



# Small Business Incentives

The overarching objective of the Small Business Incentive Program is to function as one of GO Topeka's tools for creating sustainable, inclusive economic impact that increases prosperity, quality of jobs and quality of life for residents of Topeka and Shawnee County. The various incentives within the program exist to encourage small business activities aimed at business growth, starts and sustainability with the expectation that the businesses will help to grow the economy in Topeka and Shawnee County. Applications will be reviewed in the context of the purposes of the specific incentives and the overarching objective of the program.

## Marketing Incentive:

**Purpose:** To incentivize businesses to develop high-quality marketing materials to grow their businesses and generate economic impact. Expenditures require pre-approval.

Reimbursement of up to 50% of project costs. For example, to qualify for a \$2000 reimbursement, the project must be at least \$4000. (Companies under 1 year old may apply for \$1,000 without 1:1 match on a demonstrated needs-basis.)

- › Minimum reimbursement incentive is \$1,000. Maximum incentive is \$2,000.
- › Examples of expenditures that may qualify, pending approval: signage, marketing materials for use at tradeshows, website development, professional graphic design services or professional photography for use in advertisements, and marketing for employee recruitment.
- › Examples of non-eligible expenditures include business cards, office stationery, advertisements and political or religious marketing.

## Global Markets Matching Grant:

**Purpose:** To incentivize businesses to utilize resources for growing their companies through developing international customers for their goods or services and becoming more competitive in international markets with the result of importing dollars into the Topeka and Shawnee County economy. Expenditures require pre-approval.

Reimbursement or expenses offered as a 1:1 match to a Kansas International Trade Marketing Assistance Program (KITMAP), Kansas International Trade Show Assistance Program (KITSAP) or State Trade Expansion Program (STEP) grant from Kansas Department of Commerce.

- › Maximum incentive is \$5,000.
- › Requires proof of KITMAP, KITSAP or STEP grant from Kansas Department of Commerce within last 12 months prior to application for the Global Markets Matching Grant.
- › Eligible expenses align with KITMAP, KITSAP and STEP eligibility.

## Construction & Renovation:

Purpose: To incentivize construction and renovation projects that will enable businesses to start, expand, or modernize to meet growth objectives or long-term business sustainability. Qualifying expenses under the Construction & Renovation Incentive must be related to the business's growth, startup or sustainability, generating economic impact, and become part of the business's real property. Expenditures require pre-approval.

Reimbursement of up to 50% of project costs. For example, to qualify for a \$15,000 reimbursement, the project must be at least \$30,000.

- › For companies with 1-9 employees, minimum incentive is \$2,500. Maximum incentive is \$7,500.
- › For companies with 10-100 FTE employees, minimum incentive is \$5,000. Maximum incentives is \$15,000.

Examples of expenditures that may qualify, pending approval:

- › Electrical work
- › Plumbing
- › Sheetrock
- › Flooring
- › Painting
- › Windows

Excluded expenses under Construction & Renovation:

- › General maintenance
- › Roofing repairs
- › Minor trims & finishes
- › Landscaping
- › Security systems
- › Tools and equipment purchase or rental related to project work (e.g., paint rollers, buckets, concrete mixers)
- › Parking lot or driveway repairs
- › Temporary structures or finishes
- › Exterior lighting that is not part of the building structure
- › Free standing light fixtures, cabinets, or furniture
- › Expenses covered by insurance
- › Demolition work in the absence of completed construction, rebuilding or renovation (e.g., flooring removal without new floor finishing or installation)



## Architecture & Design Incentive:

Purpose: To assist businesses that are working with the City of Topeka or Shawnee County to enable construction or renovation projects for business starts and expansions.

Reimbursement of up to 50% of project cost. For example to qualify for a \$2,500 reimbursement, the project must be at least \$5,000.

- › Minimum incentive is \$1,000. Maximum incentive is \$2,500.
- › Must provide documentation of work with the City or County on the project being applied for.
- › Eligible expenses: design and consulting fees from professional licensed architects or engineers.
- › Receipt of this incentive is contingent upon preapproval for a Construction & Renovation Incentive. Reimbursement requests for Architecture & Design Incentives can be submitted upon start of preapproved Construction & Renovation project.
- › Architecture and Design Incentive needs to be applied for at the same time as the Construction and Renovation Incentive.

