

NOTICE OF MEETING
Montgomery Economic Development Corporation
(MEDC)

Notice is hereby given that the Board of Directors of the Montgomery Economic Development Corporation will hold a public hearing and regular meeting at 6:00 p.m. on September 19, 2016 at the Montgomery City Hall, 101 Old Plantersville Road, in Montgomery, Texas.

1. Call to Order
2. Open Public Comment
3. Approval of Minutes of August 15, 2016
4. Monthly Financial Report (August)
5. PUBLIC HEARING
Convene into Public Hearing:
 - Public Hearing for the purpose of hearing public comments regarding the proposed 2016-2017 MEDC FY Operating Budget

Adjourn Public Hearing and reconvene into Regular Session

6. Approval of 2016-2017 MEDC FY Operating Budget.
7. Discuss/take action regarding parking pavement project north of Community Center.
8. Discuss /take action regarding Comprehensive Policy of Guidelines and Criteria for Economic Development Incentives
9. Economic Development Report – Shannan Reid
10. Adjournment
- 11.

Jack Yates

Jack Yates, City Administrator for
Kirk Jones, President of MEDC



I certify that the attached notice of meeting was posted on the bulletin board at City of Montgomery City Hall, 101 Old Plantersville Road, Montgomery, Texas, on the 16th day of September, 2016 at 2:05 o'clock p.m. I further certify that the following news media was notified of this meeting as stated above: The Courier

This facility is wheelchair accessible and accessible parking spaces are available. Please contact the City Secretary's office at 936-597-6434 for further information or for special accommodations.

MONTGOMERY ECONOMIC DEVELOPMENT CORPORATION
MINUTES
AUGUST 15, 2016
6:00 p.m.

Present were: Kirk Jones, Randy Moravec, Bob Kerr, Bill Hanover, Andy Dill and John Champagne. Cheryl Fox was absent. Also present were Shannan Reid, Glynn Fleming and Jack Yates.

Call to Order - President Jones called the meeting to order at 6:00 PM. He also announced that some items would be taken out of order.

Open Public Comment - Mary Kaough was present and said she had been a business person for ten years with strong ties to the community and is interested in the downtown area in particular. Her interest is for a special Events part-time person for someone interested in the downtown area.

Rebecca Huss was present and said as a consumer of activities she is interested in having to work on those activities and to have someone with the city and a budget for that position and to work toward the budget being self-supporting.

Bea Rouse was present to discuss the Texian Heritage Festival. She said 65% of the funds stayed in the community that are raised. She was asking for a larger amount from the MEDC. She also reported that the HMBA was intending on getting the nonprofit status.

Hillary Dumas was present and said that she hoped that the MEDC would help the city use funds to market itself rather than rely on the HMBA and the MACC.

Tiffany Lockhart was present and said that she agreed with the public comment speakers. The city needs someone to organize the festivals did to their importance to the overall economic development of the city. She then said that the Antiques Festival still needs funding.

Funding of Sewer Line Oversizing for McCoy's Lumber Project -- Glynn Fleming presented the issue of an oversizing of an 8 inch to a 12 inch sewer line that would allow more development on the south side 105 from FM 2854 west to just east of the First Baptist Church. An early estimate of the sewer cost would increase the MEDC share of the shared cost, not to exceed \$100,000. The 12 inch deepened line would create a development area and would help to eliminate lift station #12. The board discussed the growth potential created by upsizing and deepening that line for other pad sites coming in the area.

Sam Walker, McCoy's Engineer was present and said that McCoy's was going to go out for quotes and added that they had paid for engineering, surveys and other aspect of the line.

Motion by Moravec, seconded by Kerr, to approve funds to pay up to \$100,000 for the oversizing and to recommend approval by the City Council. All in favor.

Introduction of Business Plan for A Miniature Golf Facility and Possible Activity from MEDC – Jason Long Jason Long was present and wife, Julie, and he said he was presenting a business idea regarding a miniature golf facility. The plans would include a club house, concession stand, offices and restrooms. The board asked about the number of customers necessary for a profitable operation and the response was that most of the funds were in the initial investment. Mr. Long said his presentation was for information with no request at this time.

Grant request of Coat of Many Colors, Inc. for City/Engineering Review Costs of \$10,000 – Mike Hayles and Larry Haines were present. Mr. Hayles said the Coat of Many Colors has been in operation since 2014 with the goal of helping people get out of poverty. Mr. Haines presented a concept plan of an eco-village that will combine environmental operations with job training and a residential area. He described 106 platted town homes of 400 to 1,000 square feet each. Planned partnerships would be with the Montgomery Independent School District, Lone Star College and Texas A and M. He said a 3-D printer would construct the buildings, the first such operation in the United States. There would be a Culinary School, a Robotic Job Training School and a Business Incubator on site. The \$10,000 dollars request is for the escrow amount to be deposited with the city to work with the city for engineering and legal development review for the Planned Unit Development involving the land. They had completed the application for funding.

Motion by Moravec, seconded by Dill to approve the Coat of Many Colors request not to exceed \$10,000 toward the formation of a Planned Unit Development Project as described. All in favor.

Approval of Minutes of June 20, 2016 – It was recommended that the word "distance" should replace the word "depth" in the Parking Pavement Project North of Community Center sixth line.

Motion by Dill, seconded by Hanover to approve the minutes, with that correction. All in favor.

Monthly Financial Report (June, July) – Motion by Moravec, seconded by Dill to accept the financial report as presented. All in favor.

Parking Pavement Project North of Community Center – Glynn Fleming was present, stating that he had three estimates; concrete, asphalt and pavers. The estimates were \$46,500 concrete, Asphalt \$44,500 and Pavers \$66,000. Glynn also said that crushed limestone would be about one-half the concrete cost.

Motion by Champagne, seconded by Dill to table to get another estimate for crushed granite.

All in favor.

Appointment of a Committee of the Board of Directors to meet with Representatives of the Chamber and HMBA to fashion a strategic Marketing and Business Development Plan –Mr. Moravec said there was interest by several community groups to get together to discuss marketing and business planning in practical connections.

Motion by Moravec, seconded by Champagne to form a Strategic Marketing and Business Development Plan Committee. All in favor.

Discussion of Draft Budget for MEDC – The budget was presented and the board briefly discussed.

Consider and Take Action Regarding Calling of a Public Hearing for 2016-2017

Budget –

Motion by Dill, seconded by Moravec to call a public hearing for September 18, 2016.

All in favor.

Economic Development Report – Shannan Reid – Shannan Reid suggested the business roundtable meeting of primary employers. The board agreed for Shannan to plan and coordinate the meeting.

Shannan presented an example of a RFP Economic Development Proposal that she does occasionally, when requested from the state. The RFP provides economic information about the city.

The Board noted the coordination between local churches who were being used to coordinate removal of blight from the city.

Adjournment – Motion by Dill, seconded by Kerr to adjourn at 8:35 p.m.

