



INCENTIVE GUIDE

A. INTRODUCTION

The Economic Development Corporation of Weslaco (EDC) was formed under Section 4A of the Texas Development Corporation Act. The primary purpose of the EDC is to diversify the economic base and to create new job opportunities in Weslaco.

B. INCENTIVES

Economic development is the purposeful intervention by an entity to encourage private investment in a specific location when it otherwise might not have been made. That encouragement often represents public assistance with a financial value and is popularly referred to as an incentive or inducement. An economic development project may be an expansion of an existing business, location of a new business in the community, a start-up, or any activity undertaken by the private (or in some cases, public) sector to create economic benefit or additional wealth in a community.

The EDC performs an unbiased evaluation of the project's merits. Its basic task is to ensure, to the extent possible, that a business project is a sound investment for the community. The EDC will require current financial statements on companies requesting incentives and/or loans. While the negotiations are ongoing, all records are kept confidential. Once a development agreement is executed, the record is governed by the Texas Public Information Act.

C. PROJECT CHARACTERISTICS

Each of the following characteristics is evaluated to determine the public investment, if any:

1. Total dollar value of project
2. Number of new jobs created
3. Wage scale and skill level of employees
4. Value of property improvements
5. Property tax contribution at current rate
6. Sales tax currently generated
7. Projection of sales tax to be generated

D. PUBLIC INVESTMENT / INCENTIVE

1. A percentage of total cost (10-15%) based on capital investment and new jobs
2. Preference given to local business expansion

E. GENERAL GUIDE

Each project is judged on its own merits and standards. The size and form of the incentive will depend on the overall positive economic impact to Weslaco. Incentive agreements are based on jobs created or retained and the amount of the investment. The incentive may range from Seven Hundred Fifty Dollars (\$750.00) to Three Thousand (\$3,000.00) per job for the retention and from One Thousand Five Hundred Dollars (\$1,500.00) to Five Thousand Dollars (\$5,000.00) per job for new jobs created.

Mg 6/12/07



SUMMARY FISCAL POLICY AND GUIDE

OBJECTIVE

To diversify the economic base of Weslaco and to create new job opportunities in the city.

STRATEGY

To assist and facilitate investment in business interest in Weslaco and adding value to Weslaco's tax base.

RATIONALE

Economic development is the purposeful intervention by an entity to encourage private investment in a special location when it otherwise might not have been made.

METHODOLOGY

- To spread incentive dollars over a period of time, to not compress cash flow and to allow opportunity for a maximum number of projects in a given fiscal year.
- To judge each project on its own merits. The size and form of the incentive depends upon the overall positive economic impact to Weslaco.
- To ensure that each project is a sound investment for the community.
- To base incentive agreements on jobs created or retained and the amount of the company's capital investment.
- To base the incentive on a percentage of the total cost of the project (5-10%) based on the company's capital investment and new jobs.
- To give preference to local business expansion.
- To implement acceptable, sound management practices in all financial transactions to maximize the EDC's cash flow.



THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO

WESLACO 100 POLICY

RENEWAL BLOCK-BY-BLOCK

A. Goal

To have one hundred (100%) occupancy of the buildings in the Central Business District (CBD).

B. Objective

To maintain a viable and attractive CBD for retail, commercial, office and loft apartments by focusing resources on a block-by-block strategy. For the purposes of this policy, a two story building will be considered to be two buildings.

C. Targeted Areas

Central Business District / Main Street, defined as businesses located along Texas Blvd. from Pike Blvd. south to 12th Street.

D. Elements

1. Provide for or facilitate the addition of public parking where needed and feasible.
2. Assist with grants on a cost-sharing basis, up to a maximum of \$25,000 per floor, exclusively for building code improvements to include:
 - Life & safety code
 - Elevator/escalator/s
 - Ceilings
 - Grease traps
 - Electrical and plumbing systems
 - Roofs
 - Demolition, specific to environmental mitigation
3. Provide incentives for promising and experienced entrepreneurs to rent/lease, or purchase property for business use in the CBD.
4. Recruit and invite business owners to locate in the CBD.
5. Offer rewards for individual recruiting, identification and location of businesses to the CBD.
6. Clean up sidewalks and adding trash cans.
7. Downtown Merchants Association.
8. Organize and implement a plan for market days and festival.
9. Downtown Manager

