

City of Fort Worth
Economic Development Program Policy
for Grants Authorized by Chapter 380,
Texas Local Government Code

Effective January 26, 2021

1. GENERAL PROVISIONS.

1.1. Purpose

Chapter 380 of the Texas Local Government Code authorizes the City Council to establish and provide for the administration of one or more programs, including programs for the making of loans and grants of public money and providing personnel and services of the City, to promote economic development. This Policy is intended to establish a program and set forth guidelines and criteria for persons or entities interested in receiving economic development program grants or loans (collectively, “**380 Grants**”) from the City pursuant to Chapter 380 of the Texas Local Government Code (the “**Grant Program**”).

1.2. General Eligibility Criteria

The terms and conditions of any 380 Grant will be set forth in an Economic Development Program Agreement that must be negotiated and executed by both the City and the applicant or an affiliate of the applicant (an “**Economic Development Program Agreement**”). Although the City will consider all applications for the 380 Grants that meet the eligibility requirements set forth in the associated Policy, it is especially interested in supporting projects that are expected to produce a meaningful impact on the City and its economy and that result in one or more of the following:

- Growth of business activity, employment, or investment in one of the City’s identified Target Industries;
- Creation of high-wage jobs;
- Significant Investment;
- Growth of business activity, employment, or Investment in the Central Business District;
- Revitalization with likelihood of ancillary development in a key employment node or specifically designated area of the city;
- Retention or expansion of an existing major employer; and
- Anchoring of a business expansion project with potential to generate additional supply chain activity.

2. DEFINITIONS

Capitalized terms used in this Policy but not defined elsewhere shall have the following meanings:

380 Grant Term – The period of time specified in an Economic Development Program Agreement in which a party may receive annual 380 Grants, not to exceed a total of fifteen (15) years.

Business Personal Property -- Any taxable tangible personal property other than inventory and supplies that (i) is subject to ad valorem taxation by the City; (ii) is located on the property subject to an Economic Development Program Agreement; (iii) is owned or leased by the party to the Economic Development Program Agreement; and (iv) was not located in the City prior to the effective date of the Economic Development Program Agreement.

Capital Investment - Expenditures for real property improvements such as, without limitation, new facilities and structures, site improvements, infrastructure improvements, facility expansion, facility modernization, and utility installation. Capital Investment does NOT include land acquisition costs or the cost or value of any improvements existing on the property prior to the City Council's authorization of execution of an Economic Development Program Agreement.

Catalytic Development – A development that meets the prerequisites set forth in Section 10.

Central Business District – A geographic area within the City, also referenced as Downtown, as defined in the Fort Worth Comprehensive Plan.

Comprehensive Plan - The City of Fort Worth's official guide for making decisions about growth and development. The Plan is a summary of the goals, objectives, policies, strategies, programs, and projects that will enable the city to achieve its mission of focusing on the future, working together to build strong neighborhoods, develop a sound economy, and provide a safe community.

Designated Investment Zone –The geographic area within the City containing those census tracts (i) that are eligible for community development block grants (CDBG), as defined and determined by the United States Department of Housing and Urban Development (HUD), meaning that fifty-one percent (51%) or more of residents have low to moderate incomes and (ii) those census tracts that have a poverty rate of 20% or higher, as shown in the map of Exhibit "A" of this Policy.

Existing Business – A business that was operating within the corporate limits of the City prior to the effective date of this Policy.

Innovation District – Geographic areas where leading-edge anchor institutions and companies cluster and connect with start-ups, business incubators, and accelerators that are, physically compact, transit-accessible, and technically-wired and offer mixed-use housing, office, and retail.

Investment – The aggregate of Capital Investment and Personal Property Investment.

Mega Project- A project meeting the prerequisites set forth in Section 8.

Mixed-Use Development Project – A development project in which a facility or facilities will be constructed or renovated such that (i) at least twenty percent (20%) of the total gross floor area will be used as residential space and (ii) at least ten percent (10%) of the total gross floor area will be used for office, restaurant, entertainment and/or retail sales and service space. In the event that all or any portion of the residential space is rental (i.e. apartments), there must be at least fifty (50) units.

Personal Property Investment – The value of Business Personal Property installed on a development site by a date certain, as determined solely by the appraisal district having jurisdiction over the development site.

Program Cap – The maximum amount of 380 Grant award available over the term of 380 Grant Term.

Qualified Expenses – Those expenses classified as qualified expenses under Internal Revenue Code Section 41 (the Research and Experimentation Tax Credit) and any other expenses identified and agreed to by the City in an Economic Development Program Agreement as direct expenses for utility patent generation, technology commercialization, or spinoff incubation costs.

Salary – A cash payment or remuneration made to a full-time employee, including paid time off, commissions, and non-discretionary bonuses. A Salary does not include any benefits, such as health insurance or retirement contributions by the employer, reimbursements for employee expenses, or any discretionary bonuses.