Jack Yates, Recording Secretary

CITY OF MONTGOMERY - MEDC
ACCOUNT BALANCES
August 31, 2016

	<u>MONEY MARKET ACCOUNTS</u>	<u>INVESTMENTS</u>	<u>TOTALS</u>
<u>MEDC</u>			
CHECKING ACCOUNT #1017938	\$ 413,016.54		\$ 413,016.54
TOTAL INVESTMENTS	\$ -	\$ 333,465.02	\$ 333,465.02
TOTAL MIDC	\$ 413,016.54	\$ 333,465.02	\$ 746,481.56

INVESTMENTS

	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance</u>
Texpool #00006			0.34%	\$ 233,465.02
Certificates				
Independent Bank CD#6840	8/24/2016	11/22/2016	0.35%	\$ 100,000.00

City of Montgomery - MEDC

Cash Flow Report

As of August 31, 2016

Date	Num	Name	Memo	Amount	Balance
51100 · MEDC Checking					432,388.07
8/05/2016	1748	First Montgomery Baptist Church	Reimbursement for Blight Removal - Shoemaker an...	-1,000.00	431,388.07
8/05/2016	1749	Houston Press	Weekly Digital Advertising - June 9th-20th	-184.60	431,203.47
8/05/2016	1750	Waste Management of Texas, Inc.	1406768-1792-1, 1406802-1792-8	-555.20	430,648.27
8/10/2016	Trans...		Transfer of Sales Tax Revenue thru 7/16	33,534.36	464,182.63
8/12/2016	1751	Montgomery Area Chamber of Com...	Wine Fest Sponsorship 2016	-9,500.00	454,682.63
8/12/2016	1752	Montgomery United Methodist Chur...	Reimburse part of Expense for Blight Removal - 902...	-487.53	454,195.10
8/12/2016	1753	Laurel Paving	Fernland Improvements - concrete sidewalks	-5,260.00	448,935.10
8/12/2016	Trans...	City of Montgomery - General Fund	3rd qtr transfer 2016 YE	-9,375.00	439,560.10
8/12/2016	Trans...	City of Montgomery - General Fund	4thqtr transfer 2016 YE	-9,375.00	430,185.10
8/12/2016	Trans...	City of Montgomery Debt Srv Fund	3rd qtr transfer 2016 YE	-29,375.00	400,810.10
8/12/2016	Trans...	City of Montgomery Debt Srv Fund	4th qtr transfer 2016 YE	-29,375.00	371,435.10
8/19/2016	1754	Waste Management of Texas, Inc.	Waste Bin - Acct OCN-0077393-1792-8 Inv 140715...	-366.64	371,068.46
8/24/2016	Trans...	City of Montgomery - General Fund	Reimbursement for Travel for Sannon, Postage and ...	-2,013.82	369,054.64
8/24/2016			Sales Tax Revenue rec'd 8/16	50,595.21	419,649.85
8/26/2016	1755	Montgomery Area Chamber of Com...	Inv 222 August fees & 1/2 Ad for Texas Farm and ...	-3,066.67	416,583.18
8/26/2016	1756	Waste Management of Texas, Inc.	Waste Bin - Acct OCN-0077472-1792-0 Inv 140739...	-366.64	416,216.54
8/26/2016	1757	Joe Jackson	Demolition Work - Mr. Shoemaker on Martin Luth...	-3,200.00	413,016.54
Total 51100 · MEDC Checking				-19,371.53	413,016.54
TOTAL				-19,371.53	413,016.54

City of Montgomery - MEDC
Actual to Budget Performance

August 2016

	Aug 16	Budget	\$ Over Bud...	Oct '15 - A...	YTD Budget	\$ Over Bud...	Annual Bu...
Income							
55000 · Taxes & Franchise Fees							
55400 · Sales Tax	50,595.21	46,840.93	3,754.28	430,531.69	408,528.27	22,003.42	466,000.00
Total 55000 · Taxes & Franchise Fees	50,595.21	46,840.93	3,754.28	430,531.69	408,528.27	22,003.42	466,000.00
55300 · Other Revenues							
55391 · Interest Income	160.35	20.83	139.52	886.47	229.17	657.30	250.00
Total 55300 · Other Revenues	160.35	20.83	139.52	886.47	229.17	657.30	250.00
Total Income	50,755.56	46,861.76	3,893.80	431,418.16	408,757.44	22,660.72	466,250.00
Expense							
56000 · Category I							
56000.6 · Downtown Parking Improvements	5,260.00	3,333.33	1,926.67	6,630.19	20,000.00	(13,369.81)	20,000.00
56000.8 · Utility Extensions	0.00	29,166.67	(29,166.67)	0.00	170,000.00	(170,000.00)	170,000.00
56425 · Undesignated Projects (Cat I)	0.00			1,250.00	0.00	1,250.00	0.00
56430 · Tsf to Debt Serv/ W & S Project	88,125.00	0.00	88,125.00	176,250.00	88,125.00	88,125.00	117,500.00
Total 56000 · Category I	93,385.00	32,500.00	60,885.00	184,130.19	278,125.00	(93,994.81)	307,500.00
56001 · Category II							
56001.7 · Seasonal Decorations	0.00	0.00	0.00	9,809.53	0.00	9,809.53	0.00
56423 · Economic Development Grant Prog	0.00	0.00	0.00	0.00	15,000.00	(15,000.00)	15,000.00
Total 56001 · Category II	0.00	0.00	0.00	9,809.53	15,000.00	(5,190.47)	15,000.00
56002 · Category III							
56420.1 · Christmas in Montgomery	0.00	0.00	0.00	5,000.00	5,000.00	0.00	5,000.00
56420.2 · Christmas Lighting(Civic Assn)	0.00	0.00	0.00	1,341.50	1,600.00	(258.50)	1,600.00
56423.1 · Walking Tours	0.00	0.00	0.00	2,660.00	10,000.00	(7,340.00)	10,000.00
56424.1 · Heritage Village Det. Pond Imp	0.00	0.00	0.00	0.00	10,000.00	(10,000.00)	10,000.00
56429 · Removal of Blight	5,054.17	0.00	5,054.17	17,983.97	30,000.00	(12,016.03)	30,000.00
56433 · Downtown Signs	0.00	0.00	0.00	0.00	3,000.00	(3,000.00)	3,000.00
56435 · Fermland Irrigation / Lighting	0.00	0.00	0.00	10,000.00	10,000.00	0.00	10,000.00
56439 · Downtown Development Projects	0.00	0.00	0.00	0.00	5,000.00	(5,000.00)	5,000.00
Total 56002 · Category III	5,054.17	0.00	5,054.17	36,985.47	74,600.00	(37,614.53)	74,600.00
56003 · Category IV							
56408.1 · Promotional Video	500.00	0.00	500.00	500.00	4,000.00	(3,500.00)	4,000.00
56409 · Antique Show & Fest	0.00	0.00	0.00	10,000.00	10,000.00	0.00	10,000.00
56413 · Brochures/Printed Literature	0.00	0.00	0.00	4,405.00	10,000.00	(5,595.00)	10,000.00
56413.1 · Banners Assistance	0.00	0.00	0.00	0.00	3,000.00	(3,000.00)	3,000.00
56414 · Wine & Music Fest	0.00	0.00	0.00	0.00	0.00	0.00	10,000.00
56415 · Texian/Heritage Festival	0.00	0.00	0.00	8,000.00	8,000.00	0.00	8,000.00
Total 56003 · Category IV	500.00	0.00	500.00	22,905.00	35,000.00	(12,095.00)	45,000.00
56004 · Category V							
56004.1 · Admin Transfers to Gen Fund	9,375.00	0.00	9,375.00	37,500.00	28,125.00	9,375.00	37,500.00
56004.2 · MACC Administration & Office	2,566.67	2,500.00	66.67	28,233.37	27,500.00	733.37	30,000.00
56004.3 · Miscellaneous Expenses	1,410.07	0.00	1,410.07	2,288.94	1,500.00	788.94	1,500.00
56327 · Gen Consulting (Acct,Eng,Legal)	0.00	1,250.00	(1,250.00)	1,120.00	13,750.00	(12,630.00)	15,000.00
56354 · Travel & Training Expenses	603.75	0.00	603.75	1,410.19	3,500.00	(2,089.81)	3,500.00
Total 56004 · Category V	13,955.49	3,750.00	10,205.49	70,552.50	74,375.00	(3,822.50)	87,500.00
Total Expense	112,894.66	36,250.00	76,644.66	324,382.69	477,100.00	(152,717.31)	529,600.00
Net Income	(62,139.10)	10,611.76	(72,750.86)	107,035.47	(68,342.56)	175,378.03	(63,350.00)

Montgomery City Council
AGENDA REPORT

Meeting Date: September 19, 2016	Budgeted Amount: This the proposed budget
Department:	
Prepared By: Jack Yates	Exhibits: Draft budget, description of line items
Date Prepared: September 16, 2016	

Subject

Public Hearing on MEDC 2016-2017 budget

Discussion

This is for public comment regarding the budget, not for Board discussion.