E. Grant Requirements

1. **The maximum grant per building on a 50:50 match is \$25,000**
2. **Requests for Weslaco 100 grants need to be submitted prior to commencement of the work. Work in progress will not be considered.**

HG:mg 5/18/11

Adopted by the EDC Board of Directors on November 10, 2010

Rev. 1, May 18, 2011; Rev. 2, July 18, 2012; Rev. 3, Nov. 14, 2012; Rev. 4, Nov. 21, 2017, Rev. Feb. 21, 2018



FAÇADE RENOVATION AND IMPROVEMENTS POLICY

A. Purpose

The purpose of the Façade Renovations and Improvements Policy is to maintain Main Street and the Central Business District attractive to retail, office and commercial operations by encouraging restoration and improvement of commercial property through financial incentives.

B. Target Areas

Main Street / Texas Blvd., from Sugar Cane Dr. to 12th Street
East on Business 83 from Texas Blvd. to Airport Dr.
West on Business 83 from Texas Blvd. to Westgate Dr.
South on South Kansas Ave. from 1st to 8th Street
South on South Missouri Ave. from 1st to 8th Street
All commercial properties located on cross streets from 8th Street to Pike Blvd.

C. Objective

Funds will be made available for the enhancement of, or improvements to the exterior of façades of a building. Improvements may include enhancements to the façade, signage and display areas visible from the outside of the building. Such improvements may include:

- | | | |
|----------------------------|---------------------|-------------------------------|
| - Windows and door repairs | - Glass replacement | - Façade additions or repairs |
| - Brick and mortar repairs | - Awnings | - Trim repairs or replacement |
| - Paint | - Parking | - Landscaping |

D. Grant Amounts

The amount of each grant is limited to five Thousand Dollars (\$5,000) per lot and/or a fifty/fifty (50-50) match, to be determined on a case-by-case basis. In all cases the maximum amount of a Façade Improvement Grant is limited to Fifteen Thousand Dollars (\$15,000). Grants will be funded as a reimbursement upon the completion of the projects and documentation of the expenditure for the improvements.

E. Grant Limitation

All façade improvements must be complete within ninety (90) days of the Board's approval. Failure to complete the façade improvement within ninety (90) days makes the project ineligible for the façade grant, terminates the grant and the grant will not be funded.

F. Requirements

Improvements are to be pre-approved by the EDC and will be judged on the basis of the compatibility of color and design to the Historic City Hall/Fire Station located at the corner of Fourth Street and Kansas Ave. Grant funds are to be used solely for labor and materials to improve the exterior of the building. No funds are available for interior improvements, inventory or working capital through this grant. Requests for façade grants need to be submitted prior to the commencement of work. Work in progress will not be considered.



INCENTIVE APPLICATION

Date of Application, Company's NAICS or SIC Code, Name of Company, Years in Operation, Physical Address, City/State/Zip, Mailing Address, Phone Number, Fax, Other, Contact Person, Title, Proposed Project

Requested Incentive

[] Job Credits [] Land [] Building [] Other, Comments

CURRENT INFORMATION AND FUTURE PLANS

Full Time Employees [at least 1,560 hours a year = 30 hours a week for 52 weeks] currently in Weslaco, to be created in Weslaco, to be relocated to Weslaco, Current Taxable Value, Value of Real Property Improvements, Description of Real Property Improvements

