Print Form

Application for Tax Abatement in Harris County, Texas
Instructions

Applicants and projects must meet the requirements established by the Guidelines and Criteria for Granting Tax Abatement in a Reinvestment Zone Created in Harris County ("The Guidelines"). The Guidelines provide detail on eligible facilities, eligible and ineligible improvements, governing regulations, and economic qualifications. Depending upon the type of proposed facility, an application may also require inclusion of a market study, business plan, or other materials demonstrating that the facility would predominantly serve a market at least 100 miles away from the Harris County region. Conformance with all sections is the basis for determination of initial eligibility and for favorable consideration by Commissioners Court.

Applicant Information

In additional to the factors outlined in The Guidelines, an additional consideration is an applicant's financial capacity. Established companies for which public information is available, or a wholly owned subsidiary or operation division of such a company, must include with the application a copy of the latest annual report to stockholders. Privately-owned and newly-formed companies are to provide a copy of the most recent audited financial statements, documentation of the date and location of incorporation, bank references (including officer name and telephone number), and accountant and attorney references (names of firms and contact telephone numbers). Newly-formed companies must also furnish a copy of the business plan and substantiation of financing commitments from a lender and/or venture capitalist.

All applicants are to provide information regarding name, title(s), physical and mailing addresses, of the authorized officers who will execute agreement on behalf of applicant (and owner, operator, lessor, lessee, where applicable)

Economic Information

(For use in completing Part III on page 2 of Application)

Permanent Job Creation/Retention **-** *The minimum job creation requirement is 25 new positions or the retention of 25 existing positions, to be attained by the end of the third year of the abatement period*. In estimating permanent job creation, include the total number of new jobs created at this site as result of the new investment as well as known permanent jobs of service contractors required for operation. In determining whether the project qualifies as job retention, provide information documenting that the jobs would be terminated or lost to the Houston economy but for the abatement.

Estimated Appraised Value on Site **-** The value January 1 preceding abatement should be the value established by the Harris County Appraisal District. If the applicant must estimate value because the taxable value is not known or is combined with other properties under a single tax account, please state. *To qualify, the abated properties must be expected to result in an addition to the tax base of at least $1 million upon completion.* Projections of value should be a "best estimate" based on taxability in Texas. The projection of project values not abated should include personal property and ineligible project-related improvements such as office space in excess of that of that used for plant administration, housing, etc.

Application for Tax Abatement
-Harris County, Texas-

Prior to any public expression of a decision or any commitment (legal or financial) to the proposed project by applicant, a completed original of this application, including supporting documentation of competitive siting, narrative impact statement, *and a $1000.00 application fee (non-refundable)* must be submitted to Harris County Community Services Department, Economic Development Division, 8410 Lantern Point Dr., Houston, TX 77054. This application will become part of the Tax Abatement Agreement and any knowingly false representations will be grounds for terminating the application and/or voiding the agreement. The County will forward copies to other taxing jurisdictions, as may be required by Texas statute.

PART I - APPLICANT INFORMATION

Application Date _____/_____/ _____

Company Name: _____

Headquarters Address: _____ City: _____ State: _____ Zip: _____

Local Address: _____ Zip: _____ Annual Sales: _____

Local Phone Number: _____ State of Incorporation: _____ Years in Harris County: _____

Local Fax Number: _____ E-mail: _____

Total Employees Worldwide: _____ Texas: _____ Harris County at Present: _____

**Attach description of Applicant Company, including brief history, corporate structure, financial statement, & annual report, if incorporated in what state corporation designated with copy of legal documents showing incorporation information.*

PART II - PROJECT INFORMATION

Location Address: _____ City: _____ Zip: _____ Key Map # _____

Legal Description*: _____ County: _____

School District: _____ College District: _____

Tax Acct. Numbers: _____ NAICS #: _____

**** Attach plat survey, with a metes & bounds description, for project site.***

Project Description: ☐ New Construction ☐ Expansion

Attach statement fully explaining project, describe existing site and all proposed improvements, provide complete detailed (line item) "Investment Schedule/Budget" detailing improvements for which abatement is requested.