Recommendation

Hold the public hearing and listen to the comments.

Approved By

Department Manager		Date:
City Administrator	Jack Yates	September 16, 2016 Date:

Montgomery EDC

Proposed Operating Budget FY 2016-2017

Montgomery Economic Development Corporation
Statement of Income, Expenditures, and Changes in Net Assets

	2014-15	2015-16	2015-16	2016-17
	Actual	Amended Budget	Estimate	Budget
Beginning net assets (fund balance)	\$ 576,189	\$ 636,886	\$ 636,890	\$ 697,140
Income				
Sales tax (one-half of one percent)	449,352	466,000	460,000	557,000
Interest Income	603	250	700	500
Miscellaneous	1,664	-	-	-
Total Income	<u>451,619</u>	<u>466,250</u>	<u>460,700</u>	<u>557,500</u>
Total Appropriable Funds	<u>1,027,808</u>	<u>1,103,136</u>	<u>1,097,590</u>	<u>1,254,640</u>
Expenditures				
Public Infrastructure (Category 1)				
Downtown development improvements 1	-	20,000	17,000	35,000
Utility extensions	89,794	170,000	80,000	200,000
Flagship development Improvements 2	19,487	-	-	10,000
Undesignated infrastructure projects	1,009	-	-	-
Transfer to debt service	117,500	117,500	117,500	127,500
Total Infrastructure	<u>227,790</u>	<u>307,500</u>	<u>214,500</u>	<u>372,500</u>
Business development and retention (Category 2)				
Wine and music festival	9,500	-	-	-
Antique show and festival	9,500	-	-	-
Sales tax reimbursement	-	-	-	67,000
Economic development grant program	7,298	15,000	15,000	20,000
Total business development	<u>26,298</u>	<u>15,000</u>	<u>15,000</u>	<u>87,000</u>
Quality of life (Category 3)				
Seasonal decorations 3	3,000	3,000	8,200	3,000
Christmas lighting, civic association	1,492	1,600	1,400	1,600
Walking tour	-	10,000	2,700	6,000
Downtown enhancement projects	5,830	5,000	9,700	25,000
Removal of blight	17,816	30,000	15,000	25,000
Downtown signs	21,407	3,000	-	1,000
Fernland improvements	-	10,000	13,000	5,000
Heritage village detention pond improvements	-	10,000	-	10,000
Park Improvements	1,663	-	-	-
Total quality of life	<u>51,208</u>	<u>72,600</u>	<u>50,000</u>	<u>76,600</u>
Marketing and tourism (Category 4)				
Promotional video	-	4,000	-	1,000
Brochures / printed literature	12,165	10,000	6,700	8,000
Christmas in Montgomery 4	5,000	5,000	5,000	5,000
Wine and music festival	-	10,000	10,000	10,000
Antique show and festival	-	10,000	10,000	10,000
Texian heritage festival	-	8,000	8,000	8,000
Total marketing and tourism	<u>17,165</u>	<u>47,000</u>	<u>39,700</u>	<u>42,000</u>
Administration (Category 5)				
Transfers to city general fund	37,500	37,500	37,500	37,500
Montgomery area chamber of commerce office	28,800	30,000	32,000	32,000
Staffing (one part-time person; one intern)	-	-	-	45,000
Miscellaneous expense	-	1,500	1,500	6,000
Consulting (professional services)	-	15,000	9,250	15,000
Travel and training	2,161	3,500	1,000	3,500
Total administration	<u>68,461</u>	<u>87,500</u>	<u>81,250</u>	<u>139,000</u>
Total expenditures	<u>390,922</u>	<u>529,600</u>	<u>400,450</u>	<u>717,100</u>
Ending net assets (fund balance)	<u>\$ 636,886</u>	<u>\$ 573,536</u>	<u>\$ 697,140</u>	<u>\$ 537,540</u>

Notes:

- 1- Changed from "parking" to "development."
- 2 - Changed from "boulevard" to "development."
- 3 - Changed by removing "banners assistance" and moving from category 4 to category 3.
- 4 - Moved from category 3 to category 4.

MEDC BUDGET - DETAILS

Attached is the Proposed MEDC 2016 Budget. Below is an explanation of each line item intention- I say intention because, please remember that the budget is more than just figures, it is the intended actions of the MEDC from October 1st, 2016 to September, 2017.

Not all of these intentions will happen during the upcoming year and there, almost certainly, will be new actions that you will decide to undertake during the upcoming fiscal year.

All of this is to say that the budget is as much a goals policy as a financial plan that can be amended during the year.

You may note that the budget has a planned surplus of expenditures over revenue. That will be the case if every dollar is expended during the year, which is not likely. The MEDC has a projected year-end balance of approximately \$697,150 and the projected use of \$169,600 (the amount expenditures are over revenues for next year) would come off that number. But keep in mind, for instance, the current year had a projected expenditures of \$98,150 and we actually expect to not dip into the balance at all this year, because not every expenditure happened that was budgeted.

Revenues

- Sales Tax – Sales tax for the city overall is expected to increase.
- Interest Income – this is interest income from the balance in MEDC funds

Expenses state law states what can come from each category

Category I ---

- Downtown Improvements – the thought is that the \$10,000 from the builder of the new building at McCown and College will be paid and with that money and \$25,000 from the MEDC that a paved parking area will be placed along Clepper

Street north of the Community Center. \$10,000 for planned improvements to drainage/sidewalks/streetscape improvements in downtown area.

-Utility Extensions – This will be \$75,000 toward the Texas Capital Fund grant to get utilities to the Pizza Shack development –already agreed to by MEDC. The remaining \$50,000 is for future possibilities that may come up during this next year. \$75,000 for the McCoy’s sewer line size upsizing.

-Flagship Boulevard improvements-this involves landscaping on the north side of Flagship Boulevard, to screen the back of the shopping center from the apartments and otherwise beautify Flagship Boulevard.

-Transfer to debt service. Increase from \$117,500 in the past to \$177,500 due to another borrowing by the city for water and sewer dates.

Category II

-Economic Development Grant Program – This is where a grant is made to a historic area business or home to make an improvement to their façade, structure or public use aspect of their building. The grant maximum is \$5,000 and are individually applied for and awarded by the MEDC Board.

Category III

-Seasonal decorations- involves some additional monies and upkeep/additions to the trees purchased earlier this year.

-Christmas Lighting – this helps the Civic Association with funding for their lighting of Cedar Brake Park and downtown during the holidays.

-Walking tour- The MEDC for three years has budgeted for this “Q- code” walking tour of the historic district that will involve signing, printed materials and other amenities involved in the tour.

-Downtown Enhancement Projects – This involves some planned streetscaping improvements to the downtown area. This may involve drainage/ benches/ trash cans, sign posts, trees, etc.

-Removal of Blight - This is for removal of old houses/structures having to do with the appearance of the city. The city is starting a process on five such structures and the \$30,000 will go toward those removal expenses.

-Downtown Signs – This is for the upkeep of the new electric sign at the corner of 149 and 105.

- Fernland Improvements– This will contribute toward the restoration and maintenance of the Park’s inventory of buildings and artifacts of Fernland Park.
- Heritage Village Detention Pond Improvement – This is an old MEDC agreed to do project to help the Heritage Apartment builder finish their detention pond so that public use can be made of the pond.

