



# Economic Development Incentives Policy

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## **Introduction**

The Seabrook Economic Development Corporation (EDC) intends this document to assist the Board of Directors, staff and any applicant seeking incentives, assistance and/or project funding in understanding the priorities and key considerations for determining if incentives, assistance or funding will be granted.

Specifically, this document shall serve as a tool to guide staff in directing an applicant toward appropriate uses for funds and other incentives that may be made available by the Seabrook EDC and City Council. The Seabrook EDC Board may amend the document and its attachments from time to time. Any project submitted must receive approval and recommendation by the Seabrook EDC Board and Seabrook City Council.

## **Consistency with Purpose, Definition and Mission**

The Seabrook EDC Board has established that the criteria for awarding incentives, assistance and project funding shall be consistent with the EDC purpose, definition of economic development and mission as follow:

**Seabrook EDC Purpose.** The purpose of the EDC, as set out in the By Laws of the Corporation, follows:

The purpose of the Corporation is to use economic development resources as legally allowable to encourage and promote the general economic welfare of the City, its residents and businesses using ways and means authorized by the State Legislature in the Act as amended. The Corporation may expend resources and/or offer approved incentives for

various business facilities, the enhancement of the community through the development and/or expansion of public improvements, such as, but not limited to, athletic parks, tourism, and entertainment facilities. The Corporation may also assist in certain public facilities, transportation and infrastructure improvements, or other business-related improvements relating to existing or anticipated business entities.

**Economic Development Defined.** In August 2008, City Council and EDC defined economic development as follows:

- ❖ Investing in the Community
- ❖ Targeting compatible industry
  - That fits the community
  - That keeps the tax base high
  - That is attractive to the community
- ❖ Expanding the property tax base
- ❖ Providing amenities for the citizens
- ❖ Bringing in sales tax revenue
- ❖ Ensuring the affordability and provision of infrastructure for the community
- ❖ Providing incentives and abatements

**Seabrook EDC Mission.** The mission of the EDC follows:

The EDC will aggressively implement economic development resources to enhance and expand the Seabrook tax base with quality sustainable businesses and amenities consistent with the community's vision.

### **Seabrook EDC Goals**

In order to accomplish the purpose, definition and mission, the EDC Board established goals in order of priority. See Attachment A for a list of the current EDC Goals. These goals may change from time to time as approved by the EDC.

### **Business Assistance**

Businesses that receive incentives and/or assistance shall adhere to the Seabrook EDC

Business Assistance and Performance Criteria (Attachment B).

## **Application for Funding**

Any applicant seeking incentives or assistance from the Seabrook EDC shall complete an application for funding (Attachment C). All requests must be submitted utilizing the application provided.

## **Key Considerations**

When considering an application for EDC funding, the Board shall use the following key considerations as criteria for decision making.

- Is the project consistent with the EDC Purpose, Mission, and Goals?
- Is the project consistent with the Seabrook Waterfront Development Plan? (See Waterfront Exhibit)
- Does the project create and/or retain jobs?
- Is the business sustainable?
- Does the business capture dollars from outside the community?
- What is the private capital investment?
- Will the project be completed to the same quality and effect without EDC participation?
- Does the project meet the target businesses as established by the EDC?
  - Hospitality
  - Retail
  - Office
  - Maritime Services
- Does the project contribute to the place-making and character of Seabrook?
- Does the project improve or contribute to the improvement of the City's infrastructure?
- Does the project generate sufficient property and sales taxes to contribute to the overall economy of the City?
- Does the project require ongoing operation and maintenance resources from the City of Seabrook?

The Seabrook EDC has based the key considerations on the EDC Purpose and Mission Statement, economic development as defined by the EDC Board and City Council in August 2008, and the Seabrook Waterfront Development Plan. These considerations have been weighted by the EDC Board and all applications will be considered utilizing these criteria. The Weighted Key Consideration form, also referred to as the Key Considerations Funding Matrix, is included as Attachment D.

**ATTACHMENT A  
Goals and Priority Ranking for 2010-2012**

<b>SEABROOK EDC GOALS: 2010-2012</b>	<b>PRIORITY RANKING</b>
<p><b>Make Key Development Areas Shovel Ready</b></p> <ul style="list-style-type: none"> <li>• Create performance incentive programs</li> <li>• Pursue funding for new infrastructure</li> <li>• Generate site specific plans to locate new and existing business</li> </ul>	HIGH
<p><b>Drive Full Development of The Point</b></p> <ul style="list-style-type: none"> <li>• Implement Point Road Project</li> <li>• Implement Seabrook Gateway Project</li> </ul>	HIGH
<p><b>Implement Marketing Plan</b></p> <ul style="list-style-type: none"> <li>• Highlight key development areas</li> <li>• Recruit and retain retail and hospitality developments</li> <li>• Improve Seabrook’s image as a business friendly community</li> </ul>	HIGH
<b>Execute Retail Recruitment Strategies</b>	MEDIUM
<b>Implement Directional Sign Program</b>	MEDIUM
<p><b>Expedite Redevelopment of Areas Impacted by S.H. 146 Expansion</b></p> <ul style="list-style-type: none"> <li>• Establish development standards and incentives for redevelopment</li> <li>• Generate site specific plans to locate new and existing business</li> </ul>	MEDIUM
<b>Collaborate with the Port of Houston for the Full Utilization of the Bayport Cruise Terminal Facility and Resulting Development</b>	LOW

