



City of Keller, Texas
Policy of Guidelines and Criteria for
COVID-19 Economic Recovery
Forgivable Loan

The City of Keller (the “City”) is committed to the retention of commercial development in all areas of the City and to an ongoing improvement in the quality of life for its citizens. The measures enacted to prevent the spread of the COVID-19 have had a detrimental impact on many Keller Businesses. Insofar as these objectives are generally served by recovery efforts of the local economy, the City will, on a case-by-case basis, give consideration to providing forgivable loans as a stimulus for economic development. It is the policy of the City that said consideration will be provided in accordance with the procedures and criteria outlined in this document; however, nothing herein shall imply or suggest that the City is under obligation to provide any forgivable loan to any applicant. All applications shall be considered on a case-by-case basis.

As authorized by the Texas Constitution, Chapters 311 (Texas Tax Code), 312 (Texas Tax Code) and 380 (Texas Local Government Code), and other applicable laws, the City has established this recovery Forgivable Loan policy so as to work in concert with other taxing authorities as part of an overall publicly supported recovery program designed to maintain the economic tax base and job opportunities which strengthen the current and future economic base of the City.

All Forgivable Loan requests will be reviewed by the Keller Economic Development Director, who will either approve incentives with modifications, as is, or denial. All incentive approvals will be memorialized in an economic development agreement between the City and recipient.

General Guidelines

I. Criteria for COVID-19 Economic Recovery Forgivable Loans

- A. Must be a business within the political boundaries of the City of Keller.
- B. Must have been economically injured due to the measures enacted in response to the COVID-19 pandemic.
- C. Must have a valid Certificate of Occupancy issued by the City of Keller.
- D. Project does not have any negative environmental impacts on the community (e.g.; significant pollution, excessive water usage or hazardous waste).
- E. The degree to which the specified project meets the purposes and objectives of the City, the relative impact economic injury will be used to determine the total value and duration of the forgivable loan provided to any applicant.
- F. Any loans awarded are forgivable so long as a business remains in operation for a period of at least 12 months from the award date of the loan.
- G. Applications will be accepted from May 6, 2020 through June 3, 2020.

II. Objective Criteria

In order for the economic development incentives application to be considered the following must be addressed in written format by the applicant using “City of Keller Application for COVID-19 Economic Recovery Forgivable Loan” attached to this policy as Exhibit B:

- A. Number of jobs in Keller that existed on February 1, 2020 and number that will be maintained by the business.
- B. Average salary detailed by skilled, unskilled and management positions.
- C. Number of years operating in Keller.
- D. Whether or not operations had ceased after March 13, 2020 as a direct result of Executive Order.
- E. Projected annual sales tax that will be directly generated by the project for a time period of 1 year and 3 years.
- F. Whether the project is a franchise, expansion, relocation/consolidation from elsewhere, or the start-up of a new operation

III. Value Of Economic Development Loan Provided

The objective criteria in Section II will be used in determining whether or not it is in the best interests of the City to provide economic development incentives for a particular project. Specific considerations will include the degree to which the individual project furthers the goals and objectives of the community, as well as the relative impact of the project.

The maximum loan available for any business will be \$5,000.00.

IV. Procedural Guidelines

Any person, organization or corporation desiring that the City consider providing economic development incentives to encourage location or expansion within the city limits of Keller shall be required to comply with the following procedural guidelines. Nothing within these guidelines shall imply or suggest that the City is under obligation to provide any incentive to any applicant.

A. Application Steps: To apply for economic development incentives complete “City of Keller Application for COVID-19 Economic Recovery Forgivable Loan” attached to this policy as Exhibit B and available via the City of Keller’s website, www.cityofkeller.com. The application must be submitted to Keller Economic Development Department (the “Department”).

B. Application Review Steps

- 1. All information submitted as detailed above will be reviewed by the Department for completeness, accuracy and the rationale for projections made. Additional information may be requested as needed.
- 2. If applicable, the application will be distributed to the appropriate departments for internal review and comments. Additional information may be requested as needed.
- 3. If necessary copies of the complete application package may be provided to the other appropriate taxing entities.

C. Consideration of the Application

- 1. The Economic Development Department will review each application for completeness and make the determination of award.

V. Execution Of Agreements

Should the Department determine that it is in the best interests of the City to approve the application, a “380 Agreement” contract shall be prepared under the guidelines and criteria established herein. **By the resolution adopting this policy**, the City Manager shall be authorized to execute a contract with the applicant governing the provision of the incentives.

Any agreement so adopted must include at least the following specific items:

- A. Amount of the loan;
- B. Terms of the forgivable portion of the loan;
- C. Legal description of the business, including address;
- D. Copy of the Certificate of Occupancy issued by the City of Keller.

Application Procedure

Any person or company requesting that the City provide an economic development incentive shall comply with the following procedure:

1. The applicant will submit a completed application for the requested incentive(s) utilizing the application outline provided by Keller Economic Development Department attached to this policy as Exhibit B, and available at www.cityofkeller.com
2. The applicant will address all applicable criteria set forth in this policy and the application.
3. The application will be submitted by either **online at www.cityofkeller.com/**, mail to Keller Economic Development Department, PO Box 770, Keller, TX 76244, or deliver to 1100 Bear Creek Parkway, Keller, TX 76248 or via email to the Economic Development Department.
4. Keller Economic Development Department will review the application and may request additional information from the applicant prior to considerations. Failure to timely submit any additionally requested information will cause the application to be rejected and will be deemed withdrawn by the applicant without further action by the City.
5. Information submitted by the applicant regarding the requested incentive is confidential to the extent allowed by law.