Category IV

- Promotional Video – The MEDC two months ago gave Shannan Reid permission to work with the producer of the MEDC community video to update the video. That work is in progress and will be paid from next year’s funds.
- Brochures Printed Literature - This involves an advertisement in a Woodlands Chamber publication and other brochures and mail outs during the upcoming year.
- Christmas in Montgomery -- the MEDC for several years has contributed to this local event that brings in persons for the event that generally “sells” Montgomery to visitors and locals alike.
- Wine and Music Festival- the MEDC for several years has contributed to this local event that brings in persons for the event that generally “sells” Montgomery to visitors and locals alike.
- Antique Show and Festival-- the MEDC for several years has contributed to this local event that brings in persons for the event that generally “sells” Montgomery to visitors and locals alike.
- Texian Heritage Festival -- the MEDC for several years has contributed to this local event that brings in persons for the event that generally “sells” Montgomery to visitors and locals alike.

Category V

- Admin. Transfer to General Fund – This is what MEDC pays for City support of MEDC, meaning the financial record keeping, my time and overall city support of MEDC economic development matters.
- MACC Administration and Office – This is payment to the Montgomery Area Chamber of Commerce for Shannan’s Reid’s time and office spent on economic development through the Chamber.

- Staff Support person-- Additional staff person for either as a staff person for hiring by the MACC or as a half-time employee of city as a Special Events Coordinator for discussion/decision by the MEDC/City Council. Also, an internship program for high school/college students from city to work in city businesses – hopefully getting them trained/connected to a job that will keep them in the city after graduation. It is thought to be a cooperative program with local businesses wherein the local business pays half the pay to the intern and MEDC matches up to \$3,000.

- Miscellaneous Expenses - Just as it reads, minor expenses of the MEDC that do not seem to fit into any specific line item budgeted. A drone purchase is proposed.

- General consulting (Acctg. , Eng., Legal) -- this is in case there is some specific engineering or legal work or advice needed for the MEDC due to looking at some specific issue, plus it could pay for the economic development analysis programs that MEDC has done on two recent occasions to analyze requested infrastructure contributions to a specific business.

- Travel and Training Expenses -- Travel for MEDC members or staff to various trainings, seminars, etc.

Montgomery City Council
AGENDA REPORT

Meeting Date: September 19, 2016	Budgeted Amount: This the proposed budget
Department:	
Prepared By: Jack Yates	Exhibits: Draft budget, description of line items is with the public hearing item
Date Prepared: September 16, 2016	

Subject

Approval of MEDC 2016-2017 budget

Discussion

This budget is proposed by Randy Moravec, Shannan Reid and myself, following discussion by the Board in your August meeting.

Recommendation

Approve the 2016 – 2017 MEDC budget.

Approved By

Department Manager		Date:
City Administrator	Jack Yates	September 16, 2016 Date:

Montgomery City Council
AGENDA REPORT

Meeting Date: September 19, 2016	Budgeted Amount: depending on the option selected for pavement method
Department:	
Prepared By: Jack Yates	Exhibits: memo from city engineer
Date Prepared: September 16, 2016	

Subject

Pavement parking area north of the community center along Clepper Street

Discussion

From the August, 2016 minutes:

“Parking Pavement Project North of Community Center – Glynn Fleming was present, stating that he had three estimates; concrete, asphalt and pavers. The estimates were \$46,500 concrete, Asphalt \$44,500 and Pavers \$66,000. Glynn also said that crushed limestone would be about one-half the concrete cost. Motion by Champagne, seconded by Dill to table to get another estimate for crushed granite.
All in favor.”

Recommendation

Consider and possibly approve a pavement method for the area north of the Community Center.c

Approved By

Department Manager		Date:
City Administrator	Jack Yates	September 16, 2016 Date:



8701 New Trails Drive, Suite 200
The Woodlands, Texas 77381-4241
Tel: 281.363.4039
Fax: 281.363.3459
www.jonescarter.com

September 16, 2016

Montgomery Economic Development Corporation
City of Montgomery
101 Old Plantersville Rd.
Montgomery, Texas 77316

Re: Contractor Quotes to Install Additional Parking on Clepper Street
City of Montgomery

Dear Directors:

Enclosed for your review and consideration are two quotes supplied by Mustang Concrete Solutions, LLC of Montgomery, Texas for constructing additional parking along Clepper Street immediately north of the Community Center. Enclosed Job Estimate No. 47475 includes installation of crushed limestone paving and totals \$24,632. Enclosed Job Estimate No. 47480 include installation of reinforced concrete paving and totals \$54,932. We will be prepared to answer your questions and to discuss further on Monday evening.

Thank you for the opportunity to serve the City of Montgomery. If you have any questions or comments, please contact, Glynn Fleming and or myself.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Ed Shackelford', with a long horizontal flourish extending to the right.

Ed Shackelford, P.E.
Engineer for the City

EHS/gef:lr2

P:\PROJECTS\W5841 - City of Montgomery\W5841-0900-00 General Consultation\2016\Letters\Clepper Street Parking, EDC Memo(2).doc

Enclosures: Mustang Concrete Solutions, LLC Job Estimate No. 47475
Mustang Concrete Solutions, LLC Job Estimate No. 47480

cc/enc.: The Honorable Mayor and City Council
The Planning and Zoning Commission
Mr. Jack Yates – City of Montgomery, City Administrator
Ms. Susan Hensley – City of Montgomery, City Secretary
Mr. Larry Foerster – Darden, Fowler & Creighton, LLP, City Attorney

Mustang Concrete Solutions, LLC.

Job Estimate/Invoice # 47475

P.O. Box 941
Montgomery, Texas 77356
713-256-8910 office
866-207-4446 fax
Sales@mustangconcretesolutions.com
www.mustangconcretesolutions.com

September 7, 2016

Montgomery Economic Development Corp.
c/o Glen Fleming, Jones & Carter
Montgomery Community Center
Northside Parking
gfleming@jonescarter.com

Estimator – John Roger

TERMS: **50% down and the remainder due on day of pour**

Remove existing vegetation. Supply, install and compact select fill to obtain proper elevation and compaction at sub-grade.

Supply, install and compact crushed limestone (approx. 120 tons) to appropriate grade as to not interrupt drainage. Supply and install wheel stops for angled parking.

Price includes (1) year of maintenance and additional product to take care of any settling.

TOTAL: \$24,632.00

Customer Acceptance _____

Thank You Again!

Mustang Concrete Solutions, LLC.

Job Estimate/Invoice # 47480

P.O. Box 941
Montgomery, Texas 77356
713-256-8910 office
866-207-4446 fax
Sales@mustangconcretesolutions.com
www.mustangconcretesolutions.com

September 16, 2016

Montgomery Economic Development Corp.
C/O Glynn Fleming, Jones & Carter
Montgomery Community Center
Northside Parking
gfleming@jonescarter.com

Estimator – John Roger
TERMS: 50% down and the remainder due on day of pour

Excavate and remove existing soil and vegetation. Supply, install & compact select fill to 95% compaction. Form and pour 215'x25'x 6" thick and 215 linear ft. of 6"x 6" curb Using 3500 psi concrete reinforced with #4 re-bar, 12" o.c. with a light broom finish.

