

STATE OF GEORGIA
FULTON COUNTY

June 10, 2013

**RESOLUTION AMENDING THE ECONOMIC DEVELOPMENT INCENTIVE
POLICY**

WHEREAS, the Strategic Economic Development Plan was accepted on August 13, 2012 to provide a strategy for economic development in the City of Roswell; and

WHEREAS, the Rowell Business Alliance was created November 10, 2011 as the economic development entity for the City of Roswell and the voice of businesses; and

WHEREAS, Mayor and City Council determined that in order to promote economic development it is appropriate to establish an economic development incentive policy designed to spur development within the City of Roswell; and

WHEREAS, on November 12, 2012 the Mayor and City Council established the Economic Development Incentive Policy as a tool to implement the Strategic Economic Development Plan and support the efforts of the Roswell Business Alliance; and

WHEREAS, Mayor and City Council may from time to time evaluate the effectiveness and amend the Economic Development Incentive Policy;

THEREFORE, BE IT RESOLVED, the City of Roswell, Georgia Economic Development Incentive Policy is hereby amended as follows:

Purpose

The purpose of the City of Roswell Economic Development Incentive Policy is to provide incentives for the retention and/or expansion of existing businesses located within the City of Roswell and to encourage the location or relocation of new targeted businesses within the City. The appropriate purpose and use of incentives is to broaden and diversify the tax base, create new job opportunities for the citizens of the City of Roswell, and promote the economic growth and welfare of the City. This policy is intended to complement incentive programs offered by the State of Georgia.

This policy does not commit the City to providing incentives in any instance, nor does it restrict the City from providing additional economic incentives in a specific instance as determined by the City in the exercise of its sole discretion. This policy contains specific criteria, guidelines and procedures necessary to administer the economic development incentives effectively and fairly.

Eligibility Requirements and Criteria

The City of Roswell, at its sole discretion, may provide certain economic development assistance or incentives to attract, retain, or expand businesses located or to be located within the corporate limits of the City. It is the policy of the Mayor and City Council that private business should not be subsidized with public funds unless some public good results and the public subsidy can reasonably be expected to make a significant difference in achieving economic growth and the creation of new jobs within the City. To be eligible for incentives of any kind, a business must meet the following criteria:

1. Achieves City goals, described in the Strategic Economic Development Plan and 2030 Comprehensive Plan, as may be established and revised by the Mayor and City Council from time to time; and
2. Results in the location, expansion or retention of a business within the City; creates five (5) or more new full-time equivalent jobs with an annual salary of 110% of the "Median Earnings for Workers." For example, if the median earning for a worker is \$41, 299, then the average wage for the created jobs would be \$45,428; or
3. Provides new capital investment for a business location or expansion in the City. Capital investment must be new construction, an addition to an existing facility, or capital improvements. For purpose of this policy, "capital improvements" means property improvements that will enhance property values or will increase the useful life of the property, excluding landscaping.

In addition to the above criteria, in making a decision to approve or disapprove an incentive, the consideration will be given to the following:

1. Economic benefit to the City.
2. The total number of jobs, wages, benefits and types of jobs created.
3. The relationship between jobs created and total investment.
4. Ability of the project to spur additional economic development in the City.
5. The economic impact the business will have on a particular area of the City, including designated opportunity zones and areas of needed revitalization or redevelopment.
6. Impact of the proposed development on existing businesses within the City.
7. The compatibility of the location of the business with land use and development plans of the City and the availability of existing infrastructure and essential public services.
8. Level of compliance with any design guidelines as described in the City's 2030 Comprehensive Plan and Zoning Ordinance.

Incentives

1. **Waiver or Reduction of Permit Fees.** The City may waive or reduce all building permit fees associated with the business location/expansion including all building fees associated with new construction, plan review and tenant finishes.
2. **Waiver or Reduction of Impact Fees.** Businesses locating to the City that meet the criteria defined in this policy may qualify for a waiver or reduction from impact fees assessed pursuant to Chapter 24, Section 24.3.11 of the Roswell Zoning Ordinance (Development Impact Fees).
3. **Waiver or Reduction of Business Registration Fee.** The City may waive or reduce applicable business license fee assessed pursuant to Chapter 10, Occupation Taxes of the Roswell code of Ordinances up to the sum of \$7,130 each year for a period up to three years.
4. **Expedited Permitting Process:** The City may expedite the permitting process required for business location or expansion.

Submittal Requirement

All submittals requesting incentives must provide the following information on an application provided by the City:

1. Documentation indicating how the request meets the criteria set forth in this policy.
2. Amount of applicant's investment in the project.
3. Level of incentive requested.
4. Detailed business or development pro forma by answering the following:
5. Does the company have any long term debt?
6. Are the acquisition, expansion and / or construction being financed through current assets (cash) or through debt?
7. As a ratio, what is the company's total debt to the company's total assets? Use the following formula: (outstanding debt) / (total assets, which is cash, inventory, equipment, facilities, etc.).
8. As a ratio, what is the company's cash on hand and cash equivalents (inventory and receivables) to the company's short term liabilities (payments to suppliers, interest and short-term debt). Use the following formula: (cash + inventory + receivables)/ (payments to suppliers + interest +).
9. What is the company's annual revenue growth for the past three years?
10. What percentage of revenue comes from the top five customers?
11. Any other information that would justify the incentive.

