

RESOLUTION NO. 2963

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BAYTOWN, TEXAS, ADOPTING THE GUIDELINES AND CRITERIA FOR THE CITY'S CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM; AND PROVIDING THE EFFECTIVE DATE THEREOF.

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WHEREAS, Chapter 380 of the Texas Local Government Code authorizes the governing body of a municipality to establish one or more programs, including programs for the making of loans and grants of public money and the provision of City personnel and services, to promote local economic development and stimulate business and commercial activity within the City;

WHEREAS, the City Council of the City of Baytown, Texas, recognizes the need to encourage sustainable economic development that supports job creation, investment, and growth of the local economy;

WHEREAS, the City Council desires to establish guidelines and criteria for the administration of a Chapter 380 Economic Development Program;

WHEREAS, the adoption of these Guidelines and Criteria is intended to promote strategic growth within the City by incentivizing development that aligns with the City's targeted industries and by fostering public-private partnerships that build economic resilience; and

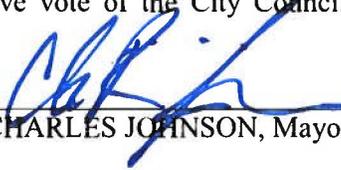
WHEREAS, the City Council has reviewed the proposed Guidelines and Criteria for the Program and find that it is in the best interest of the City to adopt the Guidelines and Criteria for the Chapter 380 Program as a means to support the City's economic development goals; NOW THEREFORE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BAYTOWN, TEXAS:

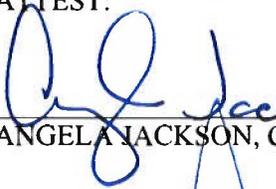
Section 1. The City Council hereby adopts the "Guidelines and Criteria for Chapter 380 Economic Development Programs," which is attached hereto as Exhibit "A" and incorporated herein by reference for all purposes. These Guidelines and Criteria establish the process for determining eligibility, defining authorized uses of grant funds, and implementing compliance measures under the City's Chapter 380 Program.

Section 2. This Resolution shall take effect immediately from and after its passage by the City Council of the City of Baytown.

INTRODUCED, READ, AND PASSED, by the affirmative vote of the City Council of the City of Baytown this 23<sup>rd</sup> day of January, 2025.

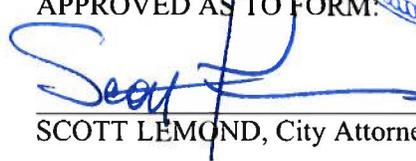
  
\_\_\_\_\_  
CHARLES JOHNSON, Mayor

ATTEST:

  
\_\_\_\_\_  
ANGELA JACKSON, City Clerk



APPROVED AS TO FORM:

  
\_\_\_\_\_  
SCOTT LEMON, City Attorney

## Exhibit "A"

# GUIDELINES AND CRITERIA FOR CHAPTER 380 PROGRAMS

### Section 1 Purpose

Chapter 380 of the Texas Local Government Code authorizes the City Council to establish and provide for the administration of one or more programs, including programs for the making of loans and grants of public money and providing personnel and services of the City, to promote economic development. This document is intended to establish a program and set forth guidelines and criteria for persons or entities interested in receiving economic development program grants or loans (collectively, "380 Grants") from the City pursuant to Chapter 380 of the Texas Local Government Code (the "Grant Program").

The Grant Program seeks to respond to the needs of the community and illustrate agility in the face of dynamic market conditions by seeking transformative public-private partnerships to strengthen the local economy, sustain economic activity, and build resilience against national economic downturns. These Guidelines and Criteria outline what the City of Baytown and the private partner are expected to deliver when entering into an agreement for a 380 Grant.

### Section 2 Objectives

The Grant Program is established to promote local economic development and stimulate business and commercial activity in the City by:

- (a) promoting and encouraging development and redevelopment projects that enhance the City's economic base; or
- (b) diversifying and expanding job opportunities; or
- (c) promoting and encouraging projects that create additional revenue for the city without substantially increasing the demand on City services or infrastructure.

In furtherance of these objectives, the City of Baytown will, on a case-by-case basis, give consideration, to providing economic incentives to applicants in accordance with these Guidelines and Criteria as authorized by Chapter 380 of the Texas Local Government Code, as amended from time to time. Nothing in this document is intended to imply or suggest that the City of Baytown is under any obligation to provide economic incentives to any applicant. The decision to approve or deny economic incentives shall be at the discretion of the City Council.

### Section 3 Qualified Applicants and/or Businesses

Qualified applicants must be a company, firm, entity, organization, or individual that has submitted a complete application for consideration by the City's Economic Development Department. Additionally, to be a qualified applicant and/or business, one must provide proof of legal authorization and ability to do business in the State of Texas along with any other requirement at the City's discretion.

