



Downtown  
Partners  
SIOUX CITY

# DOING BUSINESS IN DOWNTOWN SIOUX CITY, IOWA



# CONTENTS

**3** DOWNTOWN PARTNERS WELCOMES YOU

**4** CHECKLIST: WHAT TO DO WHEN STARTING A NEW BUSINESS

**8** START-UP RESOURCES

**10** CITY OF SIOUX CITY COMMUNITY DEVELOPMENT

**11** LICENSES AND PERMITS

**12** TAXES

**13** ECONOMIC STATS AND MARKET RESEARCH SERVICES

**14** SMALL BUSINESS FINANCIAL ASSISTANCE PROGRAMS

**17** PROMOTING YOUR BUSINESS



**DOWNTOWN PARTNERS SIOUX CITY**

418 Pierce Street  
Sioux City, IA 51101  
P (712) 252-0014  
F (712) 258-8516  
DOWNTOWNSIOUXCITY.COM

Dear Future Downtown Sioux City Business:

**Downtown Partners invites you become a part of Sioux City's exciting cultural and entertainment area!**

In order to help ensure you have everything you need to get your business or idea up and running, we have created this reference guide on "How to do business in Downtown Sioux City". The guide is designed to take you through the steps from conception to realization and to give you the right contacts and resources to move forward from any stage in your development.

The mission of our organization is to be a facilitator in creating a vibrant, expanding, downtown which is a regional destination to work, live, shop and play. Based on input from area property and business owners, a strategic plan is in place to guide the district's services. A majority of the budget focuses on projects, streetscaping, marketing and promotions to help create a vibrant experience and to develop an environment that will attract more visitors and investment.

Please do not hesitate to call us at 712.252.0014 ... we're here to help.  
We wish you much success and look forward to working with you!

**Ragen Cote**  
Executive Director

**Kalynn Sortino**  
Business & Entrepreneur Support Coordinator



# CHECKLIST: WHAT TO DO WHEN STARTING A NEW BUSINESS

Want to start a business in Iowa? America's SBDC Iowa will assist and walk you through all of the steps needed. Below are recommendations, references and resources to help you start.

## HOUSEHOLD BUDGET

What is your household budget? We ask this question of our clients so that you know how much money you need to maintain your lifestyle and to ensure that the business you are looking at buying or starting will financially fit your budget and lifestyle. If you don't know your household budget we have a spreadsheet you can use.

- Household Budget Completed

## FINANCIAL PROJECTIONS AND BUSINESS PLAN

These documents are needed to determine financial feasibility of the business start-up or purchase. You may download them from America's SBDC Iowa's website at [www.iowasbdc.org](http://www.iowasbdc.org) or have your counselor provide them to you.

- Cost Worksheet/Revenue Projection Worksheet Completed
- Financial Projections Completed
- Financial Assumptions Completed
- Source and Use of Funds Completed
- Business Plan Completed - LivePlan® is recommended

## ESTABLISH A RELATIONSHIP WITH A BANKER, INCLUDING FUNDING YOUR BUSINESS

- Business Loan
- Line of Credit
- Merchant Account/Credit Card Payments
- Business Checking/Savings Account
- Payroll Direct Deposit

## BUSINESS LEGAL STRUCTURE

The legal structure decision involves legal, tax, and liability considerations.

- The Iowa Secretary of State Office provides information on choosing a legal structure. Go to [www.sos.state.ia.us](http://www.sos.state.ia.us) and select Business Services and click on Starting a Business. <http://www.iasourcelink.com/regulatory/basics-of-business-entities>.
- To search available business names for an LLC or Corporation, on the same website, select Search Database and click on Business Entities.
- To form a Limited Liability Company (LLC), file a Certificate of Organization with the Iowa Secretary of State.
- To form an S-Corporation, C-Corporation, partnership, or limited liability partnership you should seek advice from a tax accountant and contact an attorney for assistance in filing the required documents with the Iowa Secretary of State.
- If you are doing business as a Sole Proprietorship or General Partnership, file your Trade Name with the County Recorder. You do not need to file anything with the Iowa Secretary of State.