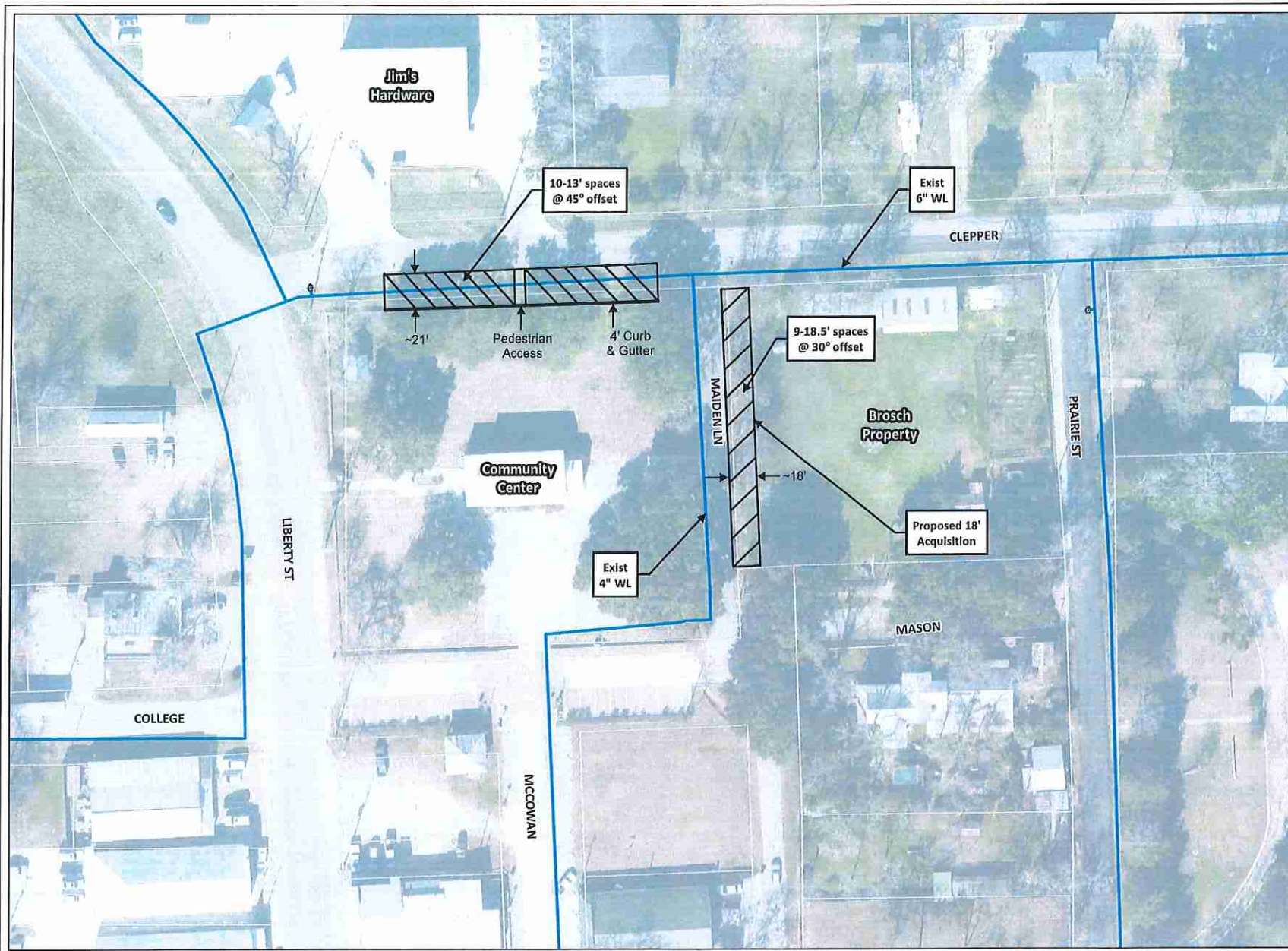
Install 24 concrete wheel stops.

This quote includes striping.

TOTAL: \$54,932.00

Customer Acceptance _____

Thank You Again!



VICINITY MAP
Scale: 1 inch equals 2 miles

- LEGEND**
- Potential Parking
 - ⊕ Flush Valve
 - Waterline
 - ▭ MCAD Parcels

Aerial Imagery flown January 2014

**CLEPPER DRIVE/
MAIDEN LANE
PROPOSED PARKING**
CITY OF MONTGOMERY
MONTGOMERY COUNTY, TEXAS



1 inch equals 60 feet

Disclaimer: This product is offered for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property, governmental and/or political boundaries or related facilities to said boundary. No express warranties are made by Jones & Carter, Inc. concerning the accuracy, completeness, reliability, or usability of the information included within this exhibit.



Project Number: W3443-0004-05
 Date: 11/27/2013
 User Name: GJM

Montgomery City Council
AGENDA REPORT

Meeting Date: September 19, 2016	Budgeted Amount:
Department:	
Prepared By: Jack Yates	Exhibits: the proposed policy, the policy showing the Colleyville original policy with written changes, the Economic Development Incentives Application
Date Prepared: September 16, 2016	

Subject

Comprehensive Policy Guidelines and Criteria for Economic Development Incentives

Discussion

This is a proposal, primarily of Randy Moravec, listing the incentives available from the city and gives guidelines to potential developers, the MEDC Board and City Council on their consideration of such incentives.

What is in your packet are:

The proposed policy-- this is the policy as is proposed by me based upon what I think the MEDC Board and the City Council might want to grant as the incentives.

The policy of Colleyville showing my changes-- this is the Colleyville policy simply retyped however with my written proposed changes.

Economic Development Incentive Application -- this is the Colleyville application amended to read as used by Montgomery.

Recommendation

Discuss and possibly improve the Comprehensive Policy and Guidelines and Criteria for Economic Development Incentives

Approved By

Department Manager		Date:
City Administrator	Jack Yates	September 16, 2016 Date:



City of Montgomery, Texas Comprehensive Policy of Guidelines and Criteria for Economic Development Incentives

The City of Montgomery (the "City") is committed to the promotion of quality development in all areas of the City and to an ongoing improvement in the quality of life for its citizens. In so far as these objectives are generally served by the enhancement and expansion of the local economy, the City will, on a case-by-case basis, give consideration to providing incentives as a stimulus for economic development. It is the policy of the City that said consideration will be provided in accordance with the procedures and criteria outlined in this document; however, nothing herein shall imply or suggest that the City is under obligation to provide any incentive to any applicant. All applications shall be considered on a case-by-case basis by the Montgomery City Council.

As authorized by the Texas Constitution, Chapters 311 (Texas Tax Code), 312 (Texas Tax Code) and 380 (Texas Local Government Code), and other applicable laws, the City has established this incentives policy so as to work in concert with other taxing authorities as part of an overall publicly supported incentive program designed to create economic tax base and job opportunities which bring new economic advantages to and strengthen the current and future economic base of the City.

All incentives requests will be reviewed by the Montgomery City Council, who will either approve incentives with modifications, as is, or denial. All incentive approvals will be memorialized in an economic development agreement between the City and recipient.

Overview of Incentives

Tax Abatement/Tax Grant

Tax abatements, or tax grants, may be offered for improvements to real property and/or for business personal property, and do not apply to land. Tax abatements, or tax grants, for improvements to real property may be offered to an applicant that constructs a new or expanded facility to house the applicable project. The tax abatement, or tax grant, will apply to the taxable value of the new or expanded improvements. Tax abatements, or tax grants, for business personal property may be offered to an applicant that purchases or long-term leases existing or new facilities, and will apply to the taxable value or the business personal property added to the facility after the execution of the tax abatement or tax grant agreement.

Sales Tax Rebates

The City collects 2% sales tax on any taxable retail sale made in the city limits and is divided as follows: 1% is allocated to the City's general fund, 0.5000% to the general fund as a reduction of property taxes, the 0.250% is maintenance, and the remaining 0.500% is allocated to the Montgomery Economic Development Corporation. An applicant may apply for a rebate of all or a portion of the City's local option sales tax for a maximum of three (3) years collected by the Grantee's business pursuant to the following schedule:

- Annual sales over \$4 million - up to **50%** rebate for a maximum of three years.
- Annual sales between \$2 million - \$3,999,999 - up to **40%** rebate for Year 1, up to **30%** for Year 2, and up to **20%** for Year 3.
- Annual sales less than \$2 million - up to **20%** rebate for Year 1, up to **10%** for Year 2, and up to **5%** for Year 3.

