

## **KERR COUNTY CHAPTER 381 ECONOMIC DEVELOPMENT PROGRAM**

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

A. Kerr County is committed to the promotion and retention of high quality development in Kerr County and to ongoing and continuous improvements to the quality of life for its citizens. Kerr County encourages high quality business, commercial, and manufacturing to remain, expand, and locate within the County. Kerr County seeks to enhance its economic development efforts to attract and retain high quality development and jobs by establishing this, its *Chapter 381 Economic Development Program Policies and Procedures* ("Program"), in accordance with Chapter 381, Texas Local Government Code.

B. Kerr County establishes this Program in an effort to develop and expand its local economy by promoting and encouraging development and redevelopment that enhance the County's economic base and a higher quality of life, diversifying and expanding job opportunities, or by promoting and encouraging projects that create additional revenue for Kerr County without substantially increasing demand on County services or infrastructure. The ultimate goal and public purpose of this Program is to protect and enhance Kerr County's fiscal ability to provide high quality services for the safety, comfort, and enjoyment of Kerr County residents.

C. In furtherance of these objectives, Kerr County will, on a case-by-case basis, consider providing economic incentives to applicants in accordance with this Program as authorized by Chapter 381 of the Texas Local Government Code.

D. Nothing in this Program is intended to imply or suggest that Kerr County is obligated to provide economic incentives to an applicant. Kerr County will consider each applicant on a case-by-case basis. Kerr County's decision to approve or deny economic incentives is at the sole discretion of Kerr County Commissioners Court. Each applicant granted economic incentives pursuant to this Program must enter into an agreement with Kerr County containing all terms required by this Program, other applicable county policies, 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 Kerr County.

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

A. To be considered for incentives under this Program, a project must meet at least one of the following minimum requirements:

1. Either the project:

- a. will result in a minimum increased taxable value for Kerr County of \$500,000.00 in real and business personal property, excluding inventory and supplies;

**Commented [HS1]:** The suggestion was 1 million or \$500,000. This is up to you.

- b. will provide employment opportunities where a majority of the positions are offered at an average hourly rate that is greater than the median income for wage-earners within Kerr County, as determined by the most recent report of a state or federal agency; and/or
  - c. is specifically determined by order of Kerr County Commissioners Court to bring benefit to Kerr County consistent with the General Statement of Purpose and Policy as stated in Section I, above; and
2. In addition, the project may consist of one of the following:
- a. a “targeted industry” according to Kerr County’s economic development policy or the targeted industry strategy as determined by the Kerrville Economic Development Corporation (“KEDC”);
  - b. will make a unique or unequalled contribution to development or redevelopment efforts in Kerr County due to its magnitude, significance to the community, or aesthetic quality; and/or
  - c. will enhance Kerr County’s fiscal ability to provide high quality services for the safety, comfort, and enjoyment of Kerr County residents.

**B.** A project is not eligible for incentives under this Program if a building permit has been issued for the project prior to making application under this Program.

**C.** Kerr County may provide incentives in accordance with this Program but only to the extent that the revenue realized by Kerr County and attributable to a project exceeds a minimum amount established by an agreement. The public benefit or amount of revenue realized by Kerr County and attributable to a project must be commensurate with the value of any incentives granted under this Program.

**III. Additional Considerations.**

Kerr County Commissioners Court may consider the following additional factors in determining whether to authorize an agreement for incentives for a project:

- A.** the number and types of jobs to be retained or created;
- 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/or
- E.** any other factors that Kerr County Commissioners Court finds helpful or relevant to accomplishing Kerr County’s economic objectives.

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

**A.** An application for consideration as a project must be made on a form(s) supplied by KEDC. KEDC and/or Kerr County may require an applicant to provide additional information to show compliance with the requirements of this Program and the terms of an agreement. If KEDC determines that an applicant has met the Program requirements, the Executive Director will prepare proposed terms of an agreement and make a presentation to Kerr County Commissioners Court.

**B.** Kerr County Commissioners Court may consider a proposed agreement and may take action on a proposal as it deems appropriate in its sole discretion. Nothing in this Program and nothing in the application form and process creates any property, contract, or other legal right in any person to have Kerr County Commissioners Court consider or grant incentives.

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

An agreement for any project must include:

**A.** a timetable and list of the kind of improvements or development that the project will include and conditions to assure that the project meets or exceeds Kerr County's requirements pertaining to property values and revenues, which may not be less than the minimum requirements established in II above;

**B.** a complete description of the location of the proposed project;

**C.** a timetable and list of the kind and amount of property values, revenues, incomes or other public benefits that the proposed project will provide;

**D.** the duration 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 a Kerr County representative in order to determine compliance with the agreement;

**H.** a provision for cancellation of the agreement and/or nonpayment of incentives if a Program is determined not to be in compliance with an agreement;

**I.** a provision for recapturing Kerr County 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 Kerr County Commissioners Court or without the prior written approval of Kerr County Commissioners Court 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 381 Policies and Procedures; and
3. the assignment document is in a form and contains content acceptable to Kerr County;

**K.** provisions relating to administration, delinquent taxes, reporting requirements, and indemnification;

**L.** a provision that the agreement may be amended by the parties by using the same procedure for approval as is required for entering into the agreement; and

**M.** such other provisions as Kerr County Commissioners Court deems appropriate.