## FEDERAL, STATE, AND LOCAL PERMITS, LICENSES, AND REGULATIONS

- Federal - Apply for your EIN online at <https://www.irs.gov/businesses/small-businesses-self-employed/apply-for-an-employer-identification-number-ein-online>. You will need this to open a business bank account and for payroll taxes.
- State – Iowa does not have a general business permit or license requirement. To determine what permits or license are specific to your business go to <http://www.iasourcelink.com/regulatory/business-license-home>.
- Local - Check with City Hall on zoning restrictions and requirements.
- Local - Check with City Hall for signage permits, outdoor seating permits, and any other permits needed locally for your business. Contact the local Chamber of Commerce and/or Economic Development organization for assistance with local regulations and assistance programs.
- Local - If you are buying an existing building or building a new one, contact your city Building Inspector and Fire Marshall to make sure the building is up to code.

## STATE BUSINESS TAX APPLICATION

- The Iowa Department of Revenue provides information and resources for starting a business in Iowa at [www.iowa.gov/tax/index.html](http://www.iowa.gov/tax/index.html) - under Businesses, click on Starting a New Business or Self Employment.
- IA Sourcelink offers free webinars on taxes. For a listing of upcoming and archived webinars go to [www.iasourcelink.com/resources/business-webinars/iowa-tax-webinars](http://www.iasourcelink.com/resources/business-webinars/iowa-tax-webinars).

## IOWA SALES AND USE TAX

It is the business owner's responsibility to determine if their business should be collecting and remitting sales and use tax to the Iowa Department of Revenue. Sales tax education and registration information include:

- For information on Iowa Sales and Use Taxes go to <https://tax.iowa.gov/iowa-sales-and-use-tax-guide>. To determine if the services you provide are taxable go to <https://tax.iowa.gov/iowa-sales-and-use-tax-taxable-services-0>
- Register your business for sales and use tax, withholding tax, hotel/motel tax, and others with the Iowa Department of Revenue online at [www.idr.iowa.gov/CBA/start.asp](http://www.idr.iowa.gov/CBA/start.asp). Note, if you have employees, you will be the withholding agent.
- If you are purchasing items for resale, you must give your suppliers a Sales Tax Exemption Certificate. These are available at <https://tax.iowa.gov/sites/files/idr/forms1/SalesTaxExemptionCertif%2831014%29.pdf>.

## INSURANCE

Every business has different insurance needs.

- Business and Liability Insurance is not required but you should carry it. Contact your insurance agent.
- Business renter's insurance and inventory coverage. Contact your insurance agent.
- Workers Compensation Insurance. Contact your insurance agent.

## SET-UP A BOOKKEEPING SYSTEM, EITHER COMPUTERIZED OR MANUAL.

A well-defined and well-maintained bookkeeping system will help the business owner keep track of records to pay the correct amount of tax, both state and federal. It is the business owner's responsibility to pay the correct amount of tax, at the correct time, to the correct federal or state agency. If you do not, you could incur substantial penalties, interest, and the possibility of going to jail.

- Do it yourself - QuickBooks, a spreadsheet, or a ledger book
- Hire it out - Find a bookkeeper or accounting firm



## PUT MARKETING MATERIALS TOGETHER AND DECIDE ON BRANDING, LOGO, COLORS, TAG LINE

- Logo, colors, tag line
- Business cards
- Outdoor signage and indoor signage
- Social media and website, print, radio, promotional items

## HIRE EMPLOYEES

### STATE EMPLOYMENT TAXES

- Complete an Iowa W-4 and Centralized Employee Registry (top portion of the Iowa W-4) for each employee. The forms can be found at <https://tax.iowa.gov/form-types/withholding-tax?combine=W-4>.
- For more information on withholding Iowa employment taxes go to <https://tax.iowa.gov/iowa-withholding-tax-information-booklet#yestax>.
- For the Iowa Withholding Tax Guide go to [https://tax.iowa.gov/sites/files/idr/forms1/44001\\_0.pdf](https://tax.iowa.gov/sites/files/idr/forms1/44001_0.pdf).