Target Industry – A business providing services in the sectors specifically identified in Section 4.

Technology Company – A company working in an industry with a high concentrations of workers in STEM (Science, Technology, Engineering, and Mathematics) occupations, including, but not limited to, design, prototype development and testing, preliminary manufacturing and product marketing.

Transit Oriented Development - A Mixed-Use Development located within one-half mile of a commuter rail line station and in which all buildings will be at least 3 stories in height.

3. ELIGIBILITY CRITERIA FOR GENERAL PROJECTS.

Unless a project meets one of the other minimum eligibility criteria set forth in Sections 4-13 below, in order to be considered for a 380 Grant, a project must commit to a minimum Investment of at least \$25 million and creation of new full-time jobs with certain minimum annual average employee

Salary levels. The amount of a 380 Grant will be based on a percentage of annual tax revenues that the City receives in a particular year, including ad valorem taxes on real property, ad valorem taxes on Business Personal Property, local sales taxes directly attributable to the project, or some combination thereof. The table below establishes the maximum percentage of annual tax revenues on which 380 Grants to general projects may be eligible, in correlation with minimum Investment and employment and annual average employee Salary levels:

Base Tax Abatement Percentage	Minimum Annual Average Wage Rate and Minimum Investment Level			
	\$70 Million Investment	\$55 Million Investment	\$40 Million Investment	\$25 Million Investment
20%	\$52,300 - \$65,799			
30%	\$65,800 - \$80,389	\$65,800 - \$80,389		
40%	\$80,390 - \$94,949	\$80,390 - \$94,949	\$80,390 - \$94,949	
50%	\$94,950 or above	\$94,950 or above	\$94,950 or above	\$94,950 or above

As reflected in this table, a general project that commits to annual average annual Salary levels of less than \$94,950 (but not less than \$52,300) will be considered for 380 Grants only if the project commits to higher minimum levels of Investment, but only at lower amounts, depending on the Salary commitments that are made.

In general, the City of Fort Worth will consider the following lengths of time for 380 Grants for general projects that are not otherwise covered in Sections 4-13:

Maximum Grant Term	Parameters
3-5 years	Less than \$50 Million Invested or Less than 250 Jobs
5-7 years	\$50+ Million or 250+ Jobs
7-9 years	\$75+ Million Invested or 350+ Jobs
10 years	\$100+ Million Invested or 500+ jobs

4. ELIGIBILITY REQUIREMENTS FOR TARGET INDUSTRY PROJECTS.

The City is particularly interested in developing certain target industries (each defined herein as a “**Target Industry**”), whose presence the City has determined especially will help strengthen and diversify the City’s economy:

Established Sectors

- Transportation and warehousing

Emerging Sectors

- Transportation innovation

- Manufacturing
- Healthcare
- Oil and gas
- Tourism
- Life sciences delivery and innovation
- Geotechnical engineering
- International business
- Corporate and regional headquarters
- Professional services
- Financial services
- Aerospace Manufacturing and design

In order to be considered for a 380 Grant, unless the applicant meets the criteria specified in Section 5, a Target Industry project must commit to a minimum Investment of at least \$25 million and creation of new full-time jobs with certain minimum annual average employee Salary levels. The amount of a 380 Grant will be based on a percentage of annual tax revenues that the City receives in a particular year, including ad valorem taxes on real property, ad valorem taxes on Business Personal Property, local sales taxes directly attributable to the project, or some combination thereof. The table below establishes the maximum percentage of annual tax revenues on which 380 Grants to general projects will be based, in correlation with minimum Investment and employment and annual average employee Salary levels:

Base Tax Abatement Percentage	Minimum Annual Average Wage Rate and Minimum Investment Level			
	\$70 Million Investment	\$55 Million Investment	\$40 Million Investment	\$25 Million Investment
40%	\$52,300 - \$65,799			
50%	\$65,800 - \$80,389	\$65,800 - \$80,389		
60%	\$80,390 - \$94,949	\$80,390 - \$94,949	\$80,390 - \$94,949	
70%	\$94,950 or above	\$94,950 or above	\$94,950 or above	\$94,950 or above

As reflected in this table, a general project that commits to annual average annual Salary levels of less than \$94,950 (but not less than \$52,300) will be considered for 380 Grants only if the project commits to higher minimum levels of Investment, but only at lower amounts, depending on the Salary commitments that are made. The difference in the eligibility criteria between general projects under Section 3 and Target Industry projects under this Section 4 is that the maximum 380 Grant amount available for Target Industry projects is equal to 70% of the designated tax revenues instead of 50%.

