

City of Weatherford
Economic Development Incentive Policy

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I. Overview

The City of Weatherford is an “Exurban City” that is poised for continued growth and expansion. Weatherford blends its western heritage, historic downtown, and modern growth to create a unique overall quality of living; offering both quality schools and a skilled workforce to support new business including Retail, Commercial, Distribution, and Industrial Business.

Vision 2016: “Weatherford: The Regional Leader in economic & community development, offering an unparalleled environment to own & operate a business;

Mission 2016: “Attract, assist & sustain quality economic development in the City of Weatherford, that enhances the quality of life for our citizens, while preserving our unique spirit & cultural heritage”.

The City of Weatherford is the “Western Gateway Business Centre of the DFW Metroplex” and offers several Incentive Programs to qualified partners and projects looking to grow and expand within Weatherford. Incentives are contemplated and designed to meet the needs of the community, project, and encourage continued investment and growth that supports the unique spirit of Weatherford. The City Council is the final approval for economic incentive programs and may apply broad discretion as to project eligibility, amount of incentive and qualification parameters.

II. Economic Development Structure

- A. Weatherford City Council** consists of an elected mayor and four at-large council members serving staggered two-year terms. The City Council is the governing body for the City of Weatherford whose duties include: enacting and enforcing all ordinances and resolutions, strategic planning, budget approval, setting policy, regulating zoning and development, and the appointment of board and commission members.

Meeting Information

- 2ND and 4th Tuesdays of each month at 6:30 pm

1. Council Organizations Aimed at Economic Development

- i. **Weatherford Economic Development Board (“WEDB”).** WEDB acts in an advisory capacity to the City Council. Duties include: the review and recommendation of all incentive requests and economic development agreements prepared and negotiated by the staff for qualified and targeted businesses; attracting and identifying target business; retaining desirable business and supporting the development of new and existing businesses in the community, as well as the overall promotion of economic development and marketing of the city. All incentives and agreements are subject to approval by the Weatherford City Council.

- ii. **Planning & Zoning Commission** reviews amendments to the Comprehensive Plan and Zoning Ordinance and makes recommendations to the City Council pertaining to the development of the city.

III. Incentive Programs

A. Industrial Incentives. Eligible Industrial projects must exceed an added capital investment of \$10,000,000 and must add and maintain a minimum of 50 new full-time employees unless otherwise approved by the City Council. Incentives may include tax abatements, Section 380 agreements, fee waivers, tax increment financing or other considerations as determined by the City Council. All incentives are subject to the review and approval of a Development Agreement by the City Council. Projects that receive Industrial Incentives from the City may forfeit those incentives if minimum investment and employment levels are not maintained.

i. **Stipulations:**

- Consideration of any and all incentives is based on current market conditions within the City of Weatherford as determined by the Weatherford City Council and the Weatherford Economic Development Board. Any and all negotiations begin upon receipt of a fully executed Application for Incentives and accompanying application fee.
- If requirements are not met within stated time periods, any written or implied offer of incentives made by the City of Weatherford will be rendered null and void. Incentives may be re-negotiated based on then current market conditions.
- All Industrial Incentives require electric service to be provided by the City of Weatherford, Electric Utilities

B. Tax Abatements/Exemptions. A tax abatement is the full or partial reduction from ad valorem taxes on newly added improvements and/or business personal property (not including land) for a specified period of time as determined by the City Council. Projects may also be eligible for an abatement or partial exemption of ad valorem taxes assessed by Parker County, the Parker County Hospital District, and the Parker County Community College District each subject to independent and separate application and approval.

i. **Stipulations:**

- Applicant will have 12 months from date of Resolution by Weatherford City Council approving tax abatement in which to commence new construction.
- Applicant will have 24 months after obtaining Shell (Building) Certificate of Occupancy in which to meet all minimum investment and employment requirements.
- Land sites or buildings located within a Tax Increment Financing District are ineligible to receive property tax abatements.

C. Freeport Tax Exemption. The City Council may consider granting a tax exemption on certain eligible inventory leaving the state within 175 days. The exemption of Freeport

property may be separately and independently approved by Parker County, and the Weatherford Independent School District.