## Equipment Incentive:

Purpose: To incentivize businesses to invest in equipment to help start, expand or modernize production of goods or delivery of services. The incentive is to be used for equipment needed for the production of goods or delivery of services for the industry to which the business belongs (e.g., clean room manufacturing equipment for a technology manufacturer, commercial ovens for bakery) and important for the growth, startup or sustainability of the business. Expenditures require pre-approval.

Reimbursement of up to 50% of equipment costs. For example, to qualify for a \$15,000 reimbursement, the project must be at least \$30,000.

- › For companies with 1-9 employees, minimum incentive is \$2,500. Maximum incentive is \$7,500.
- › For companies with 10-100 FTE employees, minimum incentive is \$5,000. Maximum incentives is \$15,000.
- › Example of expenditures that may qualify, pending approval: manufacturing equipment to expand production shifts or replacement of outdated equipment in order to improve business efficiencies.

### Excluded equipment expenses

- › Furniture
- › Security systems
- › Home gym equipment
- › General supplies
- › Fixtures
- › Vehicles (including food trucks)
- › Electronics (e.g., computers, televisions)
- › Equipment related to general business operations (e.g., security systems, shelving)
- › Line items under \$100



## Professional Services or Consultancy Directly Related to Commercialization

Purpose: To incentivize growth-oriented companies that are entering new markets or taking new products to market. Commercialization is the process of bringing new products or services to markets with the aim of achieving large-scale commercial success. Funds are not for general business operating expenses. Expenditures require pre-approval.

Reimbursement of up to 50% of project cost. For example, to qualify for a \$2,500 reimbursement, the project must be at least \$5,000.

- › Minimum incentive is \$1,000. Maximum incentive is \$2,500.

Examples of expenditures that may qualify, pending approval:

- › Cybersecurity certifications for federal government contracting
- › Attorney fees for intellectual property protection
- › Consultants assisting in working with regulatory agencies for product approval
- › CPA expenses for putting together a capitalization table for an investor prospectus
- › Working with an export compliance specialist

Examples of non-allowable uses:

- › Working with a CPA on income tax preparation
- › Working with an IT provider for general services
- › Working with an attorney on LLC formation

## SBIR Grant Writing Incentive:

Purpose: To incentivize businesses to become competitive at pursuing Small Business Innovation Research (SBIR) grants and develop Topeka as a hub of innovation. Expenditures require pre-approval.

The incentive is a reimbursement for grant writing and/or grant writing training from a pre-approved SBIR specialist.

- › Minimum incentive is \$1,000. Maximum incentive is \$5,000.
- › Proposed SBIR applications will be reviewed by a special committee familiar with innovation technologies.
- › Reimbursements are given only after submission of an SBIR application or completion of SBIR grant writing training.

## SBIR or STTR Matching Grant:

Purpose: To incentivize businesses to apply for Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) grants and to help to develop Topeka as a hub of innovation.

\$25K matching grant to a Phase I or Phase II SBIR or STTR grant to cover business expenses outside of those covered by the SBIR or STTR grant.

- › Applicants must demonstrate receipt of an SBIR or STTR Phase I or Phase II grant within last 12 months prior to applying for SBIR/STTR Matching Grant.



## Proof of Concept Matching Grant:

Purpose: To incentivize research and development of innovative technologies with large scale commercial market potential by furthering the impact of qualified external funding and to help develop Topeka as a hub of innovation. Expenditures require pre-approval.

Reimbursement for expenses offered as a 1:1 match to qualifying external funding.

- › Minimum incentive is \$1,000. Maximum incentive is \$5,000.
- › Qualifying match must be from within the last 12 months prior to applying for Proof of Concept Matching Grant
- › Owner's equity, friends and family financing, and debt-based financing do not qualify as a match for this program.
- › If the business is pre-venture, it must be advanced to the research and development stage.

Examples of allowable matches:

- › Kansas Innovation Technology Enterprise POC grant
- › POC grant funding through K-State Technology Development Institute
- › SBIR Phase 0 grant
- › Prize money from an approved competition

Examples of allowable uses:

- › Prototype development
- › Beta testing
- › Technical validation

Examples of nonallowable uses:

- › Owner's pay or employee wages
- › Advertising expenses
- › Travel
- › General overhead
- › R&D that is not related to commercialization

