

Approved 02/24/2011

Target Business Incentive Policy

for

The City of Aledo

and

Aledo Economic Development Corporation

February 2011

Selected Action Items from City of Aledo Strategic Plan

General

- E-1 Develop a commercial/retail recruitment strategy.
- E-2 Increase commercial lease space.
- E-4 Attract businesses that will draw people to Aledo.
- E-13 Create incentive programs.
- E-14 Develop a catalyst incentive policy.
- E-18 Secure financial resources for matching funds.
- D-3 Develop a façade enhancement and historic preservation/restoration program.

Targeted Business Categories

- E-8 Recruit a small grocery store.
- E-20 Target franchise businesses.

Targeted Augmentation Zone

- E-9 Target businesses for downtown that support a small-

town image such as locally owned businesses, professional offices, boutique-style retailer, restaurants, specialty shops and bed and breakfasts.

E-22 Support non-residential development along FM 1187, north and south of downtown.

E-12 Provide a non-residential development at the intersection of FM 1187 and Bailey Ranch Road.

D-8 Develop retail, restaurants, events and social gathering spaces in downtown.

D-11 Create critical mass in downtown.

D-15 Create an enhanced intersection at FM1187 and Oak

D-16 Maintain and expand upon the boutique-style businesses along the northern portions of Elm Street and along north Oak Street between Elm Street and Mesquite Trail.

D-17 Preserve and renovate the buildings along North Front Street.

D-18, 19, 20, 27 Develop restaurant, retail, office and service businesses along:

- >Oak Street between Elm Street and Pecan Drive.

- >Oak Street between Walnut Street and Elm Street.

- >Along Elm Street.

- >South Front Street.

- D-25 Design and develop a designated space for a farmer's market near downtown, within the future couplet or near downtown.
- D-28 Continue to develop Maverick Street as small specialty shops.
- D-30 Develop a downtown business incentive package.
- D-33 Secure funding sources to finance downtown's revitalization.
- D-34 Foster public/private partnerships with future and current downtown business owners.
- D-35 Identify and pursue a specific catalyst project on the main street area of downtown.

Guidelines and Eligibility For Targeted Incentives

The City of Aledo is eager to work with and assist businesses, developers and investors who desire to locate or expand in the City and will make every effort to expedite all processes and to meet timelines.

Eligibility

To be eligible for target incentives from the City of Aledo (City) or the Aledo Economic Development Corporation (AEDC) the business or event:

1. Must be located within the city limits.
2. Additional incentives will be considered for new or expanded businesses that locate in Aledo's Targeted Augmentation Zones.
(See Map-Appendix A)
3. Additional Incentives will be considered for businesses that fall into the following Targeted Business Categories: **Grocery, Restaurants, Farmers Market, Specialty and Boutique Retail Shops and Services and Franchise Operations in the above categories as well as Bed-and-Breakfasts.**
4. Matching marketing grants (to non-profit, schools or for-profit firms) that promote special events that increase economic benefits for Aledo businesses particularly in the downtown area.
5. To be considered for incentives application must be filed with the City. (Appendix B)

To be considered for marketing grants an application must be filed with the City. (Appendix C]

6. These applications do not alleviate or circumvent the usual approval procedures of the City.
7. Incentives are available to both new and existing businesses. Existing businesses are eligible for the portion of expansion that represents new investment.
8. The terms and conditions of the incentive and the performance of the Applicant will be incorporated into an agreement approved by the City.
9. Incentives will not be considered for either new or expansion projects that are started or completed prior to the approval of an application.
10. Ineligible business activities that will not be considered for incentives are: check cashing agencies, taverns, bars, liquor stores, gun shops, tattoo parlors, pawnshops, passive real estate ownerships and management and sexually-oriented businesses.
11. The only retail industry classification in Aledo that shows a surplus (more dollars coming into the community than leaving) is Building Materials, Garden Equipment and Supply Dealers.
12. The approval of any request or application for incentives is at the sole discretion of the AEDC Board or the Aledo City Council and subject further to sufficient funds being budgeted or available.

Aledo's Targeted Incentives

Façade Matching Grants

Matching grants of up to \$2,500 for exterior tenant improvements which can include doors, windows, lighting, landscaping, painting, awnings or parking.

Eligibility:

- Commercial businesses in Targeted Augmentation Zones are eligible for up to 100% matches.
- Commercial businesses outside of Targeted Augmentation Zones are eligible for up to 50% matches.
- Existing commercial properties in the City.
- The incentive is for a one-time only grant and private investment must equal or exceed grant match.
- Brick and stone enhancements will be eligible.
- Improvements must comply with City's design and landscape standards.
- Property owner/developer can make application.
- Tenant with a fully executed lease, terms not less than three years can make application.
- All grants will be made on an invoice-reimbursement basis only.

Incentives will be payable upon successful completion of all the facilities improvements.

Signage Matching Grants

Matching grant of up to \$1,500 for Monument or Permanent Freestanding Signs

Matching grant of up to \$1,000 for Wall Signs

Eligibility:

- Grants for signs on existing commercial properties.
- The incentive is for a one-time only grant and private investment must equal or exceed grant match.
- Signs must comply with City's sign standards.
- Property owner/developer can make application.
- Tenant with a fully executed lease, terms not less than three years can make application.
- All grants will be made on an invoice-reimbursement basis only.

Incentives will be payable upon successful installation of all signs.

Infrastructure Cost Rebate Program

To provide assistance for projects to stimulate private investment in Targeted Augmentation Zone for Targeted Business Categories. A public/private agreement will be executed under Section 380 of the Local Government Code.

Eligibility:

- Expenses eligible for rebate are construction costs associated with public infrastructure such as streets, sewers, utilities, parking and lights.
- New construction or expansion or modification of an existing property that increases the property assessed valuation by 50%.
- Rebate is capped at 50% of new sales taxes generated for 5 years starting with the issuing of a Certificate of Occupancy.
- Project must meet all zoning and City requirements.
- Payments will be made from sales tax reimbursements as received by the City from the Comptroller of Public Accounts.
- Payments will be made only on paid invoices.

Special Events Marketing Matching Grant

The purpose of this program is to provide funding assistance to organizations (Non Profit, Schools or Private) that conduct events that generate visitors and citizens that benefit Aledo businesses and promote the city.

Eligibility:

- The event has to be held in the City.
- Preference will be given for events that directly benefit downtown and the couplet area.
- Match grant levels \$500-\$1,000.
- Matches will be made only on direct marketing and promotion expenses and cannot exceed 25% of the total event expenses.
- Submission and approval of Aledo Enrichment Fund Grant Application (Appendix C) prior to the event.
- Payment will be made invoice-reimbursement only and after the event has concluded.