D. Accelerated Plan Review and Permit Streamlining. The City of Weatherford has implemented streamlined development processes to reduce the time required to obtain construction permits and certificates of occupancy. Weatherford prides itself on fast tracking this process for industrial and commercial projects during pre-development meetings, permitting and construction processes.

E. Special Financing Options

i. **Tax Increment Reinvestment Zones (“TIF” or “TIRZ”)** are a public financing tool authorized by Chapter 311 of the Texas Tax Code which may be used to finance public improvements and needed infrastructure within an area defined by the City Council.

Stipulations:

- The tax increment is derived from the difference in appraised value between the year in which the reinvestment zone is established (base year) and each year the reinvestment zone is in existence.
- Parker County, Parker County Community College District and the Parker County Hospital District may participate in a TIRZ authorized by the City Council at any level and/or term approved by these respective entities, but are not required to do so.
- The City Council establishes a TIRZ Board of Directors consisting of 5 to 15 members for each tax increment reinvestment zone and which must include representatives from participating entities as set forth in Chapter 311 of the Tax Code.

ii. **Public Improvement Districts (“PIDs”).** Authorized by Chapter 372 of the Texas Local Government Code, PIDs are special assessment districts created within a defined geographical area in order to construct public improvements. PIDs levy assessments against properties within the District to pay for specific improvements that confer a special public benefit to property owners within the District. PIDs are created and controlled exclusively and independently by the City Council and/or Parker County.

iii. **Neighborhood Empowerment Zones (“NEZs”).** Authorized by Chapter 378 if the Local Government Code, NEZs promote housing, economic development, and quality services in specific Weatherford neighborhoods. Municipal property tax abatements and fee waivers may be approved by the City Council on a case by case basis for property owners who build or rehabilitate property within a NEZ. These incentives are designed to promote affordable housing, economic development and expanded services.

- iv. **Chapter 380 Economic Development Program Grants.** Authorized by Chapter 380 of the Texas Local Government Code, 380 Grants authorize municipalities to offer financial incentives on a case by case basis which are designed to promote economic development. 380 Grants may include grants, loans or in-kind services to eligible economic development projects as determined by the City Council.

- F. Façade Improvement Program.** Aimed at helping local business in eligible areas improve their storefronts and curb appeal, the Façade Improvement Program promotes commercial revitalization and economic development in eligible areas throughout Weatherford.

- G. Main Street Restaurant Incentive Program.** The City Council desires to promote the historic downtown area by promoting unique, one of a kind sit down restaurants. The Main Street Restaurant Incentive Program provides eligible restaurant projects with City supported financial incentives, fee waivers and in-kind assistance to further the development of downtown on a case-by-case basis.

- H. Revitalization Development.** Revitalization Development sites are properties designated and approved by the City Council where expansion, redevelopment, or reuse may be complicated by potential or known hazardous substances, pollutants, or contaminants. Weatherford’s Revitalization Development Program encourages the redevelopment of economically distressed areas in Weatherford through assistance with environmental assessment, remediation, and education.

- I. State Incentives (see state website for full details)**
 - i. **Skills Development Fund.** The Texas Workforce Commission provides eligible projects with local and customized training opportunities for Texas businesses and workers to increase their skill levels.

 - ii. **Texas Enterprise State Fund.** The 78th Texas Legislature established the Texas Enterprise Fund (TEF) to promote job growth and investment in the state. The Fund is financial incentive tool in the form of a grant for projects offering significant increased job creation and investment growth. The TEF is one of the largest “deal closing” funds in the nation, and continues to bring a wide variety of industries and projects to the state the fund is used only as a final incentive tool where a single Texas site is competing with another viable out-of-state option. Additionally, the TEF will only be considered to help close a deal that already has significant local support behind it from a prospective Texas community. Projects that are considered for Enterprise Fund support must demonstrate a project’s worthiness, maximize the benefit to the State of Texas and realize a significant rate of return of the public dollars being used for economic development in Texas. Capital investment, job creation, wages generated, financial strength of the applicant, applicant’s business history, analysis of the relevant business sector, and federal and local government and private sector financial support of a project will all be significant factors in approving the use of the Enterprise Fund.