Section A - Economic Development

Type of Facility:

☐ Manufacturing ☐ Regional Distribution ☐ Regional Service Center

☐ Regional Entertainment ☐ Research & Development ☐ Other Basic Industries

Describe product or service to be provided and to what purpose: _____

_____

****For regional facilities, provide market studies, business plans, or other materials demonstrating that the facility is intended to serve a primary market which lies at least 100 miles outside of Harris County.***

Section B - Variance

Is the applicant seeking a variance to Guidelines? ☐ Yes ☐ No

If "yes" attach letter requesting and justifying the variance, with supplemental information.

PART III - ECONOMIC INFORMATION

Construction Estimate:
Start Date _____/_____/_____ Contract Amount $ _____

Completion Date _____/_____/_____ Peak Construction Jobs _____ Construction Man-Years _____

If Modernization:

Estimated current economic life of structure _____ years

Added economic life from modernization _____ years

Permanent Job Creation/Retention of existing permanent jobs in Harris County:

- Current employment: _____
- Jobs to be Retained: _____
- Jobs to be created after 3 years from contract inception _____at Jan 1, 20 ____

Estimated Appraised Value On Site	**Land**	**Improvements**	**Total**
Value on January 1 preceding abatement (Per Harris County Appraisal District Records and Account Number)	$	$	$
Estimated value of new abatable investment: Building		$	$
Estimated value of new abatable fixed and in place Machinery and Equipment		$	$
Estimated value not subject to abatement (e.g., Inventory)		$	$
Estimated value of property subject to ad valorem tax at end of abatement		$	$

Company Representative Authorized For Contact:

Name: _____

Title: _____

Telephone #: _____

E-mail: _____

Authorized Company Official:

Authorized Signature: _____

Name: _____

Title: _____

Telephone #: _____

E-mail: _____

Narrative
(to Accompany Application)

I. Introduction of the Company
   a. Describe the Company's business activities, locations, primary markets, history (when and where incorporated), headquarters location, parent or subsidiary companies in the form of limited partnerships or limited liability companies with a complete diagram showing names, ownership percentages, and which ones will be active and in what capacity concerning this project.
   b. Names of chief officers
   c. Provide copy of annual report or financial statements, as detailed in "Instructions."

II. Reasons for seeking abatement. Include any special considerations. **State how project will benefit the community where it will be located.** If requesting any variances, please provide the justification for the request.

III. Describe the project
   a. Facts about the proposed site (acreage, cost, location, ownership).
   b. Type and value of proposed improvements (construction budget in line item form, list of fixed in place equipment to be included in the project).
   c. Project timeline--construction start date and end date.
   d. Environmental impact information must be provided, noting any anticipated impacts of the project on the environment, including, but not limited to, water quality, storm water and runoff, floodplain and wetlands, solid waste disposal, noise levels and air quality. Further, include history of environmental compliance by company as required in Guidelines and Criteria.
   e. All other governmental assistance/incentives being requested or already approved for the project, (e.g. Industrial Development Bonds, Smart Jobs Funds).

IV. Jobs
   a. Provide information on current level of employment, including: (1) current payroll; and (2) breakdown of current employment by zip code. Attach a copy of the company's most recent filing with the Texas Workforce Commission or other supporting documentation that can be used to determine actual employment level at time of application.
   b. Provide information on the projected job creation associated with the project, including: (1) new employee needs; e.g. skilled vs. non-skilled, level of education, experience, etc; (2) proposed pay scale; (3) any training which the company will provide to its new employees; (4) upward mobility opportunities, career tracks, etc. available to less educated and experienced workers; and (5) if this is a consolidation, information on number of "new hires" vs. "transfers."
   Provide information on construction jobs to be created by project

V. Competition with local business
   a. List any competition or similar businesses in the area.
   b Describe how an abatement will impact competition with other similar businesses in the area.