5. ELIGIBILITY REQUIREMENTS FOR CERTAIN TARGET INDUSTRY PROJECTS IN THE CENTRAL BUSINESS DISTRICT.

Applicants in Target Industries that locate in the Central Business District (the “**CBD TI Businesses**”) are eligible to be considered for if i) the applicant agrees to maintain a minimum of 50 permanent full-time employees at the proposed site of business, ii) the Salaries associated with the positions

are a minimum of \$54,876 annually, and iii) the project is that of an Existing Business or a relocation from outside the Dallas-Fort Worth Metropolitan Statistical Area. If the CBD TI Business does not own the real property on which the project will be located, the Economic Development Program Agreement may include the owner of the property to be occupied by the CBD TI Business, but in all cases will include the CBD TI Business as a party and be subject to certain performance commitments attributable to the CBD TI Tenant.

If the CBD TI Business locates its project in an existing building in the Central Business District, the maximum amount of the 380 Grants will equal:

- Up to 80% of the CBD TI Business's incremental Business Personal Property taxes for a maximum of 15 years; *or*
- Up to 80% of the CBD TI Business's incremental real property taxes in a proportional share to the amount of space within the building that is occupied by the CBD TI Business for up to 10 years.

If the CBD TI Business locates in a new building in the Central Business District for which a building permit has not been obtained as of the date of the incentive application, the maximum amount of the 380 Grants will equal:

- Up to 80% of net new real property taxes (specifically excluding any Business Personal Property taxes) in a proportional share to the amount of space within the building that is occupied by the CBD TI Business for up to 15 years, subject to the following requirements:
 - CBD TI Tenant must be a Fortune 1,000 or Inc. 5000 corporate or regional headquarters; *and*
 - A minimum of 100,000 sf must be occupied by the CBD TI Tenant; *and*
 - The CBD Property must be new construction in order to house the CBD TI Tenant; *and*
 - A minimum of \$100 million must be invested in hard construction costs associated with the new construction.

A CBD TI Business locating in a new building in the Central Business District will only be eligible for 380 Grants if it meets all of the above-referenced criteria. No other CBD TI Business will be eligible for 380 Grants under this Section 5 unless it relocates to an existing building in the Central Business District.

6. ELIGIBILITY REQUIREMENTS FOR RESEARCH AND DEVELOPMENT PROJECTS.

Target Industry applicants are eligible to receive 380 Grants equal to a percentage of their Qualified Expenses relating to ongoing research and development activities that take place in the City of Fort Worth. Qualified Expenses outside the City of Fort Worth will not be considered.

380 Grants under this Section may be made for a period of up to 15 years equal to up to 50% of Qualified Expenses that are reported for a given year during a period of up to 10 years. At no time will the amount of any 380 Grant exceed 75% of annual incremental real property and Business Personal Property taxes received by the City in the preceding year from the subject property of an applicant or an assignee.

The maximum amount of each 380 Grant under this Section will be determined by the location in which the Target Industry research and development project is located, as set forth in the table below:

	Maximum Potential R&D Reimbursement
Central Business District/ Innovation District	Equal to 50% of Qualified Expenses
Designated Investment Zones	Equal to 35% of Qualified Expenses
Other Fort Worth Location	Equal to 25% of Qualified Expenses

Notwithstanding Section 19.6 of this Policy, a Target Industry business receiving 380 Grants pursuant to this Section 6 may assign, sell, or transfer its right to receive the 380 Grants to any party it wishes, subject to execution of a written agreement between the City, the Target Industry business, and the assignee party memorializing this arrangement. The Target Industry Business will still be required to submit any reports and documentation required by the Economic Development Program Agreement in order for the City to verify the amount of each 380 Grant. The amount of any transferred or assigned 380 Grant will be reduced by 5 percentage points to account for the City’s additional administrative costs in overseeing the program. In the event an assignee advances funds to the Target Industry business within the first 24 months following execution of the 380 agreement the assignee may, subject to terms expressed in the Economic Development Program Agreement, have the right to receive 380 Grants equal to up to 75% of its annual incremental real and business personal property ad valorem tax received by the City in an amount equal to the lesser of the amount advanced or 15% of the Program Cap for a period of up to 10 years. No property that is zoned Residential by the City shall be permitted to be included as part of an Assignee’s Subject Property except where such zoning may be changed to facilitate new development (example: a property zoned for One-Family Detached subsequently rezoned for Industrial in connection with new development). Properties that are zoned Mixed-Use (including any part of a form-based code) or properties that are zoned Planned Development may be included as part of an assignee’s subject property.

7. ELIGIBILITY REQUIREMENTS FOR EXISTING BUSINESS EXPANSION PROJECTS.

The City wants to support the growth of business already located in the City. In order to be considered for 380 Grants, an Existing Business expansion project that is not eligible for 380 Grants elsewhere in this Policy must commit to a minimum Investment of at least \$10 million and creation of at least 25 new full-time jobs with a minimum annual average employee Salary level of \$52,300.

The amount of a 380 Grant under this Section will be based on a percentage of annual tax revenues that the City receives in a particular year, including ad valorem taxes on real property, ad valorem taxes on Business Personal Property, local sales taxes directly attributable to the project, or some combination thereof, not to exceed 85%.

