

# CITY OF ROWLETT

## ECONOMIC DEVELOPMENT INCENTIVES POLICY

*(Revised January 2025)*

### GENERAL PURPOSE AND OBJECTIVES

The City of Rowlett is dedicated to fostering job creation, encouraging high-quality development throughout the city, and continually enhancing the quality of life for its residents. This policy establishes that any consideration of incentives will adhere to the procedures and criteria outlined in this document. Incentives will be evaluated on a case-by-case basis, allowing for the creation of tailored packages that address the unique needs and goals of each project while ensuring maximum flexibility.

Key considerations include the extent to which the proposed project advances the community's goals and objectives, as well as its overall impact on the city. The Rowlett City Council retains full discretion and is under no obligation to provide incentives to any applicant. Each application will be reviewed individually based on its merits.

All incentives granted by the City are subject to recapture provisions.

### I. CRITERIA

All incentive requests will be evaluated through review of the following criteria. Applicants must submit a written application as provided by the Economic Development Department. An accompanying project narrative is highly recommended.

#### 1) Fiscal Impact

- What is the projected increase in real property value added to the tax roll?
- What is the projected increase in personal property value added to the tax roll?
- How much direct sales and use tax revenue will the project generate?
- What infrastructure construction will be required?
- What is the total projected annual operating budget for the facility?

#### 2) Community Impact

- How will the project affect the local housing market?
- What environmental impacts, if any, will the project create?

- How compatible is the project with the City’s comprehensive plan?
  - What impact will the project have on other taxing entities?
- 3) Employment Impact
- How many jobs will the project bring to Rowlett?
  - What types of jobs will be created?
  - What is the average wage of the jobs created?
  - What will be the total annual payroll associated with these jobs?

## II. AVAILABLE INCENTIVES

The City of Rowlett may consider providing one or a combination of any of the following economic development incentives:

- a) **TAX ABATEMENT** - The City will consider providing tax abatements for real and/or personal property. A minimum capital investment of \$1 million is required to be considered eligible for evaluation. Applications must be submitted prior to construction. A Cost/Benefit Analysis will be performed to determine the feasibility of the project and abatements will be determined on a case-by-case basis. The maximum tax abatement terms will not exceed 10 years in length.
- b) **FEE WAIVERS** - Reduction or elimination of any city fees associated with the development of the project.
- c) **GREASE TRAP REBATE** - The City may consider a rebate equal to fifty percent (50%) of the cost to purchase a new or upgrade an existing grease trap not to exceed \$7,500 per project. Applications must be accompanied by receipts for work and submitted within six (6) months of project completion.
- d) **FAST TRACK CITY SERVICES** - A fast-track service involving all inspections, permitting and planning activities may be provided. The City’s development coordinator would be assigned to assist with the progress of the project.
- e) **LOANS AND GRANTS** - The City may consider providing loans and grants of City funds, may underwrite or guaranty loans and financial obligations, and may acquire, purchase, convey or assign loans and grants and any rights or obligations arising thereunder, as permitted by Section 380.001 of the Texas Local Government Code.

## III. GRANT PROGRAMS

- a) **JOB CREATION PROGRAM** - The Job Creation Incentive Program encourages economic growth by supporting companies that create or relocate full-time jobs



within the City of Rowlett. This program is designed to attract businesses offering competitive wages and providing lasting benefits to the community.

- i. **Eligibility Criteria**
    - a. **Job Minimum:** Companies must create or relocate at least 25 full-time jobs.
    - b. **Wage Requirement:** Each job must pay at least 100% of the average annual wage for Dallas County, as determined by the U.S. Bureau of Labor Statistics.
  - ii. **Duration:** Companies must maintain the required number of jobs for a minimum of two years to receive the full incentive amount.
  - iii. **Incentive Details**
    - a. Jobs paying 100-124% of the average annual wage qualify for \$3,000 per job, paid as \$1,500 annually over two years.
    - b. Jobs paying 125% or more of the average annual wage qualify for \$5,000 per job, paid as \$2,500 annually over two years
    - c. The total grant amount cannot exceed 50% of the net new ad valorem and business personal property taxes paid to the City as a result of the project.
  - iv. **Application Process** - Applicants must provide details on job creation, wage levels, and tax benefits to the City. Applications will be evaluated based on alignment with program goals and the economic impact of the project. Approved applicants will enter into an agreement outlining terms, conditions, and reporting requirements.
  - v. **Reporting Requirements** - Recipients must submit annual reports verifying the number of jobs maintained, wage levels, and compliance with the program terms.
- b) **SPECIALTY RETAIL, ENTERTAINMENT, & RESTAURANT PROGRAM** - This program supports the growth of “destination” retailers and restaurants that attract visitors from outside the area and enhance Rowlett's shopping, dining, and entertainment experiences.
- i. **Eligibility Criteria**
    - a. **Qualifying Businesses:** Local, regional, and national retailers and restaurants that fit well into the existing retail/restaurant economy and offer unique experiences.
    - b. **Expansion/Relocation:** Existing businesses must add at least 50% more square footage than their current space to qualify.



- c. Lease/Ownership: Businesses must own the property or sign a minimum 5-year lease. Depending on the incentive amount, the City may require longer lease terms.
    - d. ROI Requirement: Projects must demonstrate a return on investment (ROI) for the City as determined by internal evaluation.
  - ii. **Incentive Details** - Incentives are limited to 10% of the total capital investment, up to a maximum of \$50,000.
  - iii. **Application Process** - Applicants must submit plans detailing the business concept, capital investment, and projected ROI. The Economic Development Advisory Board will review submissions and make recommendations to the City Council, who will make the final determination. Terms, conditions, and reporting requirements will be specified in the final agreement on a case-by-case basis.
  - iv. **Reporting Requirements** - Recipients must provide annual updates on business performance, investment impact, and lease compliance.
- c) **DOWNTOWN CORE FAÇADE PROGRAM** - The Downtown Core Façade Grant Program promotes economic growth and visual enhancement of Rowlett's downtown by providing financial assistance for exterior property improvements.
  - i. **Eligibility Criteria**
    - a. Location: Properties must be within the Downtown Core boundary.
    - b. Ownership: Applicants must own the property or have written consent from the property owner.
    - c. Property Use: Eligible properties include commercial, mixed-use, and non-residential buildings.
    - d. Project Scope: Projects must involve exterior façade improvements, such as signage, painting, masonry repair, awnings, lighting, and window/door replacements.
    - e. Compliance: All projects must meet local zoning and building codes.
    - f. Timing: Projects must be completed within 12 months of grant approval.
  - ii. **Incentive Details** - The program offers matching grants covering up to 50% of project costs, with a maximum grant of \$5,000 per property. Funds are disbursed upon project completion and submission of invoices and compliance documentation.
  - iii. **Application Process** - Applicants must complete a Façade Grant Application with detailed plans, cost estimates, and permits. The Economic Development Advisory Board will review submissions for alignment with program goals. The



City Council will make the final decision, and approved applicants will sign a grant agreement.

iv. **Evaluation Criteria**

- a. Visual Impact: Degree of improvement to the property's façade and streetscape.
- b. Economic Benefit: Potential to increase business activity and property value.
- c. Feasibility: Ability to complete the project within the budget and timeline.
- d. Alignment with Goals: Consistency with downtown revitalization objectives.
- e. Reporting Requirements
- f. Recipients must submit a final report detailing the completed project, including expenditures and before-and-after photographs