VI. How will this project attract new business?

VII. Provide information on alternative site considerations/and incentives being offered the company. State who the company has visited with outside of Harris County concerning tax abatement in another county, state, or country and provide copies of any letters of intent from the ones offering incentive.

VIII. If leasing property, please attach copy of lease. If company owns or is purchasing land, please attach copy of deed or executed contract-option to purchase. Must have an "out clause" listed in special provisions stating that if tax abatement is not granted, applicant will not be held to the terms of the contract with lessor/owner.

APPLICATION WILL NOT BE CONSIDERED COMPLETE UNTIL ALL REQUIRED INFORMATION HAS BEEN SUBMITTED

Checklist

Contents of Complete Application Package for Harris County Tax Abatement

Applicants and projects must meet the requirements established by the Guidelines and Criteria for Granting Tax Abatement in a Reinvestment Zone Created in Harris County ("The Guidelines"), facilities, eligible and ineligible improvements, terms and economic qualifications. Conformance with all sections is the basis for determination of initial eligibility and for favorable consideration by Commissioners Court. As detailed in The Guidelines, these components comprise a "Completed Application."

1. ***Harris County Application Form –*** Original signed by company officer with an application fee of $1000.00 (non-refundable) check attached made to Harris County Community Services, Economic Development Division.

2. ***Narrative –*** Completed in accordance with template at end of application.

3. ***Investment Budget –*** detailing components and costs of the real property improvements and fixed-in-place improvements for which tax abatement is requested, including type, number, economic life, and eligibility for a tax exemption granted by the Texas Commission on Environmental Quality ("TCEQ") (if known).

4. ***Plat survey and metes & bounds description*** – Also "Key Map" reference

5. ***Project timeline*** – Schedule for constructing proposed improvements;

6. ***Ten-year environmental and worker safety compliance history*** – all facilities located within the State of Texas and owned in whole or in part by applicants, per The Guidelines, Section 2(k), "Environmental and Worker Safety Qualification";

7. ***Evaluation of competing locations*** – per The Guidelines, Section 1(e), "Competitively-Sited Project.", including ***statement of reason(s) that requested tax abatement is necessary to ensure that proposed project is built in Harris County*** (i.e., documentation supporting assertion that "but for" a tax abatement, the stated project could not be constructed in Harris County)

8. ***Quarterly report(s) filed with the Texas Workforce Commission*** – for the immediately preceding quarter, documenting the current number of permanent full-time employees (and full-time Contractor employees, if any).

9. ***Financial information*** –

    - **Publicly traded company** (including wholly owned subsidiary or operation division): most recent annual report to stockholders.

- **Privately-owned company**: most recent ***audited financial statements,*** documentation of the date and location of incorporation, bank references (including officer name and telephone number), and accountant and attorney references (names of firms and contact telephone numbers).

- **New venture:** Business plan and financing commitment from lender and/or venture capitalist; plus bank references (including officer name and telephone number), accountant and attorney references (firms and contact telephone numbers).

10. ***Certification by Harris County Tax Assessor-Collector*** that all tax accounts within Harris County are paid on a current basis.

11. ***Purchase Contract, if applicable.*** Must include under Special Provisions a contingency clause stating abatement applicant/purchaser has applied for tax abatement from Harris County whereby abatement applicant may terminate such contract without penalty or loss of earnest money, in the event that Harris County does not grant a tax abatement.

12. ***Lease Agreement, if applicable.*** For a facility to be leased the applicant shall provide with the application the name and address of the lessor and a draft copy of the proposed lease, or option contract. In the event a lease or option contract has already been executed with owner of site, the document must include a provision whereby abatement applicant may terminate such contract without penalty or loss of earnest money, in the event that Harris County does not grant a tax abatement.