



Oak Point Incentive Decision Guide

The City of Oak Point, Texas and the Oak Point Economic Development Corporation (Oak Point EDC) are focused on growing the local economy by attracting and retaining quality businesses.

Policy Guidelines & Evaluation Criteria :

- The City of Oak Point and the Oak Point EDC are committed to using the same standards and scoring matrix when considering offering incentives for economic development projects.
- The Oak Point EDC will evaluate each project for the City of Oak Point and the Oak Point EDC.
- Benefits should exceed costs, even after incentives are granted. Except in extraordinary situations, Oak Point should not be willing to “go upside down” on a deal, meaning that tax revenues must exceed public sector costs.
- Any front-loaded cash incentives should flow through the Oak Point EDC, with the City and EDC setting policies on returning taxes and/or fees paid by a company upon the execution of a specific set of agree upon performance measures between the firm and each participating jurisdiction.
- Chapter 380 of the Texas Local Government Code, due to its flexibility and simplicity, shall be the preferred tool for incentive agreements.
- To be eligible for incentives, a project should meet the following minimum requirements:
 - Create or maintain at least 5 full-time equivalent jobs, with the average wage paid equal to or greater than the local average wage for the firm’s industry sector), or
 - Invest at least \$250,000 in new taxable real and business personal property
 - Must be an target industry or one that fills an unmet need or market
- In general, incentive packages offered by Oak Point should not extend beyond 10 years.
- The City of Oak Point and the Oak Point EDC reserves the right to craft a special incentive package in the case of unique or extraordinary opportunities for economic development.
- The applicant will submit an Incentives Application, a prospectus and/or business plan providing for such economic impacts and projections for the requested information as set forth in the thresholds to achieve section of the application.
- A performance agreement will be issued between the EDC and the City of Oak Point and the incentive recipient for all incentives granted.
- All incentives will be subject to compliance with all laws and legislation in the State of Texas.

Cost-Benefit Analysis:

The Oak Point EDC will create a performance-based 10-year pro forma, regardless of years left on pro forma, for the project that includes key revenues and expenses which should be discounted for the net present value. Businesses must provide the following information to be considered for any incentives (this information is required in the Incentive Application):

- Business Description, including NAICS Code, years in Business, other locations
- Estimate of new capital investment
- Estimate of taxable sales
- Estimate of value of personal property and annual inventory
- Number of Employees, Full Time and Part Time, and projected employment growth **for 10 years**
- Wages for Employees
- Benefits offered to Employees and who is eligible for benefits
- Estimate of the percentage of employees, who will reside in Oak Point.

This analysis shall be used to determine the value of any incentives. Most projects will not require calculating the indirect and induced economic impacts, but these can be a factor into the analysis, if deemed necessary. Key variables to be estimated include:

Business Impact:

- Property Tax Revenues generated from the business
- Sales Tax Revenues generated from the business
- Permits and Fees Associated with Project City Services for Business

Employee Impact:

- Property Tax Revenues generate from employees, which will reside in the City limits of Oak Point
- Sales Tax Revenues generated from employees
- City Services for employees, which will reside in Oak Point



Oak Point Economic Development Corporation

Incentive Application

INTERNAL USE ONLY	
Project Name:	
Date Application Received:	
Application Complete (y/n):	

General Information

The Application for Incentives is intended for internal economic development analysis and efforts will be made to restrict circulation of the information included on the form to appropriate members of the City of Oak Point. However, please note that the Texas Open Records Act provides that information collected, assembled, or maintained by the City under a law or ordinance or in connection with the transaction of official business is generally considered to be public information. However, the Texas Public Information Act does provide that information relating to economic development negotiations with a business prospect is withheld from disclosure unless and until an agreement is reached.

Instructions

Please include requested information for all sections. Be accurate and thorough to avoid delays in processing. Where no response is possible, please write N/A. Attachments and additional pages are not required unless specifically requested in the application. We will contact you if supplemental information is required.

Please submit a completed application and supporting documentation to:

Oak Point Economic Development Corporation

Attention: City Manager

100 Naylor Rd.

Oak Point, Texas 75068

**Scanned applications can be submitted via email to lolson@oakpointtexas.com*

Questions or Comments

Stephen Ashley

City Manager

sashely@oakpointtexas.com

(972) 294-2312

Company Information

Company Name: _____

Headquarters Location: City: _____ State: _____

Business Structure (i.e., Proprietorship, Partnership, Corporation): _____

Primary Contact Name: _____

Contact Title: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Email: _____

Business Description:

Industry: _____

NAICS: _____

Company Age: _____

Project Information

New Business/Project in Oak Point:	YES	NO
Expanding Business in Oak Point:	YES	NO
Is the company considering other locations in the DFW area?	YES	NO
Is the company considering other locations in Texas:	YES	NO
Is the company considering other states as a location:	YES	NO
Market for Product of Activity:	Local State	U.S. Global

Please describe the Project:

Why is an incentive necessary for the project to succeed financially?

Project Timeline

Expected Start Date: _____

Expected Complete Date: _____

Does the applicant own or lease the project's property: Own Lease

If leased, indicate the landlord/owner: _____

If leased, indicate the lease term: _____

Project Capital Investment (U.S. Dollars)

New Construction Expansion Existing Improvement

Estimate of Improvement Values: _____

Land Investment: _____ Total Acres: _____

Building Investment: _____ Square Feet: _____

Infrastructure Investment (Please list if applicable): _____

Project Financing

Method of Financing: _____

Committed Level of Financing:

Applicant	Financial Institution	Government Funding	Grants	Other	Total

Economic Impact

Property Tax			Estimated Taxable Value of Property
Land:	YES	NO	_____
Building:	YES	NO	_____
Inventory:	YES	NO	_____
Sales Tax:	YES	NO	

Eligible for Freeport Exemption (exported inventory from Texas within 175 days): YES NO

Will your business beneficially impact the local economy: Impact Local Revenue: YES NO

Describe:

Employment Impact

Job Category	Total Number of Jobs	Number of New Jobs	Average Annual Wages	Percent to be Locally Hired
Executive				
Manager				
Supervisor				
Staff				
Entry Level				

Average annual salary of existing jobs: _____

Average annual salary of new jobs: _____

Please describe training provided to employees:

Does the company provide opportunities for employee advancement: YES NO

Describe:

Are there funds for additional employee education (tuition match, etc.): YES NO

Describe:

Does the company offer benefits package to employees: YES NO

Describe:

Quality of Life Considerations

Does the company have a community outreach program: YES NO

Describe:

Other Information

Please provide any additional thoughts or comments related to your project that could be pertinent to the evaluation process.

Describe all financial and tax incentives sought from the **Economic Development Corporation**, and other economic incentives, i.e. matching funds grant, sale tax rebate.

Describe all financial and tax incentives sought from the **City of Oak Point**, and other economic incentives, i.e. fee waivers, fast-track permitting sought, property tax abatements.

Signature/Confirmation of Accuracy

CONFIRMATION OF ACCURACY

To the best of my knowledge and belief, the information contained in this Application for Incentives is true and correct, as evidenced by my signature below. I further certify that the business entity is in good standing under the laws of the jurisdiction(s) in which the entity is organized or authorized to conduct business and that no delinquent taxes are owed to any taxing entity.

If incentives are awarded, the applicant will be subject to a performance agreement and be required to submit documentation regarding the number of employees, average wages by employee category, taxable sales, personal property inventory and any other pertinent information required in the contract for incentives awarded for the number of years stipulated in the performance agreement.

Signature: _____

(Company Representative)

Date: _____