8. ELIGIBILITY REQUIREMENTS FOR MEGA PROJECTS.

A “Mega Project” can be within any industry, however, the City of Fort Worth is especially interested in Fortune 1,000, Fortune Global 500, or Inc. 5000 designated firms, pursuing development or redevelopment opportunities within the City. Projects granted this designation must commit to at least one of the following (with the exception of data centers or other unique low employment/high capital investment projects which must have a minimum investment of \$50 million):

- Commits to a minimum Investment of at least \$250 million; *or*
- Commits to hire at least 1,500 full-time employees; *or*
- Commits to a minimum annual payroll of at least \$150 million.

The amount of a 380 Grant under this Section will be based on a percentage of annual tax revenues that the City receives in a particular year, including ad valorem taxes on real property, ad valorem taxes on Business Personal Property, local sales taxes directly attributable to the project, or some combination thereof, not to exceed 85%.

9. ELIGIBILITY REQUIREMENTS FOR TECHNOLOGY COMPANY PROJECTS.

The City wishes to encourage and promote the development of technology businesses. In order to be considered for 380 Grants, a Technology Company project must employ at least 5 individuals.

The maximum amount of any 380 Grant to a Technology Company will be:

- Up to 80% of net new real property taxes on owned or leased facilities for up to 5 years; *or*
- Up to 80% of net new Business Personal Property taxes for up to 5 years; *or*
- Up to \$10,000 for each new full-time job in first three years of operation with annual salary over \$65,800.

10. ELIGIBILITY REQUIREMENTS FOR CATALYTIC DEVELOPMENT PROJECTS.

A “**Catalytic Development Project**” is a business project that:

- will be located within either a Designated Investment Zone, an Urban Village, or an identified Revitalization Area, depicted in Exhibits “A”, “B”, and “C”, respectively;
- commits to at least \$5 million in Investment; and
- complies with at least one of the following requirements:
 - will be a Mixed-Use Development;
 - will fill a gap, such as a grocery store in a food desert or a childcare facility, as determined by City staff based on goals set forth in the City’s then-current Comprehensive Plan or other statistical data or relevant documentation;
 - will be located along a commercial corridor or within an urban village, as identified in the City’s then-current Comprehensive Plan;
 - Generates significant job opportunities in the area, as determined by City staff based on then-current employment data; or
 - Helps create a hub of entrepreneurial activity, positioning the City to attract entrepreneurs and high-growth companies, as determined by City staff based on goals and recommendations set forth in the City’s Economic Development Strategic Plan, the City’s then-current Comprehensive Plan, or on other statistical data or relevant documentation.

Notwithstanding the foregoing, a Mixed-Use Development that commits to at least \$5 million in Investment and whose residential component comprises rental units (i.e. apartments) that meet the affordable housing commitments set forth in Section 15.2 will be considered as a “Catalytic Project” eligible for 380 Grants even if it is located outside of a Designated Improvement Zone.

All Catalytic Projects will be eligible for consideration for 380 Grants. The amount of a 380 Grant under this Section will be based on a percentage of annual tax revenues that the City receives in a particular year, including ad valorem taxes on real property, ad valorem taxes on Business Personal Property, local sales taxes directly attributable to the project, or some combination thereof, not to exceed 80%.

11. ELIGIBILITY REQUIREMENTS FOR TRANSIT ORIENTED DEVELOPMENTS.

The City encourages and supports the construction of Transit Oriented Developments. In order to be considered for 380 Grants, a Transit Oriented Development project must commit to at least \$5 million in Investment. The amount of a 380 Grant under this Section will be based on a percentage of annual tax revenues that the City receives in a particular year, including ad valorem taxes on real property, ad valorem taxes on Business Personal Property, local sales taxes directly attributable to the project, or some combination thereof, not to exceed 50%, for a period of no more than 7 years.

12. ELIGIBILITY FOR REDEVELOPMENT PROJECTS ON CENTRAL BUSINESS DISTRICT SURFACE PARKING LOTS.

The City encourages and supports redevelopment of surface parking lots in the Central Business District and its major arterial roads of East Lancaster and Jacksboro Highway with buildings that will support compatible businesses in the Central Business District and associated commercial corridors. In order to be considered for 380 Grants, a project must redevelop a surface parking lot in the Central Business District that occupies at least 30% of the area of the City block on which it is located. The amount of a 380 Grant under this Section will be based on a percentage of annual tax revenues that the City receives in a particular year, including ad valorem taxes on real property, ad valorem taxes on Business Personal Property, local sales taxes directly attributable to the project, or some combination thereof, not to exceed 40%, for a period of no more than 5 years; provided, however, that if the redevelopment project involves two or more surface parking lots owned by unrelated parties, the maximum 380 Grant percentage available for the project will be 45%.