**ATTACHMENT B**  
**Business Assistance and Performance Criteria**

The Seabrook Economic Development Corporation (EDC) welcomes new and expanding businesses to locate to the City of Seabrook. Located on the shores of Clear Lake and Galveston Bay, the City of Seabrook is uniquely situated to provide a variety of waterfront experiences. Furthermore, Seabrook strongly encourages developments and industries that enhance Seabrook's image and identity as a coastal community.

**Target Developments and Industry**

The Seabrook Economic Development Corporation (EDC) seeks to attract and retain quality, sustainable businesses and amenities that maintain and enhance Seabrook's charm and qualities of Southern coastal living. Priority consideration will be given to projects that bring new capital investment and sales tax revenue into the City, develop Seabrook's waterfront areas, providing public access to and along the water, improve the city's infrastructure and contribute to the place making and character of Seabrook. Target developments and industries include retail, hospitality, office, and maritime services.

**Incentives and Assistance**

At a minimum, the Seabrook Economic Development Corporation seeks to facilitate and assist new and expanding businesses with market profiles, site selection, coordination with local agencies, and the permitting and approvals processes.

For qualifying businesses, incentives provided by the Corporation may include funding assistance in the form of a loan or grant for site development, public infrastructure improvements, permit and impact fees, and sales tax rebates.

The Seabrook Economic Development Corporation may also recommend and sponsor the project for consideration by City Council for property tax abatements, special district

creation, planning and development considerations and variance requests.

## **Qualifications**

The Seabrook Economic Development Corporation will consider incentives for projects that score 50 or more points on the Key Considerations Funding Matrix. All awards require the approval of City Council. Incentives are based on projected performance and the company must add to the City of Seabrook economic base, either in the form of new property tax, sales tax revenue or public infrastructure improvements. An economic impact analysis will be conducted for each applicant and three years of financial statements are required for credit worthiness analysis.

## **Performance Measures**

Performance measures will be customized to the incentive. Depending on the incentive, qualifying companies may be required to enter into a mutually accepted performance agreement based on capital investment and/or local annual sales tax generation and maintain a physical location and conduct business in the City of Seabrook for a specified period of time.

**ATTACHMENT C**  
**Application for Project Assistance**

COMPANY NAME: \_\_\_\_\_

MAILING ADDRESS: \_\_\_\_\_  
\_\_\_\_\_

CONTACT NAME AND TITLE: \_\_\_\_\_

CONTACT NUMBER: \_\_\_\_\_

E-MAIL ADDRESS: \_\_\_\_\_

BUSINESS/PROJECT TYPE: \_\_\_\_\_

PROJECT LOCATION: \_\_\_\_\_  
\_\_\_\_\_

YEARS OF EXPERIENCE/OPERATIONS: \_\_\_\_\_

EST. CONSTRUCTION COSTS: \_\_\_\_\_

EST. CAPITAL INVESTMENT: \_\_\_\_\_

EST. GROSS SALES: \_\_\_\_\_

EST. ANNUAL HOTEL OCCUPANCY: \_\_\_\_\_

NO. OF JOBS CREATED/RETAINED: \_\_\_\_\_

PLEASE ATTACH INFORMATION REGARDING BUSINESS/PROJECT HIGHLIGHTS, COMMENTS AND SUPPORTING DOCUMENTATION

**ATTACHMENT D  
Key Considerations Funding Matrix**

Weight	Key Considerations	Points
10	<p><b>Is the project consistent with the EDC Purpose, Mission, Goals and Seabrook City Officials' definition of Economic Development?</b></p> <ul style="list-style-type: none"> <li>• Is the project consistent with EDC Purpose? (2 points)</li> <li>• Does the project meet any of the EDC goals and/or Seabrook definition of economic development? (2 points)</li> <li>• Is the project economically viable? (2 points)</li> <li>• Is the project environmentally friendly? (2 points)</li> <li>• Does the project provide amenities consistent with the community's vision? (2 points)</li> </ul>	
15	<p><b>Is the project consistent with the Seabrook Waterfront Development Plan, Comprehensive Master Plan or other City plans?</b> (See Waterfront Development Plan, Exhibit 1)</p> <ul style="list-style-type: none"> <li>• Waterfront Plan Principals (one point for each of the Principals; 9 points total) and Waterfront Plan Highlights (six points for meeting any one of the Highlights)</li> <li style="text-align: center;">and/or</li> <li>• Compliance with other City Plans (up to 15 points)</li> </ul>	
10	<p><b>Does the business or public investment capture dollars from outside the community?</b></p>	
15	<p><b>What is the private capital investment /available public funding assistance?</b></p> <ul style="list-style-type: none"> <li>• Investment from \$250,000 to \$1,000,000 (5 points)</li> </ul>	

