

BUSINESS DEVELOPMENT PROGRAMS

CITY OF HICKORY

BUSINESS ASSISTANCE PROGRAMS

In its 2025-2029 Consolidated Plan for Housing and Community Development, the City of Hickory identified increasing entrepreneurship opportunities as a high priority need. The Small Business Loan and Microenterprise Grant programs provide funding to small businesses to take their businesses to the next level. These programs are funded through the City's Community Development Block Grant allocation and reviewed by the Business Development Committee. Funds may not be used for real property improvements or used for expenses incurred prior to final approval of the funding agreement by the Hickory City Council.

SMALL BUSINESS LOAN

The Small Business Loan Program provides loans to businesses looking for funding to create or retain jobs and expand their operations. Loans of up to \$20,000 may be awarded. The maximum amount is based on the needs presented in the business plan. At least 51 percent of the jobs created or retained must be filled by low to moderate income individuals whose household income is less than 80 percent of the area median income. This limit is currently \$68,150 for a family of four. The limit is adjusted up or down depending on the number of persons in the household.

Loan funds may be used to purchase business equipment or for working capital. Equipment or property must be provided as collateral to secure the loan. The loan period is nine years at a 4% interest rate. If payments are made on time for five years and other program criteria are met, the remaining balance will be forgiven.

MICROENTERPRISE GRANT

This program awards microenterprise grants ranging from \$1,000 to \$4,000, based on the needs provided in the business plan. According to the US Department of Housing and Urban Development (HUD), a microenterprise is a business that has five or fewer employees, one of whom is the owner of the business. Grant funds may be used for the following purposes: business equipment, inventory, marketing, and other necessary improvements as approved by the Business Development Committee.

Applicants must have a household income of less than 80 percent of the area median income. That is currently \$68,150 for a family of four. The limit is adjusted up or down depending on the number of persons in the household.

It is important to note that these funding amounts indicate the maximum possible funding available. All income limits are subject to change as HUD updates their information. There is no right or entitlement to funding. Each project will be evaluated on how well it accomplishes program objectives. Additional requirements can be found at <https://www.hickorync.gov/business-development>. For more information about any of these programs, contact the Office of Business Development at (828) 323-7422.

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URBAN REVITALIZATION AREA PROGRAMS

The Urban Revitalization Area (URA) was designated to help target infrastructure investments and development incentives to encourage redevelopment and reinvestment in the city's urban core. The City of Hickory offers a number of programs within the URA that aim to promote the reuse of existing buildings and the revitalization of older commercial and industrial areas. Funds may not be used for expenses incurred prior to final approval of the funding agreement by the Hickory City Council.

VACANT BUILDING REVITALIZATION FORGIVABLE LOAN

This program seeks to encourage the reuse of vacant buildings and is designed to help owners of vacant property make improvements that will result in the occupancy and reuse of their vacant buildings and improve the surrounding neighborhood. One forgivable loan of up to \$20,000 or 15 percent of eligible project costs (whichever is less) is available for interior and exterior real property improvements to vacant non-residential buildings between 5,000 and 15,000 square feet located within the City's Urban Revitalization Area. Buildings larger than 15,000 square feet could be eligible to receive a forgivable loan of up to \$25,000 or 15 percent of project costs (whichever is less).

RESIDENTIAL PRODUCTION FORGIVABLE LOAN

This program aims to increase the supply of residential units in the downtown area. Forgivable loans of \$5 per square foot, up to a maximum of \$4,000 per unit, are available to convert and renovate existing space zoned C-1 (Central Business District) into new housing units. The maximum total funding per property is \$20,000. Both new construction and rehabilitation of existing buildings are eligible for funding.

VACANT BUILDING DEMOLITION PROGRAM

Funding of up to \$15,000 or 35 percent of eligible project costs (whichever is less) is available for demolition and site restoration of substandard buildings. Buildings must be at least 10,000 square feet, and must be vacant for at least 12 months to qualify for demolition funding.

FIRE SUPPRESSION PROGRAM FORGIVABLE LOANS

This program aims to support the rehabilitation of existing buildings by providing funds to install code required fire protection infrastructure that facilitates the re-use of an existing building. Forgivable loans of up to \$8,000 or 50 percent of fire protection installation costs (whichever is less) may be awarded for the installation of code required fire protection infrastructure.

APPEARANCE GRANT

This program offers matching grants of up to \$7,500 or 50 percent of eligible exterior improvement or landscaping costs (whichever is less) to projects in the Urban Revitalization Area. Examples of eligible property improvements include: exterior façade improvements, landscaping, creation of outdoor patios, and other related improvements.

It is important to note that these funding amounts indicate the maximum possible funding available. There is no right or entitlement to funding. Each project will be evaluated on how well it accomplishes program objectives. Additional requirements can be found at <https://www.hickorync.gov/business-development>. For more information about any of these programs, contact the Office of Business Development at (828) 323-7422.