### FEDERAL EMPLOYMENT TAXES

- Excellent virtual workshops on Federal taxes are available at [www.irsvideos.gov/SmallBusinessTaxpayer/virtualworkshop](http://www.irsvideos.gov/SmallBusinessTaxpayer/virtualworkshop).
- If you have employees, your business must have a Federal Employer Identification Number (EIN).
- Apply for your EIN online at <https://www.irs.gov/businesses/small-businesses-self-employed/apply-for-an-employer-identification-number-ein-online>
- Complete a Federal W-4 for each employee. The forms can be found at [www.irs.gov/pub/irs-pdf/fw4.pdf](http://www.irs.gov/pub/irs-pdf/fw4.pdf).
- For more information on Federal Employment Taxes go to <https://www.irs.gov/businesses/small-businesses-self-employed/employment-taxes>.

### LABOR LAWS

- Detailed information on a wide range of Iowa labor laws and regulations can be found at <https://www.iowadivisionoflabor.gov>.
- Workplace Postings – Employers are required by both federal and state law to display certain posters in the workplace. These posters cover various areas of employee rights and employer responsibilities. Required and recommended postings are available at <https://www.iowaworkforcedevelopment.gov/required-employer-posters>.
- To help determine if an individual is an employee or an Independent Contractor go to <https://tax.iowa.gov/employers-do-you-have-employees-or-independent-contractors>.
- You are required to keep on file an I-9 for all employees and owners. The form can be found at <https://www.uscis.gov/i-9>.
- OSHA regulations are under the Iowa Occupational Safety and Health Enforcement department. Information can be found at <https://www.iowaosha.gov/iowa-osha>. Information on OSHA regulations for new businesses go to [www.osha.gov/dcs/smallbusiness/](http://www.osha.gov/dcs/smallbusiness/) and [https://www.osha.gov/OshDoc/data\\_General\\_Facts/newbusinesses-factsheet.html](https://www.osha.gov/OshDoc/data_General_Facts/newbusinesses-factsheet.html).

### UNEMPLOYMENT INSURANCE

- Once you start hiring employees, you need to setup an Unemployment Account with Iowa Workforce Development – <https://www.iowaworkforcedevelopment.gov/unemployment-insurance-tax-and-audit>.



## RESTAURANTS, FOOD VENDORS, FOOD TRUCKS

- These types of businesses must obtain specific permits from Iowa Inspection and Appeals <https://dia.iowa.gov/food-consumer-safety/food-safety-license-applications>.
- ServeSafe Certification is also required by food handlers in Iowa. See the Iowa Restaurant Association's website for classes and more details. <https://www.restaurantiowa.com/servsafe-classes/>

## GENERAL CONSTRUCTION CONTRACTORS

- All Construction Contractors must register with Iowa Workforce Development at <http://www.iowadivisionoflabor.gov/licenses-permits-and-registrations>. Please read this carefully as you may or may not be required to pay a registration fee.

## DOING BUSINESS WITH THE GOVERNMENT

- Iowa: Targeted Small Business: Contact the Iowa Economic Development Authority at <https://www.iowaeconomicdevelopment.com/asp/Tools/ProgramDetails.aspx?pid=48&ppid=86>
- Federal Government: Contact the Center for Industrial Research and Service at Iowa State University at <http://www.ciras.iastate.edu/procurement/>
- Federal Government: Contact the SBA at <https://www.sba.gov/contracting>

This is a suggested list of steps to start a new business. Each business start-up is unique, so the steps taken to start a new business will vary among entrepreneurs. For assistance, contact the America's SBDC Iowa office nearest you, which can be found at [www.iowasbdc.org](http://www.iowasbdc.org) under Locations.