Note: The City will pay any rebates based upon receipt of actual sales taxes and the confidential sales report received from the State of Texas Comptroller's Office, and shall be solely responsible for determining the amount of the rebate.

Building Permit, Development, Connection and Impact Fees

The City may approve a waiver, deferral, grant or rebate of all or a portion of related fees, including but not necessarily limited to: building permit fees, development fees, connection fees and impact fees.

Cost Participation in Infrastructure

The City may agree to participate in the cost of the extension, construction, or reconstruction of public infrastructure necessary for the development of a project. Participation by the city is considered on a case-by-case basis and shall be limited to infrastructure improvements within municipal right-of-ways or easements.

Hotel/Motel Occupancy Tax

The City is committed to attracting lodging and conference center space to the community. A 6% hotel occupancy tax is levied by the State of Texas and the City levies a 6% hotel occupancy tax, for a total of 13%. These taxes may be used for purposes as allowed by law.

Tax Increment Financing (TIF) or Tax Increment Reinvestment Zone (TIRZ)

- Chapter 311 of the Texas Tax Code allows political subdivisions to create TIF Zones in order to use the increased tax value of land from development toward financing of the public improvements in the reinvestment zone.
- TIF Districts may assist in financing development of unimproved or blighted land by dedicating the real estate property taxes to be generated by the built project to a TIF Fund for payment of the principal and interest on TIF Bonds.
- Under a TIF, the property owner pays taxes on the full value of the property, and the taxing entities pay into the TIF Fund the taxes attributed to the added value of the property due to the new development.
- TIF Bonds may be issued for a maximum of 20 years and may be used to pay for public improvements associated with a development (i.e. parking, infrastructure, land acquisition, utilities, etc).
- A TIF Reinvestment Zone must meet set criteria as defined by law.
- The municipality establishes the TIF Reinvestment Zone and other taxing entities approve agreements to participate in the TIF District and set forth the percentage of tax increment they are willing to dedicate to the TIF Fund, up to a maximum of 100%.
- A TIF Board, consisting of 9 to 15 members, is established with representatives from the participating taxing entities and other representatives as set forth in the state law.

Public Improvement District

A Public Improvement District is a public financing vehicle (Chapter 372 of the Texas Local Code) that can be used to finance the cost of public infrastructure related to his project. Under a Public Improvement District:

- A Public Improvement District is formed over property that will benefit from public improvement projects to be constructed
- Assessments are levied in a manner that apportions costs according to the benefits received from the public improvements
- Bonds are issued to fund the improvements. Bond proceeds are deposited to a construction fund
- As eligible projects are completed, the proceeds in the construction fund are used to acquire facilities from the developer
- Assessments are paid by the property owners (usually over a period of years, although assessments may be prepaid in full or in part at any time). Assessments transfer along with title to the property. Therefore, end users typically pay the bulk of assessments. This is fitting, as the public improvements benefit the end users' property.

Neighborhood Empowerment Zone

A Neighborhood Empowerment Zone is a tool for cities that would promote at least one of the following: (1) the creation of affordable housing, including manufactured housing, in the zone; (2) an increase in economic development in the zone; (3) an increase in the quality of social services, education, or public safety provided to residents in the zone; or (4) the rehabilitation of affordable housing in the zone. Tax Code § 378.002.

Fast Track Permitting

At the request of the applicant, permitting time can be shortened if the project needs and justifies the reduced time frame through the Montgomery Fast Track program.

Historic District Montgomery Facade Improvement Matching Grant Program

The Historic District Montgomery Facade Improvement offers matching grants to eligible property owners within the Historic District Montgomery to renovate and enhance building facades. Eligible businesses **and residents** can receive up to 50% reimbursement of their project up to \$5,000 for their enhancements. This program is a part of the City's ongoing effort to revitalize and promote the Montgomery Historic District.

Structure/Building

The City may construct, or provide funding to construct a building or structure needed for a project.

General Guidelines

I. Criteria for Economic Development Incentives

- A. Must be reasonably expected to increase the appraised value of the property in the amount specified in the agreement after the period of abatement has expired.
- B. Project does not have any negative environmental impacts on the community (e.g.; significant pollution, excessive water usage or hazardous waste).
- C. The degree to which the specified project meets the purposes and objectives of the City, the relative impact of the project will be used to determine the total value and duration of the incentives, tax abatement or tax grant provided to any applicant. In compliance with state law no abatement will be for more than a maximum of 10 years in duration.

II. Objective Criteria

In order for the economic development incentives application to be considered the following must be addressed in written format by the applicant using "City of Montgomery Application for Economic Development Incentives" attached to this policy as Exhibit B:

- A. Number of new jobs in Montgomery that will be created by the project.
- B. Average salary detailed by skilled, unskilled and management positions.
- C. Total annual payroll created by the project.
- D. The net tax base valuation (real and personal property) that will be added by the project.
- E. Projected annual sales tax that will be directly generated by the project for a time period of 5 years and 10 years.

III. Subjective Criteria

In addition to the objective criteria for which specific values can be assigned, several additional

considerations must be evaluated. Using "City of Montgomery Application for Economic Development Incentives" attached to this policy as Exhibit B title applicant must respond to the following in written narrative format, with backup documentation:

- A. Explain the types and values of public improvements, if any, which will be made by the applicant.
- B. Explain to what extent the project will complement existing businesses.
- C. If the project poses any negative operational, visual/image, style impacts or additional noise, etc., provide details.
- D. Provide information including at least five years financial and operating history of the company. If company is a start-up provide at least five years of financial information of the sole proprietor and/or any investors and business plan.
- E. The applicant must indicate whether or not they are willing to commit to a definite construction/completion schedule for the project and to define exactly what will be built (i.e.; what will be on the tax roll and when).
- F. State in the application whether the project is a franchise, expansion, relocation/consolidation from elsewhere, or the start-up of a new operation.

IV. Value Of Economic Development Incentive Provided

The objective criteria and subjective criteria outlined in Sections II and III will be used by the City Council in determining whether or not it is in the best interests of the City to provide economic development incentives for a particular project. Specific considerations will include the degree to which the individual project furthers the goals and objectives of the community, as well as the relative impact of the project.

V. Procedural Guidelines

Any person, organization or corporation desiring that the City consider providing economic development incentives to encourage location or expansion within the city limits of Montgomery shall be required to comply with the following procedural guidelines. Nothing within these guidelines shall imply or suggest that the City is under obligation to provide any incentive to any applicant.

A. **Application Steps**: To apply for economic development incentives complete "City of Montgomery Application for Economic Development Incentives" attached to this policy as Exhibit B and available via the City of Montgomery's website, www.montgomerytexas.gov. The application must be submitted to **the** Montgomery Economic Development Department (the "Department").

B. Application Review Steps

1. All information submitted as detailed above will be reviewed by the Department for completeness, accuracy and the rationale for projections made. Additional information may be requested as needed.
2. Inapplicable, the application will be distributed to the appropriate departments for internal review and comments. Additional information may be requested as needed.
3. If necessary copies of the complete application package may be provided to the other appropriate taxing entities.

C. Consideration of the Application

1. After review by the Economic Development Department the application will be reviewed by the appropriate city staff. If needed, this team will meet with the applicant to negotiate final terms of the

incentives.