**Section 4**  
**Eligibility Criteria**

- (a) **Eligibility.** City Council may approve any 380 Grant in which the 380 Grant funds are spent for a public purpose, the City receives a benefit roughly equivalent to the amount of the 380 Grant, and the City is able to track that the purpose of the 380 Grant is being achieved.
- (b) **Factors.** City Council may consider any and all factors in determining whether to approve a 380 Grant including but not limited to whether the 380 Grant will promote:
  - (1) Attraction and recruitment of companies, domestic and international, that plan to create jobs and investment in the City's clean tech, advanced manufacturing, transportation and materials moving, biotech and healthcare, alternative energy, retail development, corporate housing, creative, and other industries (the "Targeted Industries"), including corporate headquarters;
  - (2) Retention and/or expansion of local businesses;
  - (3) Development and investment in identified corridors and within State Enterprise Zone census tract areas;
  - (4) Growth of business activity, employment, or investment in the Central Business District;
  - (5) Revitalization with likelihood of ancillary development in a key employment node or specifically designated area of the City;
  - (6) Targeted development and investment in Regional Centers as defined by the Baytown Economic Prosperity Roadmap and Comprehensive Plan and for which Council has approved specific industry and development plans;
  - (7) Programs creating a scale increase (e.g. doubling) outcomes in research, innovation, start-ups, or entrepreneurial development, leading to commercialization of new technologies, products, or services in the City's Targeted Industries, where applicants demonstrate a track record of outcomes for no less than two years and matching dollars which must include private sector support;
  - (8) Training, recruitment, retention, and development of a skilled workforce to support growth in the Targeted Industries;
  - (9) Infrastructure, facilities, and equipment to support growth in the Targeted Industries;
  - (10) Events, marketing, sponsorships, industry groups, legislative programs, and other initiatives that help grow and/or promote the Targeted Industries;
  - (11) Projects, programs, or initiatives that directly create or retain jobs or support the creation or retention of jobs in the Targeted Industries;
  - (12) Furtherance of incentive packages, including whether a 380 Grant will promote existing economic development, land use, or other agreements including but not limited to any Chapter 312 tax abatement, Chapter 380 economic development agreement, or Chapter 212 annexation agreement;
- (c) **Ineligibility.** If any of the following apply, the applicant will be ineligible for a 380 Grant:

- (1) Delinquency in the payment of ad valorem taxes due to Baytown within the two most recent years prior to application;
- (2) Code enforcement violations or any history or repeated violations within the two most recent years prior to application; or
- (3) Receipt of a Small Business Expansion Incentive Program grant from Baytown within the five most recent years prior to application.

## **Section 5 Authorized Use of 380 Grant Funds**

The following may be authorized uses of 380 Grant funds:

- (a) Public improvements associated with the project;
- (b) Training programs and other initiatives to develop and sustain a skilled workforce for the Targeted Industries;
- (c) Real and personal property acquisition and site development;
- (d) Company relocation expenses for moving operations to Baytown;
- (e) Facility construction and/or real property improvements;
- (f) Studies or planning that promote growth in the Targeted Industries;
- (g) Grants or loans to community partners or City-created entities;
- (h) Utility infrastructure costs;
- (i) Restoration or adaptive reuse of existing structures associated with a project retaining and/or creating jobs
- (j) Entrepreneurial development programs and initiatives in the Targeted Industries;
- (k) Third party due diligence, evaluation, and financial analysis of eligible projects;
- (l) Marketing, events, sponsorships, trade shows, and trade missions in support for entrepreneurial development and Targeted Industries and support for industry advocacy groups; and/or
- (m) Promotion of state or local economic development and to stimulate business and commercial activity in Baytown.

## **Section 6 Application Process**

To apply for a 380 Grant, an applicant must complete and submit a fully executed application (with required attachments) and the appropriate fee to the City's Economic Development Department. An application can be obtained from the Economic Development Department's website: [baytown.org/economic development](http://baytown.org/economic%20development).

An applicant must submit the non-refundable application fee in the amount of \$1,000 submitted in the form of a cashier's check or money order made payable to the order of "City of Baytown", which shall be paid by the applicant to the City's Economic Development Department at the time of the application submission. Other fees may be associated with modifications, amendments, or renewals to an application or agreement, which will be at the City's discretion.

**Section 7**  
**COMPLIANCE**

All recipients of 380 Grants are subject to annual or semi-annual compliance assessments conducted by the Economic Development Department throughout the agreement term. Each year, the Chief Financial Officer, President and/or other City-approved designated officer of the entity receiving the incentive must certify that it has complied with the terms and conditions of the incentive agreement. If a minimum number of jobs are part of the consideration provided by the City, the jobs and proof thereof must be maintained for the period established in the agreement. The City has the right to inspect books and records of the entity receiving the incentive.

**Section 8**  
**CITY REPORTING**

The Economic Development Department will be responsible for reporting to the Texas Comptroller's office the following information for all Chapter 380 economic development agreements that the City enters into, amends, or renews:

- The City's name;
- a numerical code assigned to the City by the comptroller;
- the address of the City's administrative offices and public contact information;
- the name of the appropriate officer or other person representing the City and that person's contact information;
- the name and contact information of any entity or the entity's agent that entered into the agreement with the City, including the business address and any assumed names of the entity;
- the date on which the agreement went into effect and the date and terms on which the agreement expires;
- the focus or scope of the agreement;
- an electronic copy of the agreement;
- the name and contact information of the individual reporting the information to the comptroller;
- the total monetary value of the agreement; and
- the source of the money used or type of tax implicated by the agreement, including a sales and use tax, ad valorem tax, or hotel occupancy tax.

The Economic Development Department will submit such information to the Texas Comptroller's [searchable database](#) using the Texas Comptroller's eSystems program within fourteen days of execution, amendment, or renewal of such agreement. The Economic Development Department will provide on the City's website a direct link to the location of the agreement information published on the Comptroller's website.