Funded in part through a cooperative agreement with the U.S. Small Business Administration (SBA). SBA cannot endorse any products, opinions or services of any external parties or activities. Iowa State University does not discriminate on the basis of race, color, age, ethnicity, religion, national origin, pregnancy, sexual orientation, gender identity, genetic information, sex, marital status, disability, or status as a U.S. Veteran. Inquiries regarding non-discrimination policies may be directed to Director, Office of Equal Opportunity, 34100 Beardshear Hall, 515 Morrill Road, Ames, Iowa 50011. Tel. 515-294-7612, email [eooffice@iastate.edu](mailto:eooffice@iastate.edu).

# START UP RESOURCES

There are a number of available programs to assist startups, micro businesses, and underserved or disadvantaged groups. The following resources provide information to help specialized audiences start their own businesses.

- *Environmentally-Friendly "Green" Business*
- *Home-Based Business*
- *Online Business*
- *Self Employment*
- *Minority Owned Business*
- *Veteran Owned Business*
- *Woman Owned Business*

You can save money when starting or expanding your business by using *government surplus*. From commercial real estate and cars, to furniture, computers and office equipment, find what you need for your business in one place. Also keep in mind that Business Plan Writing Contests are increasingly becoming a popular way to “win” grant money. Check with Downtown Partners or the City of Sioux City for more information.

## LOCAL RESOURCES

### **Downtown Partners Sioux City**

418 Pierce Street  
712.252.0014  
[www.downtownsiouxcity.com](http://www.downtownsiouxcity.com)

### **Siouxland Chamber of Commerce**

(The Siouxland Initiative)  
101 Pierce Street  
712.255.7903  
[www.siouxlandchamber.com](http://www.siouxlandchamber.com)

### **City of Sioux City Economic Development**

405 6th Street  
712.224.5500  
[www.locatesiouxcity.com](http://www.locatesiouxcity.com)

### **Convention & Visitors Bureau**

801 4th Street  
712.279.4800  
[www.visitsiouxcity.org](http://www.visitsiouxcity.org)

### **Iowa West Coast Initiative**

[www.iawestcoast.com/contact-us.html](http://www.iawestcoast.com/contact-us.html)

### **Sioux City Growth Organization (SCGO)**

Innovation Market  
[www.siouxcitygo.com](http://www.siouxcitygo.com)

### **Small Business Development Center**

4647 Stone Ave.  
Sioux City, IA 51102  
712.274.6454  
[www.corporatecollege.biz](http://www.corporatecollege.biz)

### **Siouxland Economic Development Corporation**

617 Pierce Street, Suite 202  
712.279.6430  
[www.siouxlandedc.com](http://www.siouxlandedc.com)

### **SCORE**

320 6th Street, Federal Building, Room 186  
712.277.2325  
[www.siouxcity.score.org](http://www.siouxcity.score.org)

### **Sioux City Public Library**

529 Pierce Street  
712.255.2933  
[www.siouxcitylibrary.org](http://www.siouxcitylibrary.org)

### **Springboard Coworking**

700 4th Street Suite 210  
605-351-5807  
[www.springboardcoworking.com](http://www.springboardcoworking.com)

### **STARTUP SIOUX CITY**

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

### **Venture School**

John Engel  
[john-engel@uiowa.edu](mailto:john-engel@uiowa.edu)  
712-899-3968  
[www.iowajpec.org](http://www.iowajpec.org)





## IOWA RESOURCES

### **Ciras**

515.242.4888

[www.ciras.iastate.edu](http://www.ciras.iastate.edu)

### **Iowa Dept. of Inspections & Appeals**

Lucas States Office Building

Des Moines, IA 50309

515.271.7250

[www.iowa.gov](http://www.iowa.gov)

### **Iowa Dept. of Natural Resources**

Wallace Building,

Des Moines, IA 50309

515.281.5145

[www.iowadnr.gov](http://www.iowadnr.gov)

### **Iowa Dept. of Revenue & Finance**

Hoover Building,

Des Moines, IA 50309

800.367.3388

[www.iowa.gov/tax](http://www.iowa.gov/tax)

