

# Mayor and Council Communication

DATE: 01/26/21

M&C FILE NUMBER: M&C 21-0072

LOG NAME: 17EDPAPOLICY2021

## **SUBJECT**

(ALL) Adopt Resolution Amending Certain Portions of the Chapter 380 Economic Development Program Policy

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## **RECOMMENDATION:**

It is recommended that the City Council adopt the attached Resolution amending certain portions of the Chapter 380 Economic Development Program Policy.

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## **DISCUSSION:**

Chapter 380 of the Texas Local Government Code authorizes the governing body of a municipality to establish and provide for the administration of one or more programs for making loans and grants of public money and providing personnel and services of the municipality to promote state or local economic development and to stimulate business and commercial activity in the municipality (a "Chapter 380 Economic Development Program"). The City of Fort Worth first established a Chapter 380 Economic Development Program on January 30, 2001 pursuant to Resolution No. 2704, which was continued and expanded on March 10, 2009 pursuant to Resolution No. 3716-03-2009.

On January 29, 2019 the City Council adopted Resolution No. 5039-01-2019 (Mayor & Council Communication (M&C) G-19463) to establish a more detailed policy governing the Economic Development Program under Chapter 380 ("Policy"). On June 16, 2020, the Council amended the Policy (Resolution No. 5241-06-2020).

The Policy enhanced the tools available to the City and was developed, following significant stakeholder engagement and research, to specifically address the Economic Development Strategic Plan recommendation *4.2 Create new incentive tools to encourage business growth within target industries and to facilitate development and redevelopment in designated districts*. The City Council accepted the Economic Development Strategic Plan (M&C G-19192) on December 12, 2017.

Staff is recommending amending the existing policy with four basic changes as follows:

1. Definition of Certified Minority-owned Business Enterprise (MBE) to mirror the definition included in the New Business Equity Ordinance, Chapter 20, Article X, as approved by City Council November 17, 2020 (M&C 20-0841).
2. Revise the minimum average annual salary from \$43,992 to \$52,300, which remains 80% of the City of Fort Worth Median Income. This change will impact the eligibility criteria in Sections 3, 4 and 5 of the policy as found in the redlined version attached
3. Revise Section 8: Eligibility Requirements for Catalytic Development Projects to include Urban Villages and identified Revitalization Areas in addition to the Designated Investment Zones.
4. Revise Section 10: Eligibility for Redevelopment Projects on Central Business District Surface Parking Lots to include areas of East Lancaster and Jacksboro Highway.

Additional revisions associated with clerical matters and/or clarification are also incorporated. A copy of the amended Policy is attached.

Once adopted, the amended Policy will be effective on January 26, 2021.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

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## **FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that approval of this Policy will have no material effect on the Fiscal Year 2021 Budget, and any effect on expenditures and revenues will be budgeted in future fiscal years and included in the long term forecast.

**Submitted for City Manager's Office by:** Jay Chapa 5804

**Originating Business Unit Head:** Robert Sturns 2663

**Additional Information Contact:** Brenda Hicks-Sorensen 2606

Expedite Requested