13. ELIGIBILITY REQUIREMENTS FOR FULL SERVICE HOTELS.

The City will consider providing 380 Grant incentives to full-service hotel projects, including the hotel portion of mixed-use projects.

The following matrix presents the minimum features required by the City of Fort Worth in order for a full-service hotel project to be eligible for 380 Grants.

Hotel Rooms	Full Service Restaurant	Ballroom* Size	Meeting* Space	Boardroom* Space	Room Block Agreement
200 rooms	Yes	6,000 sq. ft.	2,400 sq. ft.	500 sq. ft.	Yes
250 rooms	Yes	7,500 sq. ft.	4,000 sq. ft.	500 sq. ft.	Yes
300 rooms	Yes	10,000 sq. ft.	6,000 sq. ft.	500 sq. ft.	Yes

* Hotel projects located within Fort Worth’s Central Business District that are 12 stories or taller may qualify for a reduction or reconfiguration of conference space requirements. To be eligible for such adjustments, the developer must demonstrate that sufficient parking has been secured to serve the needs of the hotel, whether through a shared parking agreement, provision of new parking, or) the installation of equipment or infrastructure that supports the use of car sharing services or other shared transportation services.

The amount of a 380 Grant under this Section will be based on a percentage of annual tax revenues that the City receives in a particular year, including hotel occupancy taxes, ad valorem taxes on real property, ad valorem taxes on Business Personal Property, local sales taxes directly attributable to the project, or some combination thereof, not to exceed 80%.

14. EMPLOYMENT DESIGNATED PROJECT FUND INCENTIVES.

From time to time, the City may have cash reserves designated to incentivize businesses that commit to increase employment levels at Salary levels desired by the City. These cash reserves will be utilized to make cash grants, either upfront or following attainment of certain performance metrics, or loans.

All industries will be considered but strong consideration will be given the applicants that derive the majority of its revenues from one of the following Target Industries (subject to additional requirements outlined below):

Established Sectors

- Transportation and warehousing
- Manufacturing
- Healthcare
- Oil and gas
- Tourism

Emerging Sectors

- Transportation innovation
- Life sciences delivery and innovation
- Geotechnical engineering
- International business
- Corporate and regional headquarters
- Professional services
- Financial services

Existing Businesses will only be eligible for 380 Grants under this Section if the City is able to verify that they are receiving competing offers to relocate their operations outside of the City.

The following table reflects the maximum level of 380 Grants available to a qualifying business based on the required minimum Salaries for net new full-time permanent jobs. All jobs must be filled and maintained for a minimum of 3 years in order to qualify. Remedies for enforcement of this requirement will be established in the Economic Development Program Grant Agreement.

Minimum Annual Wage Rate	Maximum Amount Per New Position
\$65,800 - \$80,389	\$1,000
\$80,390 - \$94,949	\$1,500
\$94,950 - \$109,499	\$2,000
\$109,500 or above	\$2,500

15. ADDITIONAL ECONOMIC DEVELOPMENT PROGRAM REQUIREMENTS.

15.1 Commitment for Utilization of Certified M/WBE Companies.

All projects receiving 380 Grants are subject to the City’s Business Equity Ordinance (Chapter 20, Article X of the City Code) and must make a commitment to utilize Certified M/WBE Companies (as those terms are defined in the Business Equity Ordinance) for a minimum of 15% of all construction costs (both hard and soft) associated with the project. Failure to meet the goal will result in a reduction in the calculation of the maximum 380 Grant each by 10 percentage points.

15.2. Affordable Housing Commitment for Mixed-Use Development Projects.

All Mixed-Use Development Projects subject to an Economic Development Program Agreement that contain rental residential units must make a commitment to provide affordable housing as follows:

- At least 10% of all rental residential units must be set aside exclusively for lease to qualifying households whose adjusted incomes do not exceed the then-current eighty percent (80%) income limits established by HUD at rents that are affordable to such households.
- At least 10% of all rental residential units must be set aside exclusively for lease to qualifying households whose adjusted incomes do not exceed the then-current sixty percent (60%) income limits established by HUD at rents that are affordable to such households.

16. ECONOMIC DEVELOPMENT PROGRAM CALCULATION.

16.1. Improvements Required.

All Economic Development Program Agreements shall require the recipient to construct or cause construction of specific improvements on the real property that is subject to the 380 Grant. Failure to construct these specific improvements at the minimum Capital Investment expenditure and by the deadline established in the Economic Development Program Agreement will constitute an event of default and give the City the right to terminate the Economic Development Program Agreement.

16.2. Percentage and Amount.

Although this Policy establishes the maximum calculations for 380 Grants that may be available for a particular type of project, the specific amount of a particular Economic Development Program Agreement shall be negotiated on a case-by-case basis and the amount of the 380 Grants may be less than the maximum amounts specified in this Policy, based on the review criteria set forth in Section 18.3. The calculation of Economic Development Program for any project that meets the requirements of this Policy shall be negotiated on a case-by-case basis and governed solely by the terms and conditions of the Economic Development Program Agreement.