- iii. **Texas Enterprise Zone Program.** Weatherford can nominate projects as an Enterprise Project under the Texas Enterprise Zone Program. Upon the City's designating a business as an enterprise project, and upon that project's designation being approved by the state, the business would be eligible for the following incentives:
 - An enterprise project is eligible for a refund of state sales and use taxes paid for building materials, machinery and equipment, electricity and natural gas purchased and consumed in the normal course of business and depending on investment amount and number of jobs created/retained.
 - Further eligible items include tangible personal property purchased and consumed in the normal course of business and taxable services.

- iv. **State Sales and Use Tax Exemptions.** Texas businesses are eligible for state sales & use tax exemptions on leased or purchased machinery, equipment, replacement parts, and accessories that have a useful life of more than six months, and that are used or consumed in the manufacturing, processing, fabricating, or repairing of tangible personal property for ultimate sale. Texas businesses are exempt from paying state sales and use tax on labor for constructing new facilities, the purchase of machinery exclusively used in processing, packing, or marketing agricultural products by the original producer at a location operated by the original producer; and on electricity and natural gas used in manufacturing, processing, or fabricating tangible personal property. The business must complete a predominant use study that shows that at least 50% of the electricity or natural gas consumed by the business directly causes a physical change to a product.

IV. Application Forms and Process

A. Incentive Consideration Process

- i. Prospect completes Application for Economic Development Incentives (Exhibit A-1)
- ii. Staff meets with the applicant and reviews the project
- iii. Staff presents a recommendation to WEDA for consideration.
- iv. Economic Development Incentive Agreement is drafted and signed and forwarded to the City Council for review.

B. Application Forms (see below)

Exhibit A-1
Application for Economic Development Incentives

Date _____

Company Name: _____

Project Name: _____

Project Description and plan for development and/or expansion: (May attach a Business Plan in lieu, if available) _____

Type of Business: _____

Primary SIC or NAICS Code (if applicable): _____

Primary Product (s) or Service: _____

Federal Tax I.D. Code: _____

Address: _____

City, State, Zip Code: _____

Telephone & FAX No.: _____

Email & Web Site: _____

Name & Title of Primary Contact: _____

What type and/or amount of assistance are you requesting? _____

Site and Building/Facility needs: _____

Site Acres? _____, Building Size (S.F.) _____

New? _____, Existing?: _____

Purchase? _____, Lease?: _____

Special Utility/Services Requirements?: _____

ESTIMATED CAPITAL INVESTMENT: _____

ESTIMATED EMPLOYMENT:

EXISTING WORKFORCE (if applicable)

Number of Existing Jobs	Average Wage Range	Estimated Annual Payroll
Estimated Wage Distribution # of Employees	Wage Range	Estimated Annual Payroll
	\$5.15 to \$7.00/ hr.	
	\$7.01 to \$9.00 /hr.	
	\$9.01 to \$13.00 /hr.	
	\$13.01 to \$16.00 /hr.	
	\$16.01 to \$23.00 /hr.	
	\$23.01 to \$30.00 /hr.	
	\$30.01 to \$35.00 /hr., plus	

NEW WORKFORCE OR ADDITIONAL JOBS (if applicable)

Number of New/Added Jobs	Average Wage Range	Estimated Annual Payroll
		(
Or;		
Estimated Wage Distribution # of New Employees	Wage Range	Estimated Annual Payroll
	\$5.15 to \$7.00/ hr.	
	\$7.01 to \$9.00 /hr.	
	\$9.01 to \$13.00 /hr.	
	\$13.01 to \$16.00 /hr.	
	\$16.01 to \$23.00 /hr.	
	\$23.01 to \$30.00 /hr.	
	\$30.01 to \$35.00 /hr., plus	

Employee Benefits Provided: _____

SIGNATURES: *I certify that everything I have stated in this application and on any other attachments is correct. You may keep this application whether or not it is approved. By signing this application, I authorize you to check my credit, business, tax and employment history.*

1. Have you been declared bankrupt in the last 10 years? _____ Where? _____
2. Are there any unsatisfied judgments against you? _____ Amount \$ _____
3. Are you the co-maker, endorser, or guarantor on any loan or contract? _____ Amount \$ _____

4. Have you ever been convicted of a felony? _____

Applicant's Name & Title

Date

Applicant's Signature

Weatherford Economic Development Board

303 Palo Pinto

Weatherford, Texas 76086

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