



PROCEDURE FOR INVESTMENT CONSIDERATION

The following procedure will be utilized by the City of Southlake in considering a project for investment assistance:

STEP 1 – REQUEST FOR INVESTMENT APPLICATION: Each entity requesting public funds investment consideration will be required to prepare and submit to the City of Southlake Economic Development and Tourism Department (EDT) a Request for Investment Application (RFIA) application.

STEP 2 – PRELIMINARY APPLICATION REVIEW: The RFIA is reviewed by appropriate City staff for compliance with submission requirements. Depending on the project type, staff review may include:

- A full financial review of the company, to assure that it can meet its performance requirements
- Discussion of conceptual site and/or building plans
- Evaluation of on and off site impacts
- Analysis of fiscal impact including a determination as to the City's return on investment
- Evaluation of zoning, entitlements, tenant improvements, and infrastructure
- Identification of claw back provisions and performance-based targets

If after staff review, the application is determined to be a complete submission, staff will prepare materials for review and comment by the Community Enhancement and Development Corporation (CEDC) Board of Directors at their next available meeting date. The Board generally meets monthly on the 4th Tuesday. If the submission is deemed incomplete, staff will provide the applicant with submission comments detailing what is needed in order to be in compliance with the submission requirements and be eligible to proceed through the consideration process.

STEP 3 – CEDC BOARD REVIEW AND COMMENT: The CEDC will utilize the following in Executive Session discussion to review and provide comments to the City Council. Their review will consider the project’s long-term impact to the City while evaluating the project’s alignment with established economic development goals, policies and master plan recommendations.

Criteria Category	Project Review Questions to Consider	Impact Rating (High, Medium, Low)	CEDC Board Review Comments
Fiscal Impact	<ul style="list-style-type: none"> • What is the estimated total value of capital investment for buildings, other real property improvements and furniture, fixtures and equipment? • What is the value of the Real and Business Personal Property that will be added to the tax rolls? • How much direct sales tax will be generated? • Will infrastructure construction be required? • Will the project generate overnight stays in the community? If so, how many annually? • What is the estimated return on public investment? 		•
Employment Impact	<ul style="list-style-type: none"> • How many jobs will be created or retained? • What types of jobs will be created? • What will the total annual payroll be? • What is the average annual salary of jobs created and/or retained? 		•
Community Impact	<ul style="list-style-type: none"> • How compatible is the project with City’s comprehensive plan recommendations? • How does the project support goals related to preferred quality of life benefits such as preservation of open space and project enhancements? 		•
Project Eligibility	<ul style="list-style-type: none"> • Does the project meet the following minimum preferred thresholds? <ul style="list-style-type: none"> ○ Capital investment: \$5,000,000 ○ Jobs created or retained: 100 ○ Average annual total compensation of jobs created or retained: \$50,000 ○ Average education level: 4-year degree ○ Target industry alignment • If the project does not meet the preferred thresholds, will it make a unique or unequaled contribution to the development or redevelopment efforts in the City? How? 		•

STEP 4 – CITY COUNCIL PRELIMINARY CONSIDERATION: The project will be reviewed by City Council in Executive Session for preliminary consideration. If the project receives preliminary approval, it will move forward in the process. If not, EDT will work with the applicant to either further refine the proposal for possible resubmission or the process will be terminated.

STEP 5 – MEMORANDUM OF UNDERSTANDING: If the project receives preliminary approval from the City Council, staff and the applicant will negotiate and execute a memorandum of understanding whose terms align with the City Council's preliminary approval.

STEP 6 – ECONOMIC DEVELOPMENT INVESTMENT AGREEMENT: Following execution of a memorandum of understanding, staff and the applicant will then negotiate terms of the final Economic Development Investment Agreement. At the successful conclusion of the negotiations as evidenced by an Economic Development Investment Agreement executed by the applicant, the eligible project will be introduced to the City Council at a public meeting to consider the proposed agreement for approval.