Web site: [www.scciowa.edu/business](http://www.scciowa.edu/business)

#### Iowa Small Business Development Center

##### Southeastern Community College

River Park Place  
610 N. 4<sup>th</sup> St., Ste. 209, Burlington, IA 52601  
319-208-5381  
Janine Clover-Regional Director  
[jclover@scciowa.edu](mailto:jclover@scciowa.edu)  
Web site: [www.iowasbdc.org](http://www.iowasbdc.org)

#### Iowa State University Extension Service

900 Osborn Street, Burlington, IA 52601  
319-754-7556  
Web site: [www.extension.iastate.edu](http://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](http://www.seirpc.com)

#### Burlington Public Library

210 N. 4<sup>th</sup> Street, Burlington, IA 52601  
319-753-6147  
Web site: [www.burlington.lib.ia.us](http://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](http://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](http://www.iowalifechanging.com)

### Iowa Secretary of State

Hoover Building, Des Moines, IA 50309  
515-281-5204  
Web site: [www.sos.state.ia.us](http://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](http://www.iowa.gov/tax)

### Iowa Dept. of Natural Resources

Wallace Building, Des Moines, IA 50309  
515-281-5145  
Web site: [www.iowadnr.gov](http://www.iowadnr.gov)

### Iowa Dept. of Inspections & Appeals

Lucas State Office Building  
Des Moines, IA 50309  
515-271-7250  
Web site: [www.iowa.gov](http://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](http://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](http://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](http://www.rurdev.usda.gov)

## Web Sites of Interest To Small Businesses

**Southeastern Community College Center for Business**-provides workforce training  
[www.scciowa.edu/business](http://www.scciowa.edu/business)

**Greater Burlington Partnership**-information about what our organization and/or community has to offer  
[www.greaterburlington.com](http://www.greaterburlington.com)

**Iowa Economic Trends**-Iowa employment statistics, vehicle registrations, Iowa fact book, industry trends  
[www.iowaworkforce.org/trends](http://www.iowaworkforce.org/trends)

**State of Iowa**-information on State of Iowa departments and services  
[www.iowa.gov](http://www.iowa.gov)

**Social & Economic Trends Analysis-RECAP** provides data and research on local economic, demographic, and social trends  
[www.seta.iastate.edu](http://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](http://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](http://www.fedstats.gov)

**U.S. Census**-2010 Census information  
[www.census.gov](http://www.census.gov)

**Iowa Department of Revenue**-Sales tax, withholding tax, and income tax information  
[www.iowa.gov/tax](http://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](http://www.iowasbdc.org)

**SCORE**-nonprofit organization dedicated to educating and helping small business start and grow  
[www.score.org](http://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](http://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](http://www.uspto.gov)

## Economic Data

Data/Stats available online:

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

[www.greaterburlington.com](http://www.greaterburlington.com)

[www.greatriverbiz.com](http://www.greatriverbiz.com)

[www.iowalifechanging.com](http://www.iowalifechanging.com)

[www.censtats.census.gov](http://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](http://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](http://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](http://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](http://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](http://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](http://www.arplaw.com)

Aspelmeier, Fisch, Power, Engberg & Helling  
321 N. 3<sup>rd</sup> Street  
Burlington, IA 52601  
319-754-6587  
[www.seialaw.com](http://www.seialaw.com)

Beckman Law Offices P.L.C.  
314 N. 4<sup>th</sup> Street  
Burlington, Iowa 52601  
319-754-8404  
[www.iowalaw.com](http://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](http://www.burlington-attorneys.com)

Hirsch, Adams, Putnam, Cahill, & Rashid, P.L.C.  
101 Jefferson Street  
Burlington, IA 52601  
319-754-7545  
[www.burlingtonlegal.com](http://www.burlingtonlegal.com)

Robberts & Kirkman L.L.L.P.  
205 Washington Street, Suite 201  
Burlington, IA 52601  
319-758-9800  
[www.robbertslaw.com](http://www.robbertslaw.com)

Schulte, Engler, Gordon, Benne & Clark L.L.L.P.  
100 Valley Street  
Burlington, IA 52601  
319-753-6201  
[www.burlingtonialawyers.com](http://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](http://www.annmenke.com)

CPA Associates P.C.  
401 S. Roosevelt Ave. Ste 2A  
Burlington, IA 52601  
319-752-6348  
[www.cpaapc.com](http://www.cpaapc.com)