### **Iowa Economic Development Authority**

200 East Grand Avenue

Des Moines, IA 50309

515.725.3000

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

### **Iowa Innovation Corporation**

505 5th Avenue, Suite 835

Des Moines, IA 50309

515.421.4055

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

### **Iowa Secretary of State**

Hoover Building, Des Moines, IA 50309

515.281.5204

[www.sos.state.ia.us](http://www.sos.state.ia.us)

### **Iowa Small Business Development Center**

515.294.2030

[www.iowasbdc.org](http://www.iowasbdc.org)

### **Iowa Source Link**

515.286.4950

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

### **Iowa Workforce Development**

1000 East Grand Avenue

Des Moines, IA 50309

515.281.5387 / 800.562.4692

[www.iowaworkforce.org](http://www.iowaworkforce.org)

### **Small Business Administration**

215 4th Avenue SE., Suite 200

Cedar Rapids, IA 52401-1806

319.362.6405

[www.sba.gov](http://www.sba.gov)

### **Venturenet Iowa**

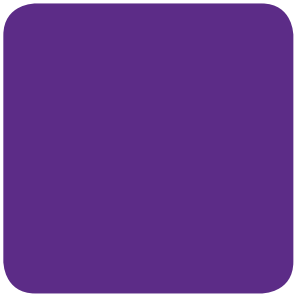
515.471.1300

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



Having a business plan **DOUBLES**  
your chances of success.

<https://smallbiztrends.com/2010/06/business-plan-success-twice-as-likely.html>



# CITY OF SIOUX CITY

## COMMUNITY & ECONOMIC DEVELOPMENT

### CITY OF SIOUX CITY COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT

City Hall  
405 6th Street  
(712) 279-6274  
[www.siox-city.org](http://www.siox-city.org)

Department offices include the Economic Development office located on the second floor, Inspection and Permit Services, Planning and Neighborhood Services, and Real Estate are all located on the third floor. Office hours for the department are 8:00 a.m. through 4:30 p.m. Monday through Friday.

Services include the provision of one-stop permitting processes, zoning information, variances and rights-of-way vacations, inspection of residential and commercial construction, code enforcement, long range land use and transportation planning, purchase and sale of real estate, housing rehabilitation and production assistance, revitalization of older neighborhoods and provision of rental housing assistance and home ownership assistance.













Mission: to encourage, guide and assist in the positive growth and development of the community and provide safe decent and sanitary housing for its residents.

### CONTACT LIST

<b>Economic Development Director</b> .....	712-224-5500
<b>Community Development Operations Manager</b> .....	712-279-6343
<b>Inspection Services Supervisor</b> .....	712-224-5154
<b>Neighborhood Services Supervisor</b> .....	712-224-5136
<b>Planning Department</b> .....	712-279-6340
<b>Zoning Enforcement Officer</b> .....	712-279-6226
<b>Real Estate Officer</b> .....	712-279-6971

# LICENSES AND PERMITS

The City Clerk's Office is the first stop to understanding what City permits and licenses are needed for your type of business. Below are the licenses and permit applications available through the City Clerk's Office. If you have questions regarding license or permit applications, call 712-224-7387 or you can find this list and other resources at [www.sioux-city.org](http://www.sioux-city.org).

-  [Body Piercing Artist Permit Application](#)
-  [Body Piercing Business License Application](#)
-  [Carnival, Circus, Exhibition or Show License Application](#)
-  [Cigarette/Tobacco/Nicotine/Vapor Permit Application \(Iowa Retail\)](#)
-  [Cigarette/Tobacco/Nicotine/Vapor Permit FAQs for Retailers](#)
-  [Excess Animal Permit Application and Information](#)
-  [Horse-Drawn Carriage License Application](#)
-  [Pawnbroker's License Application](#)
-  [Salvage Operator's License Application](#)
-  [Theatre License Application](#)
-  [Transient Merchant License Application](#)
-  [Transient Merchant License Blanket Application](#)

The City of Sioux City does not require you to have a city business license, however, please check with the State of Iowa and their licensing procedures through the U.S. Small Business Administration website at [www.sba.gov](http://www.sba.gov). This takes you through a six-step process that includes:

