

## **CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM**

### **POLICIES AND PROCEDURES**

#### **I.**

#### **General Statement of Purpose and Policy**

The City of Beaumont 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. The City has previously developed economic development programs and incentives designed to encourage new development in targeted areas. Now the City of Beaumont seeks to enhance its economic development efforts to attract and retain high quality development and jobs by establishing these Chapter 380 Economic Development Program Policies and Procedures.

These Policies and Procedures are 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 Beaumont residents.

In furtherance of these objectives, the City of Beaumont will, on a case-by-case basis, give consideration to providing economic incentives to applicants in accordance with these Policies and Procedures 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 Beaumont 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 these Policies and Procedures must enter into an agreement with the City of Beaumont containing all terms required by these Policies and Procedures 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.

**II.**  
**Program Requirements**

- A. To be considered for incentives as a Chapter 380 Economic Development Program under these Policies and Procedures, a project must at least meet the following minimum requirements:
1. The project shall
    - a. be specifically determined by resolution of the Beaumont City Council to bring benefit to the City consistent with the General Statement of Purpose and Policy.
  2. In addition, the project
    - a. will enhance the City's fiscal ability to provide high quality municipal services for the safety, comfort and enjoyment of Beaumont residents.
    - b. will make a unique or unequaled contribution to development or redevelopment efforts in the City of Beaumont, due to its magnitude, significance to the community or aesthetic quality.
- B. A project shall not be eligible for incentives under these Policies and Procedures if a building permit has been issued for the project prior to making application in accordance with these Policies and Procedures.

**III.**  
**Additional Considerations**

Additional factors to be considered by the City Council in determining whether to authorize an Agreement for incentives as a Chapter 380 Economic Development Program (Program) 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. The market conditions and growth potential for the business activity, and
- D. Any other factors the City Council finds helpful and relevant to accomplishing the City's economic development objectives.

**IV.**  
**Application Process**

- A. An application for consideration as a Program shall be made on forms supplied by the City. An applicant may be required to provide additional information to show compliance with minimum Program requirements. If City staff determines minimum Program requirements have been met, City staff shall prepare and present a proposed Agreement with the application 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 these Policies and Procedures 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.

**V.**  
**Agreement Terms**

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.
- 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 of benefits that the proposed Program will provide;
- D. A provision establishing the duration the Agreement;
- E. A provision providing a tangible means for measuring whether the applicant and other responsible parties have met their obligations under the Agreement;
- F. 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;
- G. 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;

- H. 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;
- I. A provision that allows assignment of the Agreement with prior written approval of the City Council, or without the prior written approval of the City Council provided that:
  - 1. all rights, duties, obligations and liabilities under the Agreement are assigned from the assignor to the assignee; and
  - 2. the assignment is made subject and subordinate to the Agreement and the Chapter 380 Economic Development Program Policies and Procedures; and
  - 3. the assignment document is in a form and contains content acceptable to the City Attorney's Office;
- J. Provisions relating to administration, delinquent taxes, reporting requirements and indemnification;
- K. 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
- L. Such other provisions as the City Council shall deem appropriate.