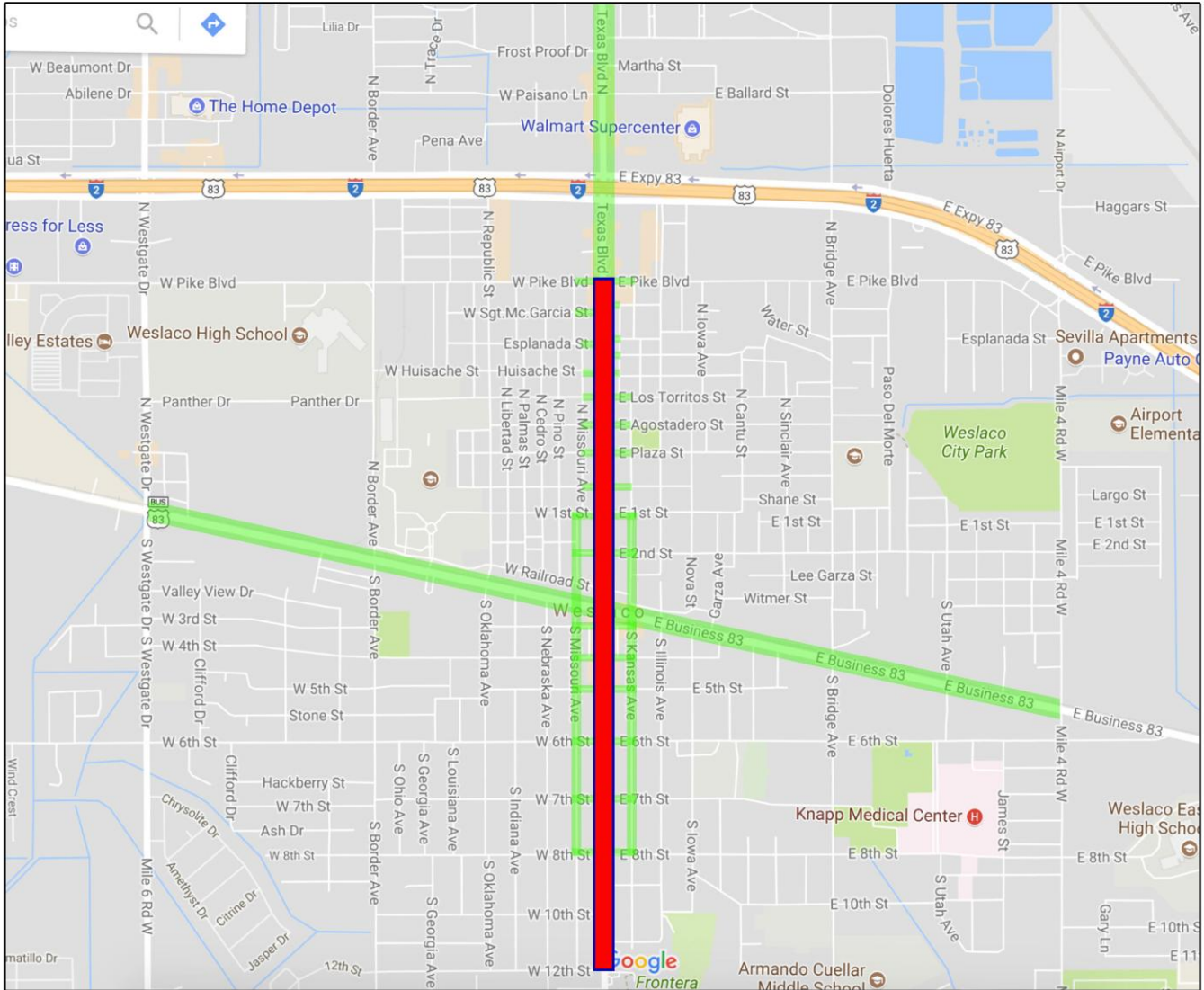
Applicant certifies that it does not and will not knowingly employ an undocumented worker in accordance with Chapter 2264 of the Texas Government Code as amended.

Attachment: Chapter 2264 of Texas Government Code Signed:

EDC Director's Preliminary Recommendation

Weslaco 100 Facade Grant

Interior & Façade
 Façade Only



Façade Targeted Area:

The targeted area encompasses the boundaries covered by “Main Street and the Central Business District” defined as:

Target Areas

1. Main Street / Texas Blvd., from Sugar Cane Dr. to 12th Street
2. East on Business 83 from Texas Blvd. to Airport Dr.
3. West on Business 83 from Texas Blvd. to Westgate Dr.
4. South on South Kansas Ave. from 1st to 8th Street
5. South on South Missouri Ave. from 1st to 8th Street
6. All commercial properties located on cross streets from 8th Street to Pike Blvd.

Weslaco 100 Interior Grant Targeted Area:

Central Business District / Main Street, defined as from Pike Blvd. to 12th St.