17. ECONOMIC DEVELOPMENT PROGRAM IMPLEMENTATION

17.1. Term.

Although this Policy establishes the maximum term of Economic Development Program Agreements that may be available to certain types of projects, the actual term of any particular Economic Development Program Agreement shall be negotiated on a case-by-case basis and may be less than the maximum available term specified in this Policy, based on the review criteria set forth in Section 18.3.

17.2. Compliance.

Unless otherwise provided in the Economic Development Program Agreement, the City will review and determine the recipient's compliance with the terms and conditions of the Economic Development Program Agreement for a full calendar year prior to the first year in which the first 380 Grant will be payable (the "**First Compliance Review Year**"). The Compliance Review Year shall either be the full calendar year in which a final certificate of occupancy is issued for the improvements required by the Economic Development Program Agreement (or if a certificate of occupancy is not required for some or all of the improvements, then such other written confirmation of completion of such improvements) for the real property and Business Personal Property investment required by the Economic Development Program Agreement or the following calendar year, as negotiated and set forth in the Economic

Development Program Agreement. The first 380 Grant will be paid in the calendar year following the Compliance Review Year. In other words, the degree to which the recipient meets the commitments set forth in the Economic Development Program Agreement will determine the amount of the 380 Grant payable in the following year. The City will continue to review and determine the recipient's compliance with the terms and conditions of the Economic Development Program Agreement for each subsequent calendar year, which findings shall govern the amount of each subsequent 380 Grant, until expiration of the Economic Development Program Agreement.

18. ECONOMIC DEVELOPMENT PROGRAM APPLICATION PROCEDURES

Each 380 Grant application shall be processed in accordance with the following standards and procedures:

18.1. Submission of Application

If a given development project qualifies for 380 Grants pursuant to the eligibility criteria detailed in of this Policy, an applicant must complete and submit a City of Fort Worth Economic Development Program Application (with required attachments) (the "**Application**"). An Application can be obtained from and should be submitted to the City's Economic Development Department. In order to be complete, the Application must include documentation that there are no delinquent property taxes due for the property on which the development project is to occur. In addition, projects that include, in whole or in part, the renovation of one or more existing structures shall provide, as part of the applicant's Economic Development Program Application, a detailed description and the estimated costs of the renovations contemplated.

18.2. Application Fee

Upon submission of the Application, an applicant must also pay an application fee. This application fee shall be \$5,000 ("**Application Fee**") of which \$3,000 will be credited to any permit, impact, inspection or other fee paid by the applicant and required by the City directly in connection with the proposed project, as long as substantive construction on the project, as determined by the City in its sole and reasonable discretion, has been undertaken on the property specified in the Application within one (1) year following the date of its submission.

If any Application Fee funds are remaining after the development project covered in the Application has been completed in accordance with the Economic Development Program Agreement, the applicant must submit a letter to the director of the City's Economic Development Department requesting a refund of the remaining funds. ***The request must be made within ninety (90) days following the date of the project's completion date.*** Any Application

fees remaining after ninety (90) days following the project's completion date will become the property of the City and will not be eligible for. The remaining \$2,000 of the Application Fee is non-refundable and will be utilized for City staff expenses associated with processing the Application and fees associated with legal notice requirements.

18.3. Application Review and Evaluation

The Economic Development Department will review an Application for accuracy and completeness. Once complete, the Economic Development Department will evaluate an Application based on the perceived merit and value of the project, including, without limitation, the following criteria:

- Types and number of new jobs created, including: respective Salaries, and employee benefits packages such as health insurance, day care provisions, retirement packages, transportation assistance, employer-sponsored training and education, any other benefits and whether all benefits are offered on an equal and non-discriminatory basis to all employees;
- Percent of construction contracts committed to (i) Fort Worth Companies and (ii) Certified M/WBE Companies;
- Financial viability of the project;
- The project's reasonably projected increase in the value of the tax base;
- Costs to the City (such as infrastructure participation, etc.);
- Remediation of an existing environmental problem on the real property;
- Type of industry and activities associated at the project site;
- If the company is foreign owned and/or includes capital investment sources from outside the United States;
- Other items that the City may determine to be relevant with respect to the project.

18.4. Consideration by the City Council

The City Council retains sole authority to approve or deny any Economic Development Program Agreement and is under no obligation to approve any Application or Economic Development Program Agreement.

19. GENERAL POLICIES AND REQUIREMENTS

Notwithstanding anything that may be interpreted to the contrary herein, the following general terms and conditions shall govern this Policy:

19.1. An Economic Development Program Agreement shall not be granted for any development project in which a building permit application has been filed with the City's Planning and Development Department.

19.2. The applicant for an Economic Development Program Agreement must provide evidence to the City that demonstrates that 380 Grants are necessary for the financial viability of the development project proposed.