2. Prior to approval of an economic development incentive agreement, the economic incentive request may be scheduled for review by City Council in an executive session meeting. All necessary legal documents will be considered for approval following evaluation of all relevant staff and review team recommendations and reports.
3. For a tax abatement, additional steps, including a public hearing, must be incorporated into the process. These procedures are mandated by State law and are detailed in the Property Redevelopment and Tax Abatement Act.

VI

Execution of Agreements

Should the City Council determine that it is in the best interests of the City to approve economic development incentives to a particular applicant, a resolution shall be adopted declaring that under the guidelines and criteria established herein, the application is eligible for an economic development incentive in the form of an economic development incentive agreement. The resolution shall further authorize the Mayor to execute a contract with the applicant governing the provision of the incentives.

Any agreement so adopted must include at least the following specific items:

- A. Amount of the incentive
- B. Duration of the incentive
- C. Legal description of the property

Application Procedure

Any person or company requesting that the City provide an economic development incentive shall comply with the following procedure:

1. The applicant will submit a completed application for the requested incentive(s) utilizing the application outline provided by Montgomery Economic Development Department attached to this policy as Exhibit B, and available at www.MontgomeryTexas.gov
2. The applicant will address all applicable criteria set forth in this policy and the application.
3. The applicant will provide a plat, map or survey showing the location of the property and the proposed project.
4. The applicant will provide a legal description of the property; the name, address, phone number, fax number of the owner of the property; the tenants or proposed tenants, if any; and state whether the property is to be owner occupied or leased.
5. The applicant will describe in detail the proposed project and the type of economic development incentive(s) requested.
6. The application will be submitted by either mail to Montgomery Economic Development Department, P.O. Box 708, Montgomery, TX 77356, or deliver to 101 Old Plantersville Rd., Montgomery, TX 77316 or via email to the Economic Development Department.
7. Montgomery Economic Development Department will review the economic development incentive request and may request additional information from the applicant prior to considerations by City Council. Failure to timely submit any additionally requested information will cause the application to be rejected and will be deemed withdrawn by the applicant without further action by the City.
8. The City Council will review the requested incentive request pursuant to this policy and recommendations by City staff.
9. When necessary under this policy the City Council will, at a regular meeting and when allowed by law at a special meeting, consider proposed economic development incentive agreement.
10. Information submitted by the applicant regarding the requested incentive is confidential to the extent allowed by law.

Impact Analysis

The City reserves the right to perform an economic impact analysis for any project to determine the impact the project will have on the City. If deemed necessary this analysis will be made before an incentive is offered to the applicant.

Negotiation Process

The initial contact and preliminary discussions relating to available incentives is to be between the authorized representatives of the applicant and the Montgomery Economic Development Department

All negotiations for Economic Development Incentives shall be between the authorized representative(s) of the applicant and the Economic Development Department and any City employee as designated by the City Manager.

City Council's decision shall be based upon an evaluation of the criteria that each applicant has addressed in narrative format in their application.

Execution of Agreement

If it is necessary for City Council to take action on the application a resolution shall be adopted declaring that under the guidelines and criteria established herein, the application is eligible for economic development incentives. The resolution shall further authorize the Mayor to execute a contract with the applicant governing the provision of the incentives.



City of Montgomery, Texas
Comprehensive Policy of Guidelines and Criteria for Economic
Development Incentives

The City of Montgomery (the "City") is committed to the promotion of quality development in all areas of the City and to an ongoing improvement in the quality of life for its citizens. In so far as these objectives are generally served by the enhancement and expansion of the local economy, the City will, on a case-by-case basis, give consideration to providing incentives as a stimulus for economic development. It is the policy of the City that said consideration will be provided in accordance with the procedures and criteria outlined in this document; however, nothing herein shall imply or suggest that the City is under obligation to provide any incentive to any applicant. All applications shall be considered on a case-by-case basis by the Montgomery City Council.

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- Annual sales over \$4 million - up to ^{50%}100% rebate for a maximum of three years.
- Annual sales between \$2 million - \$3,999,999 - up to ⁴⁰90% rebate for Year 1, up to ³⁰70% for Year 2, and up to ⁵50% for Year 3.
- Annual sales less than \$2 million - up to ²⁰50% rebate for Year 1, up to ¹⁵30% for Year 2, and up to ⁵10% for Year 3.

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Tax Increment Financing (TIF) or Tax Increment Reinvestment Zone (TIRZ)

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- The municipality establishes the TIF Reinvestment Zone and other taxing entities approve agreements to participate in the TIF District and set forth the percentage of tax increment they are willing to dedicate to the TIF Fund, up to a maximum of 100%.
- A TIF Board, consisting of 9 to 15 members, is established with representatives from the participating taxing entities and other representatives as set forth in the state law.

Public Improvement District

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Structure/Building

The City may construct, or provide funding to construct a building or structure needed for the project. *a*

Grants

Cash grants may be available to a business locating in the City.

General Guidelines

I. Criteria for Economic Development Incentives

- A. Must be reasonably expected to increase the appraised value of the property in the amount specified in the agreement after the period of abatement has expired.
- B. Project does not have any negative environmental impacts on the community (e.g.; significant pollution, excessive water usage or hazardous waste).
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II. Objective Criteria

In order for the economic development incentives application to be considered the following must be addressed in written format by the applicant using "City of Montgomery Application for Economic Development Incentives" attached to this policy as Exhibit B:

- A. Number of new jobs in Montgomery that will be created by the project.
- B. Average salary detailed by skilled, unskilled and management positions.
- C. Total annual payroll created by the project.
- D. The net tax base valuation (real and personal property) that will be added by the project.
- E. Projected annual sales tax that will be directly generated by the project for a time period of 5 years and 10 years.

III. Subjective Criteria

In addition to the objective criteria for which specific values can be assigned, several additional considerations must be evaluated. Using "City of Montgomery Application for Economic Development Incentives" attached to this policy as Exhibit B title applicant must respond to the following in written narrative format, with backup documentation:

- A. Explain the types and values of public improvements, if any, which will be made by the applicant.
- B. Explain to what extent the project will complement existing businesses.
- C. If the project poses any negative operational, visual/image, style impacts or additional noise, etc., provide details.
- D. Provide information including at least five years financial and operating history of the company. If company is a start-up provide at least five years of financial information of the sole proprietor and/or any investors and business plan.
- E. The applicant must indicate whether or not they are willing to commit to a definite construction/completion schedule for the project and to define exactly what will be built (i.e.; what will be on the tax roll and when).
- F. State in the application whether the project is a franchise, expansion, relocation/consolidation from elsewhere, or the start-up of a new operation.

IV. Value Of Economic Development Incentive Provided

The objective criteria and subjective criteria outlined in Sections II and III will be used by the City Council in determining whether or not it is in the best interests of the City to provide economic development incentives for a particular project. Specific considerations will include the degree to which the individual project furthers the goals and objectives of the community, as well as the relative impact of the project.

V. Procedural Guidelines

Any person, organization or corporation desiring that the City consider providing economic development incentives to encourage location or expansion within the city limits of Montgomery shall be required to comply with the following procedural guidelines. Nothing within these guidelines shall imply or suggest that the City is under obligation to provide any incentive to any applicant.

A. **Application Steps**: To apply for economic development incentives complete "City of Montgomery Application for Economic Development Incentives" attached to this policy as Exhibit B and available via the City of Montgomery's website, www.montgomerytexas.gov. The application must be submitted to Montgomery Economic Development Department (the "Department").

B. Application Review Steps

1. All information submitted as detailed above will be reviewed by the Department for completeness, accuracy and the rationale for projections made. Additional information may be requested as needed.
2. Inapplicable, the application will be distributed to the appropriate departments for internal review and comments. Additional information may be requested as needed.
3. If necessary copies of the complete application package may be provided to the other appropriate taxing entities.