First Rate Accounting Service  
218 N. 3<sup>rd</sup> 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](http://www.hrblock.com)

Sheakley Pay Systems  
401 S. Roosevelt Ste2B  
Burlington, IA 52601  
319-752-3612  
800-582-2327  
[www.prodatapayroll.com](http://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](http://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](mailto: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

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### BUILDING PERMIT REQUIREMENTS

TYPE OF CONSTRUCTION	PERMIT REQUIRED	FEE REQUIRED	COMMENTS
<b><i>New Construction</i></b>			
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)
<b><i>Remodel (interior &amp; exterior)</i></b>			
All Businesses	Yes	Yes	
Certificate of Occupancies	Yes	No	
Fences	Yes	No	
<b><i>Public Sidewalks</i></b>			
New	Yes	No	
Repair	Yes	No	
<b><i>Miscellaneous</i></b>			
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](http://www.westburlington.org/city_depts/public_works.htm)

### **Electric and Natural Gas: Alliant Energy**

Phone: 800.255.4268  
[www.alliantenergy.com](http://www.alliantenergy.com)

### **Des Moines County Area Recyclers**

1818 West Burlington Ave.  
Burlington, IA 52601  
319.753.8126  
[www.wastewrap.org](http://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](http://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](http://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](http://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](http://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](http://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](http://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](http://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](http://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 IDEA 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 IDEA website, [www.iowalifechanging.com](http://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](mailto: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 IDEA Board of Directors. Go to [www.iowalifechanging.com](http://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 IDEA at 515-242-4795 or 800-532-1215 or [www.iowalifechanging.com](http://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 IDEA at 515-242-4795 or 800-532-1215 or [www.iowalifechanging.com](http://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](http://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](mailto: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](http://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 319-208-0048

-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](http://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 - \$15.20

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

City of West Burlington Job Creation Program

Job Training Programs

Tax Abatement

TIF

To get your project started, please contact: Rob Harrington Executive Director Greater Burlington Partnership 319-752-6365 [rharrington@greaterburlington.com](mailto:rharrington@greaterburlington.com).

### **City of West Burlington Job Creation Program**

The City of West Burlington provides a job and wage driven incentive program for businesses and industries creating capital investment and adding jobs inside the city limits.

### **Eligibility**

Businesses eligible for this local incentive fund are for-profit businesses with job creation projects in 'primary sector' industries- those companies that import wealth and export a product or service from the local marketplace. Although each project is unique, here are some general guidelines:

- There must be investment in real property or machinery and equipment
- Companies must create a minimum of 5 new full-time equivalent (FTE) jobs within 36 months and maintain them for a minimum of 24 additional months
- Forgivable loans are per job based on wages paid.
  - \$2,000 per job for jobs paying 85% to 100% of county average wage
  - \$3,000 per job for jobs paying 100% to 130% of county average wage
  - \$5,000 per job for jobs paying 130%+ of county average wage
- The company must periodically submit payroll records to verify compliance with the program terms.

### **Type of Assistance**

The form of assistance is in the form of a forgivable loan. All incentives will be secured contractually in the form of a loan agreement. The loan will be will called if the company does not meet the performance targets.

### **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)
- Employees who will receive training must be currently employed by the business and the business must pay Iowa withholding tax for them

### ***Tax Abatement***

The Cities of Burlington and West Burlington have two commercial tax abatement schedules, and the property owner can indicate a preference. Properties that receive any Tax Increment Financing (TIF) benefits shall not be eligible for tax abatement. To qualify the improvement must increase the assessed valuation of the property by at least 15% of the valuation before the improvement. For commercial property utilized for retail purposes the limit shall be \$5,000,000.

Two (2) exemption schedules are available for tax exemptio

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

### ***Tax Incremental Financing (TIF)***

Under the Tax Increment Financing (TIF) program, businesses are given the incentive to construct new industrial or commercial facilities by receiving direct benefit from the property tax increase caused by the added value of those new facilities.

### **Business Eligibility Requirements:**

- Business constructs new industrial or commercial facility
- New facility increases property tax assessed on the business
- City councils or county board of supervisors may use the additional property tax to:
  - Finance direct grants or loans to the business.
  - Offset the costs of public improvements or provision of utilities to serve the new private development.
  - Provide the local match for federal or state economic development assistance programs.