- Step 1:** Tax Registration (how to obtain your EIN or Tax ID number)
- Step 2:** Business Licenses (how to obtain business and occupational licenses and permits)
- Step 3:** Local Permits (Business Licenses / Tax Permits, Building Permit, Health Permit, Occupational Permit, Signage Permit, Alarm Permit or any Zoning Permit that may be necessary)
- Step 4:** Incorporation Filing (what to do for a corporation, a non-profit, a limited liability company, a partnership, sole proprietorship)
- Step 5:** Doing Business As (DBA) (fictitious name filing, also known as Doing Business As or DBA)
- Step 6:** Employer Requirements (basic registration requirements for businesses with employees)

# TAXES

## PROPERTY TAX

Property tax rates for properties located in Woodbury County can be obtained for the Woodbury County Assessor in the Sioux City Assessor's Office, 620 Douglas Street #703, Sioux City.

Contact: Sioux City Assessor's, 712.279.6505

## 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 Services, [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

The following taxes may be applicable to your business. Check with the Iowa Department of Revenue and Finance.

- Automobile Rental Tax
- Cigarette Tax
- Consumer's Use Tax
- Contractor Registration Fee
- Corporate Income Tax
- Corporation Registration Fee
- Drug Stamp Tax
- Environmental Protection Charge
- Franchise Tax
- Gambling, social and charitable
- Hazardous Waste Fee
- Hotel/Motel Tax
- Household Hazardous Material Fee
- Household Hazardous Waste Fee
- Individual Income Tax
- Individual Income Tax EMS Surtax
- Individual Income Tax School District Surtax
- Inheritance and Estate Tax
- Insurance Premium Tax
- Liquor Tax
- Local Options Sales Tax
- Mobile, Manufactured, and Modular Home Tax
- Motor Fuel Tax
- Motor Vehicle Lease Tax
- Motor Vehicle One-Time Registration Fee
- Ocean Marine Profit Tax
- Property Tax
- Property Tax Credits
- Real Estate Transfer Tax
- Retailer's Use Tax
- School Infrastructure Local Option Tax
- State Sales Tax
- Tobacco Products Tax
- Unemployment Taxes
- Use Tax
- Withholding Tax

# ECONOMIC STATS & MARKET RESEARCH SERVICES

## ECONOMIC STATISTICS

### Sioux City

Total Population: 82,872  
Total Housing Units: 33,466  
Average Household Size: 2.54  
Median Household Income: \$46,028

### Woodbury County

Total Population: 102,779  
Total Area: 873 sq. mi.  
Population density: 117 ppl per sq. mi.  
Median Household Income: \$49,010

### Iowa

Total Population: 3,145,711  
Total Housing Units: 1,362,619  
Average Household Size: 2.57  
Median Age: 36.6

\*[www.census.gov](http://www.census.gov)

28.8m

There are **28.8 million** small businesses in the United States. They account for **99.7%** of all businesses in the United States. *(that's businesses with less than 500 employees)*

<https://www.fundera.com/blog/small-business-statistics>

## MARKET RESEARCH SERVICES

### SBDC Market Research

Iowa Small Business Development Centers provide high quality, affordable market research that is applicable to small business. From identifying likely customers and industry trends to analyzing direct competition, SBDC Market Research services can help you get the edge you need to be successful in your industry. Call (712)274.6454 for more information or visit our website at [www.corporatecollege.biz](http://www.corporatecollege.biz)

### 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.

### 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 Concierge 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!



# IOWA SMALL BUSINESS FINANCIAL ASSISTANCE PROGRAMS

Public 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.

