



**Economic
Development**

Economic Development Incentive Policy



Incentive Policy Background

- Chapter 380 of the Local Government Code requires that Cities adopt their Incentive Policy every two years
- In 2020, City Council approved the policy without any changes to the last updated policy in 2018
 - More clear and concise application to include;
 - Wage information
 - Capital Investment
 - Sales Tax Generation
- In 2022, the City Council updated the policy to include the Burleson Home Improvement Rebate Program
 - The program provides incentives (up to \$5,000) to certain eligible owner-occupied homeowners to make improvements to their home
 - Homes must be 25 years or older
 - The CAD appraised value must be less or equal to 70% of the FHA single-family mortgage limit in the County for the current year of the application

Incentive Policy Details

Project Requirements



- The policy requires Commercial or Retail development to add new to market uses and users and exceed \$5M in taxable sales to qualify for incentives
- Value of an abatement shall not exceed 50 percent investment by the business in eligible property
- Johnson County median wage as well as a living wage requirement
- Minimum capital investment of \$10M

Incentive Policy Details Continued

Project Requirements



- The project expands the local tax base
- The project creates permanent full time employment opportunities:
 - With 25% of employees paid above the Johnson County median wage as calculated by the U.S. Bureau of Labor Statistics, and:
 - All employees above the greater of average living wage (2 Adults/2 Children) for Johnson County, Texas as calculated by the following link: <http://livingwage.mit.edu/counties/48251> ;
 - Or 65% of the Johnson County median wage as calculated by the U.S. Bureau of Labor Statistics
- The project in all likelihood would not otherwise be developed
- The City Council retains the right to, on a case-by-case basis, consider an abatement or incentive which may not specifically comply with these guidelines and criteria

Incentive Policy Details

Project Requirements



- The policy requires Commercial or Retail development to add new to market uses and users and exceed \$5M in taxable sales to qualify for incentives
- Value of an abatement shall not exceed 50 percent investment by the business in eligible property
- Johnson County median wage as well as a living wage requirement
- Minimum capital investment of \$10M

Council Action Requested

Staff Recommends Approval



Approve a Resolution adopting the Economic Development Incentive Policy



Deny a Resolution adopting the Economic Development Incentive Policy