



City of Balcones Heights

New Business & Business Retention Grant Policy

1. The City's Business Retention Policy, an adjunct to the City's Economic Development Policy, provides parameters to guide the City in accomplishing the following:
 - a. Provide revenue growth that will sustain and enhance the City's ability to provide the highest quality of municipal services to residents, businesses, property owners, and visitors.
 - b. Create the highest and best use of each individual property within the City (residential and commercial).
 - c. Increase and enhance the values of real property (residential and commercial) throughout the City.

2. The City's Business Retention and Economic Development activities will be the responsibility of the Department of Economic Development, under the direction of the City Administrator, and policies established and approved by the Balcones Heights City Council.

3. The goals of the Business Retention policy include, but are not limited to:
 - a. **Retail and other Business Retention** and sustaining and increasing sales tax revenue.
 - b. **Attracting new and sustainable commercial enterprises** to the City including **retail, dining, medical and other services** to the City.
 - c. Directly or indirectly attracting new and sustainable **residential development** including **single family, multi-family, town and garden home** dwellings to the City.

4. Retail and other Business Retention:

- a. The City may provide business retention incentives in the form of stand-alone cash grants to assist and/or enhance existing, successful businesses; businesses that are unique to Balcones Heights in some way.

Businesses selected to receive these grants may be candidates that will enhance and contribute to the City's evolving brand. Grants may be awarded to businesses that may not be eligible for a standard Chapter 380 agreement due to various factors.

- b. The goal and purpose of retail and business retention grants is to provide economic incentives to existing business owners/operator to implement improvements to their properties/spaces that enhance the consumer experience. These may include, but not necessarily limited to leasehold improvements such as carpeting, furnishings, lighting, and signage.
- c. Business retention grants may be awarded to offset emergency circumstances suffered by an individual business operator and/or property. Emergencies may include natural disaster, or other circumstances that may significantly interfere with the business operator to maintain normal business operations. Emergency Relief Grants may be applied for and awarded through separate criteria from regular business retention grants. Emergency Relief Grants will be awarded/approved by City Council and administered by staff.
- d. The primary goals of these improvements shall be consumer retention, and attracting new consumers. Maintaining existing jobs and attracting new jobs to the City are also goals. Grants will be awarded based on how the proposed improvements will serve to accomplish these specific goals.
- e. Grants will only be awarded to businesses that are current on all necessary permits, inspections, city sales tax submissions, ad valorem property taxes, and code compliance. Site inspections may occur as part of the grant application and approval process.
- f. To fund these grants, the City will appropriate, on an annual basis, a designated amount or percentage of projected annual Economic Development funding, for business retention grants.
- g. The City will award business retention grants based on a grant application criteria, process and review administered by City staff.
- h. Business retention cash incentives will be distributed against invoices demonstrating completed work done per the original grant application.

- i. Business retention grants may be in forms other than cash incentives. Grants may be in-kind in nature; for example, paid advertising and/or media relations' services for selected businesses, as part of the City's evolving branding campaign. In-kind grants will be awarded based on a grant application criteria, process and review, administered by City staff.
- j. The grant criteria, application, and approval process will be approved by City Council, and updated as necessary.
- k. Business retention grants may also be used to incentivize local businesses to identify as being located in Balcones Heights in advertising and promotions when appropriate.

5. Attracting new and sustainable commercial enterprises:

- a. The City will review and execute Chapter 380 agreements based on available resources/funding, and other considerations on a case-by-case basis, and in accordance with the City's Economic Incentive Policy.
 - b. The City may award grants, including cash incentives or in-kind advertising and media relations, to encourage leasing of appropriate vacant retail/restaurant space. These grants may be in the form of the equivalency of one, two, or three months' rent based on pre-established criteria, including but not limited to length of time in business, type of business, length of lease, etc. Incentives would be paid to business operators once grant criteria has been met, and approved by City Council.
 - c. In-kind grants will be awarded based on grant application criteria, process and review, approval by City Council, and administered by City staff.
 - d. The grant criteria, application, and approval process will be approved by City Council, and updated as necessary.
 - e. To fund these grants, the City will appropriate, on an annual basis, a designated amount or percentage of projected annual Economic Development funding, for new business leasing grants.
6. The City's Economic Development initiatives, and relevant news of local business expansion will be a prominent, consistent and recurring feature on the home page of the City's Web site, in essence functioning as a marketing tool aimed at developers, investors and business operators.