## FEDERAL

### **SBA 7(A) Guarantee Loan Program**

The 7(A) Loan Program is the Small Business Association's primary business loan program. The SBA guaranty reduces the lender's risk of borrower non-payment. If the borrower defaults, the lender can request SBA to pay the percentage of the outstanding balance guaranteed by SBA. Loans are available for many business purposes such as real estate, expansion, equipment purchases, working capital or inventory. Typically, SBA requires a minimum of a third of the total project costs to be personal investment from the owner. The loans are delivered through the commercial lending institutions at an interest rate not to exceed 2.75% over the prime lending rate. The prospective borrower needs to have approached the bank first for financing before he/she can apply for a SBA loan. Website for more information; [www.sba.gov](http://www.sba.gov)

### **SBA 504 Loan Program**

This SBA program provides long-term, fixed-rate, subordinate mortgage financing for acquisition and/or renovation of capital assets including land, building and equipment. For more information visit [www.sba.gov/services](http://www.sba.gov/services), then chose "SBA Loans" from the links in the right-hand column. From there, click on "CDC/504 Program."

### **SBA Patriot Express Loan**

The Patriot Express Initiative Pilot loan initiative is for veterans and members of the military community wanting to establish or expand a small business. Offered by SBA's network of participating lenders nationwide and features the fastest turnaround time for loan approvals. Loans are available up to \$500,000 and qualify for SBA's maximum guaranty of up to 85 percent of loans of \$150,000 or less and up to 75 percent over \$150,000 up to \$500,000. Loans can be used for most business purposes, including start-up, expansion, equipment purchase, working capital, inventory, or business occupied real-estate purchases. For more information visit [www.sba.gov](http://www.sba.gov).

*\*The SBA does not provide any grant programs for small businesses. Financial assistance is given through loan programs only.*

## STATE OF IOWA

### **Disadvantaged Business Enterprise (DBE) Program**

The *DBE Program*, which has been developed under the Equal Employment Opportunity and Affirmative Action (EEO/AA) policies, is administered by the Office of Employee Services. The Iowa Department of Transportation takes affirmative action to ensure that Disadvantaged business enterprises have the maximum practical opportunity to get Iowa DOT contracts for construction, professional and technical service.

### **Targeted Jobs Withholding Tax Credit Program**

A *program* providing a withholding tax credit equal to 3% of qualifying wages paid to employees for a five-year period. The funds can be used for most expenses incurred by a business related to their project.

### **The Iowa Small Business Loan Support Program (ISBLSP)**

*ISBLSP* aids Iowa entrepreneurs and small businesses in their efforts to access capital for business purposes including startup costs, working capital, business procurement, franchise fees, equipment, inventory, as well as the renovation or tenant improvements of an eligible place of business that is not for passive real estate investment purposes.

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



### **Iowa Microloan**

Micro businesses typically are home-based organizations with one or two employees and have credit needs of less than \$50,000. This program offers small loans and technical assistance grants to help you in your business development. For more information call 515-212-0182 or visit [www.iowamicroloan.org](http://www.iowamicroloan.org).

### **Wellmark Community Ventures Program**

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.wellmark.com/AboutWellmark/Community/WellmarkVentureCapital.aspx](http://www.wellmark.com/AboutWellmark/Community/WellmarkVentureCapital.aspx).

### **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 IEDA 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.

To apply for financing, the business has to be certified as a Targeted Small Business first through the Iowa Department of Inspections and Appeals, [www.state.ia.us/government/dia/index.html](http://www.state.ia.us/government/dia/index.html). The second step is to complete TSB application, found at the IDED website, [www.iowaeconomicdevelopment.com](http://www.iowaeconomicdevelopment.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 acquisitions costs identified in an approved business plan. Expenditures for 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 visit <http://www.ivrs.iowa.gov/iowaSelfEmploymentProgram/SelfEmploymentOverview0711.htm>.

### **Iowa Innovation Corporation**

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 IEDA Board of Directors. Go to [www.iowaeconomicdevelopment.com](http://www.iowaeconomicdevelopment.com) for an application.

## **CITY OF SIOUX CITY**

### **Tax Increment Financing (TIF)**

The City can provide a full or partial rebate of property taxes for qualifying projects in TIF districts. Rebates are an alternative use of TIF for developers that create new taxable value but who don't require significant public improvements. Rebate awards are subject to City Council approval of development and minimum assessment agreements.