C. Consideration of the Application

1. After review by the Economic Development Department the application will be reviewed by the appropriate city staff. If needed, this team will meet with the applicant to negotiate final terms of the incentives.
2. Prior to approval of an economic development incentive agreement, the economic incentive request may be scheduled for review by City Council in an executive session meeting. All necessary legal documents will be considered for approval following evaluation of all relevant staff and review team recommendations and reports.
3. For a tax abatement, additional steps, including a public hearing, must be incorporated into the process. These procedures are mandated by State law and are detailed in the Property Redevelopment and Tax Abatement Act.

VI

Execution of Agreements

Should the City Council determine that it is in the best interests of the City to approve economic development incentives to a particular applicant, a resolution shall be adopted declaring that under the guidelines and criteria established herein, the application is eligible for an economic development incentive in the form of an economic development incentive agreement. The resolution shall further authorize the Mayor to execute a contract with the applicant governing the provision of the incentives.

Any agreement so adopted must include at least the following specific items:

- A. Amount of the incentive
- B. Duration of the incentive
- C. Legal description of the property

Application Procedure

Any person or company requesting that the City provide an economic development incentive shall comply with the following procedure:

1. The applicant will submit a completed application for the requested incentive(s) utilizing the application outline provided by Montgomery Economic Development Department attached to this policy as Exhibit B, and available at www.MontgomeryTexas.gov
2. The applicant will address all applicable criteria set forth in this policy and the application.
3. The applicant will provide a plat, map or survey showing the location of the property and the proposed project.
4. The applicant will provide a legal description of the property; the name, address, phone number, fax number of the owner of the property; the tenants or proposed tenants, if any; and state whether the property is to be owner occupied or leased.
5. The applicant will describe in detail the proposed project and the type of economic development incentive(s) requested.
6. The application will be submitted by either mail to Montgomery Economic Development Department, P.O. Box 708, Montgomery, TX 77356, or deliver to 101 Old Plantersville Rd., Montgomery, TX 77316 or via email to the Economic Development Department.
7. Montgomery Economic Development Department will review the economic development incentive request and may request additional information from the applicant prior to considerations by City Council. Failure to timely submit any additionally requested information will cause the application to be rejected and will be deemed withdrawn by the applicant without further action by the City.
8. The City Council will review the requested incentive request pursuant to this policy and recommendations by City staff.
9. When necessary under this policy the City Council will, at a regular meeting and when allowed by law at a special meeting, consider proposed economic development incentive agreement.
10. Information submitted by the applicant regarding the requested incentive is confidential to the extent allowed by law.

Impact Analysis

The City reserves the right to perform an economic impact analysis for any project to determine the impact the project will have on the City. If deemed necessary this analysis will be made before an incentive is offered to the applicant.

Negotiation Process

The initial contact and preliminary discussions relating to available incentives is to be between the authorized representatives of the applicant and the Montgomery Economic Development Department

All negotiations for Economic Development Incentives shall be between the authorized representative(s) of the applicant and the Economic Development Department and any City employee as designated by the City Manager.

City Council's decision shall be based upon an evaluation of the criteria that each applicant has addressed in narrative format in their application.

Execution of Agreement

If it is necessary for City Council to take action on the application a resolution shall be adopted declaring that under the guidelines and criteria established herein, the application is eligible for economic development incentives. The resolution shall further authorize the Mayor to execute a contract with the applicant governing the provision of the incentives.



City of Montgomery Economic Development Incentive Application

Date:
Type of Incentive Request:
Amount of Incentive Request:

Business Name:
Primary Business Product or Service Provided:
Mailing Address:
Telephone & Email Address:
Business Website:

Proposed Location & Acreage (including legal description):
Projected Square Footage of Project Facilities:
Projected Real and Personal Property Values of Project Facilities:
Projected Annual Taxable Sales of Business:
Will Montgomery Be the "Point of Sale" for Sales Tax Purposes?
Company's Tax ID#
Projected Number of Full Time Employees & Total Annual Payroll of Full Time Employees:
Average Annual Salary of Employees:
Percent of Employees to Receive Health Insurance Benefits:

Applicant's Name & Title:
Mailing Address:
Telephone & Email Address:

Property Owner's Name & Title:
Mailing Address:
Telephone & Email Address:

Please complete all questions in this document and attach all documents requested below. Feel free to attach additional pages as needed.

1. Provide background information on the business including information on how long the business has been in operation; chronology of business openings, closings, relocations, modernizations and expansions; whether the business is a publicly traded or privately held company; whether the business is a corporation, joint venture, partnership or sole proprietorship. Is the business or project's enterprise among the types targeted for retention within or attraction to Montgomery?

2. Give a brief description of the activities to be performed and a description of products to be produced and distributed and/or services to be provided.

3. Identify companies and organizations in Montgomery that could utilize the business's products and services or otherwise benefit from the business locating in Montgomery. What companies and organizations located in Montgomery might compete with the business? Please list the types of products or services to be sold which are currently sold by existing Montgomery merchants.

4. Provide a description of the property where the project will be located in Montgomery and attach a copy of the property's legal description, a site map, site plan and statement of current, assessed value upon submittal of incentive application.

5. Describe the facility where the project will be located in Montgomery. Is the facility new construction or existing space? Will the facility be free standing or inline space? Will the applicant be the owner of the property or a tenant? Is this facility a new facility, expansion or relocation? What is the total square footage of the facility? Attach any architectural renderings, floor plans or other documents related to the facility when the incentive application is submitted.

6. Estimate the total cost of the project and include the anticipated increased value to the property over the property's current value. This includes the cost of real and personal property, land, structures, inventory, and other improvements. Please include information related to projected taxable annual sales and other revenues that may be generated for the city from the project such as franchise payments, utility revenues, occupancy taxes, etc. Indicate whether there is any amount of infrastructure construction or participation expected of the City.

7. Provide information relating to the business's ability to finance this project, attach a copy of the business plan, information on the annual operating budget and latest audited financial statement with submittal of the incentive application. Provide information related to any business restructuring in the past 10 years.

8. Please describe the timeline for starting and completing this project including when the business plans to commence construction, occupy proposed space and open in Montgomery as well as any anticipated future project phases after the occupancy date.

9. Provide information on the projected employment in Montgomery. What is the projected number of new full time and part time employees? What is the total annual payroll of full time and part time employees (if an expansion, both present and anticipated new employment)? What types of benefits will be offered? What percentage of employees will receive a full benefit package (i.e. healthcare or hospitalization insurance, vacation leave, sick leave) compared to those who will work on a part-time or contract basis? List the job titles, number of positions and average wage in each category.

10. Describe in detail the incentive request. What type and amount of incentives are being requested? What is the time period in which the incentives are requested to remain in effect? What is the project's viability without the City's participation? Have other taxing jurisdictions been approached for incentives related to this project? Substantiate and more fully describe the justification for the incentive request and how it contributes to the financial viability of the project.

11. Describe in detail the impact the project will have on municipal or public facilities, services and utilities. Any significant costs the city, school districts or other public entities could incur due to the project including off-site infrastructure requirements and significant traffic impacts must be noted. Is there any expected impact on the local housing market? What about on neighboring businesses and/or property owners? Any environmental impacts to the community must be explained as well.

12. Include or describe any other information relative to the project and its impact on Montgomery.

I hereby certify that the information included on this document is complete and accurate:

Signature & Title

Print Name

Date

I have reviewed the application and confirmed it as complete for processing and consideration by City Council.

City Administrator, City of Montgomery

Date

Completed applications shall be sent to Jack Yates, City Administrator, City of Montgomery, 101 P.O. Box 708, Montgomery, Texas, 77356 and emailed to [jyates@ci.montgomery.tx.us](mailto: jyates@ci.montgomery.tx.us) For more information, please contact Jack Yates, City Administrator at 936-597-6434.