19.3. An applicant for the Economic Development Program shall provide Salary and employee benefit information for all positions of employment to be located in any facility covered by the Application as well as a copy of the applicant's written non-discrimination policy applicable to the applicant's employees.

19.4. If the recipient of an Economic Development Program Agreement breaches any of the terms or conditions of the Economic Development Program Agreement and fails to cure such breach in accordance with the Economic Development Program Agreement, the City shall have the right to terminate the Economic Development Program Agreement.

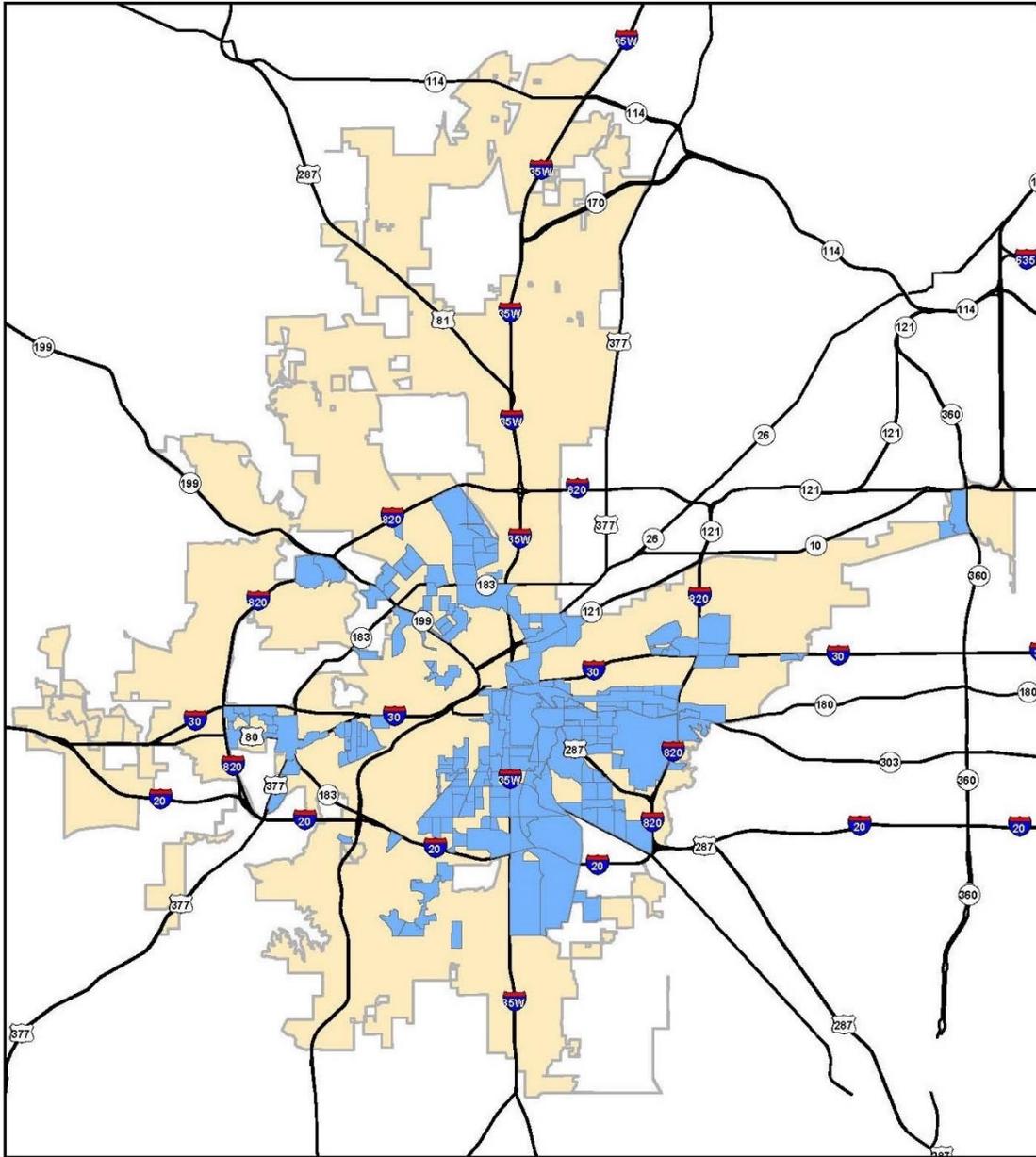
19.5. As part of the consideration under all Economic Development Program Agreements, the City shall have, without limitation, the right to (i) review and verify the applicant's financial statements and records related to the development project and the amount of any 380 Grant that may be payable in any given year; and (ii) conduct an on-site inspection of the development project in order to verify compliance with the terms and conditions of the Economic Development Program Agreement.

