CITY OF JERSEY VILLAGE CHAPTER 380 GRANT POLICY

Section 1. General Statement of Purpose

The City of Jersey Village is committed to the promotion of high quality development in all parts of the City and to an ongoing improvement in the quality of life for its citizens. Now the City of Jersey Village seeks to enhance its economic development efforts to attract and retain high quality development and jobs by establishing this Chapter 380 Economic Development Program Policy.

This Policy is established in an effort to develop and expand the local economy by promoting and encouraging development and redevelopment projects that enhance the City's economic base, and diversify and expand job opportunities or by promoting and encouraging projects that create additional revenue for the City without substantially increasing the demand on City services or infrastructure. The ultimate goal and public purpose of programs established hereunder is to protect and enhance the City's fiscal ability to provide high quality municipal services for the safety, comfort and enjoyment of Jersey Village residents.

In furtherance of these objectives, the City of Jersey Village will, on a case-by-case basis, give consideration to providing economic incentives to applicants in accordance with this policy as authorized by Chapter 380 of the Texas Local Government Code, as amended from time to time.

Nothing in this document is intended to imply or suggest that the City of Jersey Village is under any obligation to provide economic incentives to any applicant. All applicants shall be considered on a case-by-case basis. The decision to approve or deny economic incentives shall be at the discretion of the City Council. Each applicant granted economic incentives as a Chapter 380 Economic Development Program (also referred to as Program) under this policy must enter into an agreement with the City of Jersey Village containing all terms required by this policy and by state law to protect the public interest of receiving a public benefit in exchange for public funds, assets and services invested to stimulate economic development in Jersey Village.

To be considered for incentives as a Chapter 380 Economic Development Program, a project must at least meet the following minimum requirements:

Section 2. Minimum Standards

The following standards should be met by an applicant in applying for incentives.

(a) The project should stimulate local employment and/or commercial activity and benefit existing business and not compete with existing businesses to the extent of being a detriment to the local economy as a whole.

(b) The project should have a meaningful impact to the property tax base or sales tax collections of the city.

(c) The project should have high visibility and image impact, or be a significantly higher level of development quality.

(d) The project will serve as a catalyst or magnet to attract or retain other high quality industrial/business development.

(e) The development must conform to the City's zoning ordinance.

(f) The project shall not have any negative environmental impacts on the community (e.g., significant pollution or hazardous waste).

Section 3. Additional Considerations

Additional factors to be considered by the City Council in determining whether to authorize an Agreement for incentives are:

A. The number and types of jobs to be created or retained;

B. The financial capacity of the applicant to undertake and complete the proposed project;

C. Other incentive programs for which the applicant has applied or is qualified;

D. The market conditions and growth potential for the business activity, and

E. Any other factors the City Council finds helpful and relevant to accomplishing the City's economic development objectives.

Section 4. Examples of Possible Chapter 380 Economic Development Programs

The items listed as examples in this section are meant to provide a guideline as to what programs may be considered by the City. The City may offer a combination of some or all of the below examples based upon specific projects. The City treats each application on a case by case basis.

Sales Tax Reimbursement

The city may enter into a reimbursement agreement of up to 85% of the sales tax generated. Generally the length of the reimbursement agreement will not exceed 10 years. A minimum of $100,000 in new annual sales tax revenue for the city should be generated to be eligible for sales tax reimbursements.

Property Tax Reimbursements

The city may enter into a reimbursement agreement of up to 100% of the property tax generated for the City of Jersey Village, excluding other taxing districts. Generally the length of the reimbursement agreement will not exceed 10 years. A minimum of $500,000 in new property value for the city should be generated to be eligible for property tax reimbursements.

Hotel Occupancy Tax Reimbursements

Hotels may be eligible for a portion of the city Hotel Occupancy Tax collected to be reimbursed to them. The terms and conditions of these will depend greatly upon the type of project proposed.

Other Grants

The City may offer grants that are not represented in the examples above, in accordance with Texas Local Government Chapter 380.

Section 5. Application Process

The following application process shall apply to all applications for consideration for incentives

A. An application shall be made on forms supplied by the City. An applicant may be required to provide additional information to show compliance with the minimum standards outlined above. If City staff determines minimum standards have been met, City staff shall prepare and present a proposed Agreement with the applicant to the City Council.
B. The City Council may consider the proposed Agreement and may take action on the proposal as it deems appropriate. Nothing in this policy and nothing in the application form and process shall create any property, contract, or other legal right in any person to have the City Council consider or grant incentives.

Section 6. Agreement

An Agreement established for a Program must include:

A. A timetable and list of the kind of improvements or development that the Program will include, and conditions to assure that the Program meets or exceeds the City's requirements pertaining to property values and revenues, which in no event shall be less than the minimum Program requirements established in Paragraph II above;
B. A complete description of the location of the proposed Program or projects included in the Program;
C. A timetable and list of the kind and amount of property values, revenues, incomes or other public benefits that the proposed Program will provide;
D. A provision establishing the duration of the Agreement;
E. A provision identifying the method for calculating and source of funding for any grant, loan or other incentives provided in the Agreement;
F. A provision providing a tangible means for measuring whether the applicant and other responsible parties have met their obligations under the Agreement;
G. A provision providing for access to and authorizing inspection of the property and applicant's pertinent business records by municipal employees in order to determine compliance with the Agreement;
H. A provision for cancellation of the Agreement and/or nonpayment of incentives if the Program is determined to not be in compliance with the Agreement;
I. A provision for recapturing City funds granted or loaned, or for recapturing the value of other public assets granted or loaned, if the applicant does not meet its duties and obligations under the terms of the Agreement;
J. A provision that allows assignment of the Agreement with prior written approval of the City Council;
K. Provisions relating to administration, delinquent taxes, reporting requirements and indemnification;
L. A provision that the Agreement may be amended by the parties to the Agreement by using the same procedure for approval as is required for entering into the Agreement; and
M. Such other provisions as the City Council shall deem appropriate