	<ul style="list-style-type: none"> <li>• Investment from \$1,000,000 to \$5,000,000 (10 points)</li> <li>• Investment above \$5,000,000 (15 points)</li> </ul>	
<b>10</b>	<b>Will EDC participation provide an enhancement, quality or positive impact on the project greater than what would otherwise be provided?</b>	
<b>10</b>	<b>Does the project target businesses sought by the EDC?</b> <ul style="list-style-type: none"> <li>• Hospitality</li> <li>• Retail</li> <li>• Office</li> <li>• Maritime Services</li> </ul>	
<b>10</b>	<b>Does the project improve or contribute to the improvement of the City's public infrastructure?</b>	
<b>20</b>	<b>Does the project support and/or generate sales taxes to contribute to the overall economy of the City?</b> <ul style="list-style-type: none"> <li>• Sales tax from \$10,000 to 49,999 \$ (5 points)</li> <li>• Sales tax from \$50,000 to 99,999 \$ (10 points)</li> <li>• Sales tax from \$100,000 to 149,999 \$ (15 points)</li> <li>• Sales tax above \$150,000 (20 points)</li> </ul>	
<b>100</b>	<b>TOTAL POINTS</b> (Projects with less than 50 points will not be considered for funding.)	

## Plan Principles and Highlights

### Basic Principles for Waterfront Planning and Development in Seabrook

Early in the project, a set of principles was established to guide both this study process and its recommendations and to guide future development in the South Seabrook Marine District. These principles are as follow:

- *Build on Seabrook's Unique Character*
- *Achieve Sustainable Economic Development*
- *Emphasize Revenue-Producing or Federal/State Funded Public Projects*
- *Improve Seabrook's Infrastructure*
- *Enhance the Natural Environment*
- *Improve Seabrook's Image and Identity*
- *Improve Visual Quality and Promote Civic Pride*
- *Encourage and Maintain Water-Dependent Uses Along the Waterfront*
- *Create Corridors to Connect Districts, Recreational Amenities and Public Spaces*

### Plan Horizon

Redevelopment of most areas within the South Seabrook Marine District will not happen as one wholesale change, but rather, as a series of incremental improvements over a period that will likely span several decades. Good, long-range planning studies will accommodate this process and stand the test of time when:

- Clearly stated principles help guide City leaders in evaluating a wide range of future development proposals,
- Recommendations include short, medium and long-term improvement and implementation recommendations,
- Recommendations are not overly prescriptive and retain a degree of flexibility that allows for change,
- An implementation plan identifies not only projects, but interim tasks and responsible organizations or project champions.

### Plan Highlights

Major recommendation headings for each district include the following. Detailed recommendations are included within each district's document pages.

#### Old Seabrook

- Enhance Old Seabrook's park and open space infrastructure
- Create a more walkable and pedestrian friendly Old Seabrook
- Develop a mixed use core within Old Seabrook that encourages a mixture of retail, professional office and residential uses.
- Preserve areas of low density residences in Old Seabrook
- Concentrate higher density commercial uses along STH 146
- Create a civic campus for governmental and community services

#### Todville Road

- Improve the roadway infrastructure to incorporate a multi-use trail along its full length
- Provide a public overlook access point at the termination of Second Street

#### The Point

- Develop a central green space around which commercial activity can thrive.
- Provide uninterrupted public access to the waterfront perimeter of the Point.
- Create a habitat and recreation island that offers the Point and lower Todville Road protection from storm events.
- Connect the Point to the Marina District and Old Seabrook via pedestrian and multi-use trails.
- Expand Seabrook's marina facilities including both resident and transient dockage.
- Enhance Walkability
- Develop the Point as a mixed-use development.
- Maintain the Fishing Fleet as a vital asset to the community.

#### Marina District

- Maintain marina services as the dominant land use in this district with limited infill of residential and commercial development.
- Promote streetscape upgrades and a multi-use path connection to the Point

#### NASA Parkway

- Enhance the entire NASA Parkway corridor through streetscape enhancements and intersection improvements.
- Pursue the development of a high quality retail development south of NASA Parkway and adjacent to STH 146.