Project Evaluation

Each project will be evaluated and analyzed on an individual basis by an Economic Development Incentive Committee created by the City. This committee's purpose is to review and assess the validity of the request for economic development incentives and:

- 1) Approve incentive level on those requests of \$25,000 or less; or
- 2) Recommend the incentive level to Mayor and City Council on those requests exceeding \$25,000.

The committee consists of:

1. Roswell Business Alliance, Executive Director
2. City Administrator
3. Director of Finance
4. Director of Community Development
5. Council Liaison to Community Development

Process

- Business prospect/representative submits a letter and application to the Department of Community Development requesting economic development incentives to:

Community Development Department
Community Development Director
Attn: Economic Development Incentive Application
38 Hill Street, Suite G-30
Roswell, GA 30075

- The Economic Development Incentive Committee convenes to discuss/assess the project.
- The Committee conducts due diligence by reviewing the request.
- The Committee reconvenes on an as-needed basis until project evaluation is complete.
- The Committee's decision on those requests of \$25,000 or less presented to Mayor and City Council in writing.
- The Committee's recommendation on those requests exceeding \$25,000 is presented to the Mayor and City Council for consideration.
- The Department of Community Development responds in writing to prospect company with:
 - City's position/decision.
 - Details of incentive package.
- City prepares an initial draft of the Economic Development Incentive Agreement. All parties must sign-off on this agreement before incentives will be conveyed.
- The project must annually confirm compliance with terms of the agreement through submission of an Economic Development Incentive compliance form.

Written Agreement Requirement

All economic development incentives will be formalized in a written agreement between the City of Roswell and the recipient business, with final approval by the Economic Development Incentive Committee or Mayor and City Council as prescribed in this policy. The agreement will include the following:

1. A timetable and list of the kinds of improvements or development that the project will include and conditions to assure the project meets or exceeds the City's requirements.
2. A complete description of the location of the proposed project.
3. A list of the kinds and amounts of public benefits that the proposed project will provide including property values, jobs, revenues, income or other benefits.
4. Timetable for complying with the criteria.
5. The duration of the agreement.
6. Identification of the incentives to be given.
7. A provision for cancellation of the agreement and incentives if the project is determined not to be in compliance with the agreement.
8. A provision for recapturing the value of the City incentive if the applicant does not comply with its duties and obligations under the terms of the agreement.
9. Provisions relating to administration, delinquent taxes, reporting requirements and indemnification.
10. A provision that the agreement may be amended by the parties to the agreement by using the same procedures for approval as is required for entering into the agreement.
11. Any other provisions as the Economic Development Incentive Committee shall deem appropriate.

Compliance

In accordance with provisions of the written agreement, the recipient business will be required to meet the following performance criteria:

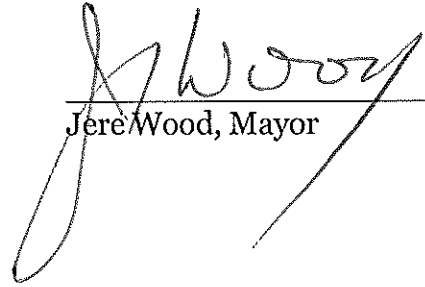
1. Create jobs as agreed.
2. Comply with wage requirements.
3. Make capital investments as agreed.
4. Comply with all applicable governmental laws, rules and regulations.
5. Comply with any other terms and conditions imposed by the written agreement.

The City reserves the right to assure compliance as provided in the written agreement.

Discontinuance of Incentives


Changing economic conditions and availability of funds may cause the City Council to modify, amend, or discontinue the economic development incentives at any time. Should the incentives be discontinued, the City will honor any incentive to which it committed before the discontinuance of the incentives. Economic development incentives may not be transferred or otherwise conveyed to any other party, unless agreed to by the Mayor and City Council based on a recommendation from the Economic Development Incentive Committee.

The above Resolution was read and approved by the Mayor and Council of the City of Roswell on the 10th day of June, 2013.

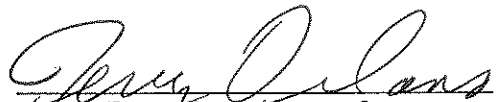


Jere Wood, Mayor

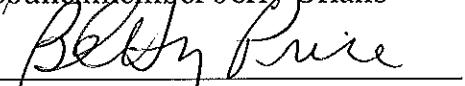
Attest:



Marlee Press, City Clerk
(Seal)



Councilmember Jerry Orlans

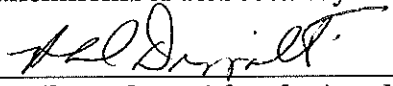


Councilmember Betty Price



Councilmember Kent Igleheart

Councilmember Rebecca Wynn



Councilmember Richard Dippolito



Councilmember Nancy Diamond

