

# **Forney Economic Development Corporation**

## **Incentives Policy & Application**

The Forney Economic Development Corporation (FEDC) works to attract new business, grow existing business and diversify and expand the City of Forney's sales and property tax bases. The FEDC is committed to recruiting high quality development, complementary businesses and employment opportunities that enhance the quality of life for residents. **The FEDC does not incentivize residential development and does not provide incentives in the form of "venture capital."** Applicants will be vetted on a case-by-case basis. The FEDC Board will use the following criteria as a guide when considering an offer of financial incentives to a business prospect.

### **Key Considerations for Economic Incentives**

- ✓ The business would not locate in Forney, TX otherwise if incentives were not provided
- ✓ Creation of primary jobs, with preference for jobs that meet or exceed Kaufman County's median wage
- ✓ High capital investment
- ✓ Significant impact to local sales tax, property tax, hotel occupancy tax and/or utility revenue
- ✓ Projects requiring significant infrastructure improvements/upgrades
- ✓ Within the range of target industries for the FEDC
- ✓ The business has a majority of their investment capital secured
- ✓ Unique and/or "destination" businesses that enhances the City's character, tourism and quality of place
- ✓ Demonstrated need of market demand for the type of business
- ✓ Market saturation of existing businesses providing similar products/services

### **Incentives Application Process**

- Contact the FEDC Office for an application, or obtain one on the website, [www.forneytexasedc.org](http://www.forneytexasedc.org)
- Fill out the application and return it to FEDC staff two weeks prior to the monthly FEDC board meeting (meetings held the second Thursday of each month at 6:30 p.m. at Forney City Hall)
- FEDC staff will review to ensure compliance prior to taking it to the FEDC Board of Directors
- If applicable, attend the FEDC Board meeting to answer any questions regarding your application
- Depending on the project and amount of incentives, the FEDC and City of Forney may need to hold a public hearing prior to expending incentives to a prospect. This process takes approximately 60 days.
- The City Attorney will draft a performance agreement including the company's capital investment and job creation numbers
- Incentives will be expended based upon terms of the performance agreement



ECONOMIC  
DEVELOPMENT

## APPLICATION FOR INCENTIVES \*CONFIDENTIAL\*

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### *BUSINESS INFORMATION*

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Date of Application: \_\_\_\_\_

Name of Business or Project Name: \_\_\_\_\_

Tax ID Number: \_\_\_\_\_

Type of Business/Development:  Commercial  Industrial  Office  Retail/Dining/Entertainment

Business or Site Consultant Address: \_\_\_\_\_

Business or Site Consultant Phone: \_\_\_\_\_

Primary Contact: \_\_\_\_\_

Contact's Email: \_\_\_\_\_

Business/Project Description: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Proposed Address/Location of Project: \_\_\_\_\_

Type of Project:  Expansion  Location/Relocation

If relocating, what is the address of your current location(s)? \_\_\_\_\_

\_\_\_\_\_

NAICS Code(s): \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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**INCENTIVE REQUEST**

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What is your total local incentive request (in dollars)? \_\_\_\_\_

What type of incentive(s) are you seeking?

Grant  Loan  Sales Tax Reimbursement  Tax Abatement\*  Other: \_\_\_\_\_

**Note: The Forney EDC does not provide incentives in the form of “venture capital”**

The Forney Economic Development Corporation is a Type B Economic Development Corporation and operates under the Texas Development Corporation Act. The Forney EDC collects a dedicated ½ cent local sales tax for the purpose of commercial development and job creation/retention.

\*Denotes incentive based upon approval by the City and/or County governing bodies

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**INVESTMENT**

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What is your total anticipated capital investment? \$ \_\_\_\_\_

| Land | Building Lease | Construction | Equipment | Inventory |
|------|----------------|--------------|-----------|-----------|
| \$   | \$             | \$           | \$        | \$        |

Do any of your inventories qualify for Freeport exemption? \_\_\_\_\_

If so, what is the estimated value (in dollars)? \_\_\_\_\_

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**TAXES**

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Does your business remit sales tax?  Yes  No

If so, what is your projected local sales tax generation? (2% local sales tax rate – 1.5% City/0.5% EDC)

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**EMPLOYMENT**

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How many new full-time employees will you hire? (Defined as 35 hours per week or more)

How many new part-time employees will you hire? (Defined as less than 35 hours per week)

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Will you be relocating employees to this facility?  Yes  No

If so, how many? \_\_\_\_\_

What is the average combined wage for new employees at this facility?