### Property Tax Abatement

The city may abate the property taxes on new developments for a period of years. In Urban Revitalization Zones, the program has spurred the growth of new housing developments and renovations of existing homes. In other cases, the State of Iowa has granted the City the authority to abate property taxes for new industrial developments.

### Property Tax Rebate

In TIF districts, an alternative to up front financial awards traditionally associated with TIF, the City can provide a rebate of property taxes. The developer will pay the taxes and receive an immediate rebate from the City. Developers find this tool especially beneficial over the traditional upfront award because the entire amount of the property taxes is rebated. In upfront situations where the City must finance the cost, the cost of financing (usually 30%) is subtracted from the amount of the award.

## BANKS, GRANTS AND PRIVATE FOUNDATIONS

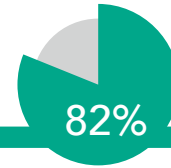
### Banks

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.

### Grants

Grants can be found from three main sources:

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



**82%** of start-ups are funded by the entrepreneur himself or herself, or family and friends.

<https://smallbiztrends.com/2016/11/startup-statistics-small-business.html>

The Federal Government has a web-site that lists all of the grant money available for education, housing, health 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 allocation deadlines, and eligibility requirements. DO NOT BUY GRANT INFO ON THE WEB! For small businesses, there are no state or federal grants to start a business. SBA is grant funded, that is how you can access free help.

Most publications of “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 increasingly becoming a popular way to “win” grant money. Check Downtown Partners or the City of Sioux City for more information.

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

For further assistance with any of these programs or to learn how to write a business plan contact Downtown Partners, 712.252.0014; City of Sioux City Economic Development, 712.224.5500.

# PROMOTING YOUR BUSINESS

There are some great resources out there to help you get the word out about you and your business! The right networking community can help in many ways, so be sure to contact any of the following companies should you need assistance. Here are a few Downtown options, but there are others throughout Siouxland.



## Antidote 71

600 4th Street #227  
Sioux City, IA 51101  
712-255-5882  
[www.antidote71.com](http://www.antidote71.com)



chatterkick

## Chatterkick

601 Pierce Street #502  
Sioux City, IA 51101  
712-274-3786  
[www.chatterkick.com](http://www.chatterkick.com)



## STARTUP SIOUX CITY

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

Other ways to help the community get to know you is by forming a press release about your upcoming promotion or product and contacting the local television, radio stations, publications and utilizing social media venues and websites. A few to consider are:

### Television

- KTIV – Around Siouxland and/or Live at 5
- KCAU – Good Morning Sioux City
- KPTH/Fox 44 – Siouxland News at Sunrise

### Radio

- Powell Broadcasting (KOOL 99.5, 1360 KSCJ, Q102, Y Country, KLEM, KSUX, KWIT and talk show appearances available, ex: Around Siouxland)
- ClearChannel (KG95, KISS-FM, Z98 and talk show appearances available, ex: Spotlight on Siouxland)



Small Businesses earning less than **\$5 million** in annual revenue should spend **7-8%** on Marketing (brand development: website, blog, social media, etc., and direct promotion: advertising, sponsorships, etc.)

**Start-ups might want to start at 2-5%**

[www.sba.gov](http://www.sba.gov)

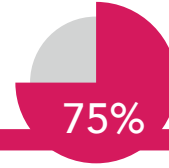


### Print

- Sioux City Journal/Weekender, and Mundo Latino

### Social Media/Web

- Facebook/Twitter: "LIKE" or "FOLLOW"  
Connect Siouxland, Downtown Partners, The City of Sioux City, Tyson Events Center, Siouxland Chamber of Commerce and all of the companies mentioned above and search for others in your field!



Over **40 million** small businesses have Facebook pages, **75%** of that 40 million pays for promoted or boosted posts.

<https://www.crowdspring.com/blog/surprising-small-business-statistics/>

For more information contact:



**Downtown Partners**  
418 Pierce Street  
Sioux City, Iowa 51101  
(712) 252.0014  
downtownsiouxcity.com