19.6. The recipient of 380 Grants may sell, assign, transfer, or otherwise convey any of its rights under an Economic Development Program Agreement to an affiliate of the recipient, as defined in the Economic Development Program Agreement, provided that the City, the assignor, and the assignee each execute a document acceptable to the City that outlines the roles and responsibilities of the parties in that event. Otherwise, a recipient of 380 Grants may not sell, assign, transfer or otherwise convey its rights under an Economic Development Program Agreement unless specifically approved by the City Council. A sale, assignment, lease, transfer or conveyance of the real property that is subject to and which is not permitted by the Economic Development Program Agreement shall constitute a breach of the Economic Development Program Agreement and may result in termination of the Economic Development Program Agreement. For additional information about this Economic Development Program Policy, contact the City of Fort Worth's Economic Development Department using the information below:

City of Fort Worth
Economic Development
1150 South Freeway
Fort Worth, Texas 76104
817-392-6021 | www.fortworthtexas.gov/ecodev

Exhibit "A"

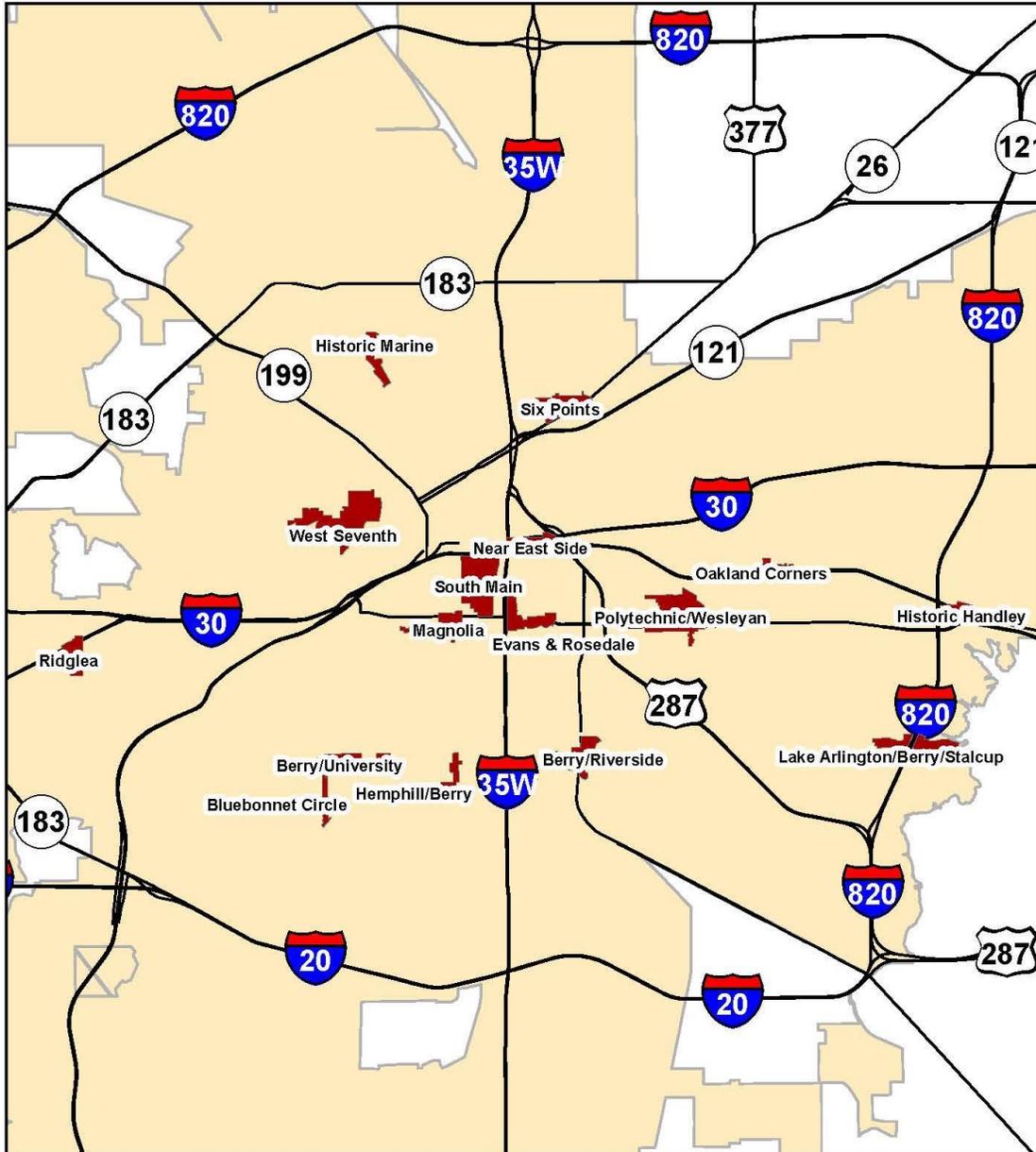
DESIGNATED INVESTMENT ZONES



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Exhibit "B"

URBAN VILLAGES



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Exhibit "C"

REVITALIZATION TARGET AREAS



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