\_\_\_\_\_

How many positions will pay a salary at or above **\$39,172\*** (not including benefits)?

\*Reflects Kaufman County median wage (Source: EMSI 2017, Kaufman County)

\_\_\_\_\_

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**FINANCES**

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What is your company's total revenue? \_\_\_\_\_

Has your business filed for bankruptcy in the last 15 years?  Yes  No

If so, explain: \_\_\_\_\_

\_\_\_\_\_

Are you currently delinquent on taxes or have you been delinquent in the last 3 years?  Yes  No

If so, explain: \_\_\_\_\_

\_\_\_\_\_

Has your company received any government incentives/tax abatements in the last 15 years?  Yes  No

If so, when and how much? (\*Please provide supporting documentation) \_\_\_\_\_

\_\_\_\_\_

Has your business ever defaulted on a loan, lease and/or performance agreement?  Yes  No

If so, explain: \_\_\_\_\_

\_\_\_\_\_

Have you pursued other financing options for this project?  Yes  No

If so, what type of financing have you pursued/secured? \*Please provide a bank commitment letter if a loan has been secured. Also, please list other financing sources (i.e., self, angel investor, etc.).

Type: \_\_\_\_\_

Amount: \_\_\_\_\_

Type: \_\_\_\_\_

Amount: \_\_\_\_\_

Type: \_\_\_\_\_

Amount: \_\_\_\_\_

Total Financing Secured (\*REQUIRED FIELD): \_\_\_\_\_

**REAL ESTATE**

How many square feet do you plan to occupy/build? \_\_\_\_\_

If constructing, how many acres do you plan to purchase? \_\_\_\_\_

If leasing, how long is the term? (If purchasing, skip this question)  
\_\_\_\_\_

Have you already purchased the property or executed a lease agreement?  Yes  No

What is your projected real property value? (If leasing, skip this question)  
\_\_\_\_\_  
\_\_\_\_\_

**IMPACT**

\*This section only applies to industrial applicants\*

Will out-of-town trucks load/unload at the prospective site?  Yes  No

If yes, how many weekly? \_\_\_\_\_

How much potable water will your operation consume (gallons per day)? \_\_\_\_\_

How much wastewater usage will your operation discharge (gallons per day)? \_\_\_\_\_

How much electric demand will your operation need (specify kW/MW)? \_\_\_\_\_

How much natural gas demand will your operation need (specify ccf/Mcf)? \_\_\_\_\_

Is on-site rail service needed?  Yes  No

If so, how many rail cars per week do you anticipate? \_\_\_\_\_

| Total Impact Fees | Total Permit Fees |
|-------------------|-------------------|
| \$ _____          | \$ _____          |

**INFRASTRUCTURE**

Will infrastructure extensions/improvements need to be made? (Roads, utility lines, etc.)  Yes  No

If so, what type? \_\_\_\_\_

Estimated cost of improvements

|       |       |       |          |
|-------|-------|-------|----------|
| Roads | Water | Sewer | Electric |
| \$    | \$    | \$    | \$       |

|             |         |  |                |
|-------------|---------|--|----------------|
| Natural Gas | Telecom | Fire Suppression/<br>Safety Improvements | Paving/Parking |
| \$          | \$      | \$                                       | \$             |

Grand Total of Improvement Costs: \_\_\_\_\_

*REFERENCES*

Name, Address, Phone # & Email

Banker: \_\_\_\_\_

Accountant: \_\_\_\_\_

Attorney: \_\_\_\_\_

I, \_\_\_\_\_ certify the above information is true and understand the Forney Economic Development Corporation Board may require submission of other documents as part of this application, including, but not limited to: business balance sheet, financial statements, business plan or any other documentation the Board deems necessary.

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

**\*\*CONFIDENTIAL\*\***

This document is confidential information, protected by Chapter 551.087 of the Texas Government Code (business prospect negotiations). This application will be kept confidential until acted upon by the FEDC Board in Open Session and/or an agreement between the Forney Economic Development Corporation and the prospect is signed by both parties.

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