

All Applicants for Letters of Non-Objection to Designation and/or Activation of a Foreign-Trade Zone Site from Harris County, Harris County Flood Control District, and Harris County Hospital District

Forms & Instructions ([Adobe Acrobat](#) is required)

Forms should be downloaded and completed electronically by filling in the blanks. The complete Agreement, all Exhibits, and all required documents must be incorporated into a single PDF package.

If you have multiple non-contiguous sites, submit a separate and complete application package for each site.

The completed PDF package should be emailed and/or printed for distribution. Email is preferred.

See the next page for links to forms.

Instructions for documents to be completed and submitted by the Proposed Operator for a Letter of Non-Objection from Harris County, Harris County Flood Control District, and Harris County Hospital District for Designation and/or Activation of a Foreign-Trade Zone Site.

1. **Payment in Lieu of Taxes Agreement** (PILOT Agreement)—Fill in the blanks of this form, combine it with all exhibits and corresponding required documents into a single PDF package, obtain all signatures, and submit it to the Port of Houston Authority (Port). The information must be consistent with that furnished in all the Exhibits.
2. **Exhibit A: Contact Information**—Fill in the blanks on the form for the Applicant. If the Applicant does not own (in whole or in part) the real property of the proposed FTZ site, then the real property owner must also sign Exhibit A.
3. **Exhibit B: Foreign Trade Zone Site Information and Legal Description Requirement**—Identify the proposed FTZ Site on Exhibit B and attach the legal real property description with metes and bounds. This description can be from a survey or deed(s) to the property. If there are multiple tracts, list each tract and attach its legal description.
4. Identify each survey or deed listed in Exhibit B and label the surveys/deed as Exhibit B-1, B-2, etc., in the completed package.
5. **Exhibit C: Applicant's Tax Account Numbers, debts to Harris County, and copy of Registration with Texas Secretary of State (if applicable)**—List all of Applicant's tax accounts within Harris County. The Applicant should ensure that all County taxes are paid on a current basis. List all debts the Applicant may have to Harris County.
6. Attach a copy of the Applicant's Registration with the Texas Secretary of State and identify it as Exhibit C-1 in the completed package.
7. **Exhibit D: Financial Condition of Applicant, Litigation Status with Harris County and Formation Document(s)** – Complete all questions on Exhibit D.

8. Attach a copy of the Applicant's Formation Document(s) and identify it as Exhibit D-1 in the completed package.
9. **Exhibit E: Affidavit and Corporate Resolution, Articles of Organization, or Other Applicable Document(s)** – Complete and notarize the form.
10. Attach a copy of the Applicant's Corporate Resolution, Articles of Organization, or Other Applicable Document and identify it as Exhibit E-1 in the completed package. The applicable Document authorizes the officer who will execute the PILOT Agreement to sign such a document on behalf of the Applicant.
11. **PDF file naming**—When submitting the complete PDF application package, please use the following naming convention:
HC FTZ PILOT Agreement-[enter company name and (date)].
Example: HC FTZ PILOT Agreement-ABC, Inc (07-22-2024)

The applicant must combine all completed forms (PILOT Agreement, all Exhibits, all required documents for each exhibit, and notarized affidavit) into a single PDF for distribution.

Email, deliver, or mail the complete package to:

Email (*complete single PDF*):

**Rina Lawrence
Economic Development Manager
Port Houston
rlawrence@porthouston.com**

Mail or Deliver (*hardcopy*):

**Foreign Trade Zone Administrator
Port of Houston Authority
P.O. Box 2562
Houston TX 77252-2562
Ph: 713-670-2487**

Do not submit partial packages. An application cannot be processed until all its contents are provided.

Retain a copy of the entire package for your records.

The Port FTZ Administrator will forward this complete package, including the Foreign-Trade Zones Board application and any other information the Port requires, to Harris County's Department of Economic Equity & Opportunity (DEEO). DEEO will then request that the Harris County Commissioners Court approve the issuance of the Letter of Non-Objection.

If, for any reason, an application package is not complete when submitted to the Port, either the Port FTZ Administrator or the DEEO will contact the applicant to obtain the requisite information needed to complete the application.

**PAYMENT IN LIEU OF TAXES AGREEMENT
FOREIGN-TRADE ZONE SITE**

THIS AGREEMENT (“Agreement”) is entered into by and between _____, a _____ Company (“the Operator”), and Harris County, acting on behalf of **itself, Harris County Flood Control District, and Harris County Hospital District**, (“the County”).

A. RECITALS

- Port of Houston Authority (PHA) is Grantee of Foreign-Trade Zone (“FTZ”) No. 84.
- The Operator desires participation in the FTZ program through the expansion of Foreign-Trade Zone #84 to include space located on tract(s) comprising a total of _____ acres at _____ in Harris County, Texas _____, **as** described in Exhibit B (the “FTZ Site”), for which the Operator seeks **designation** by the Foreign-Trade Zones Board (the “Board”) of the United States Department of Commerce, and/or **activation** by the Bureau of Customs and Border Protection of the United States Department of Homeland Security (“Customs”).
- The Operator is operator of the subject FTZ Site.
- The Operator seeks an executed Letter of Non-Objection (“Letter”) from the County which is required to achieve **designation and/or activation**, which the County shall provide only if the Operator contractually commits that no financial harm and/or lost revenue shall be incurred by the County as a result of **designation and/or activation** of the subject FTZ Site.
- 19 U.S.C. § 81o(e) may provide a federal exemption from state and local ad valorem taxes for tangible personal property imported from outside the U.S. and held in a FTZ for the purpose of storage, sale, exhibition, repackaging, assembly, distribution, sorting, grading, cleaning, mixing, display, manufacturing, or processing; and tangible personal property produced within the United States and held in a FTZ for exportation, either in its original form or as altered by any of the above processes.
- Inventory qualifying under 19 U.S.C. § 81o(e) and held in any activated FTZ may be exempt from state and local ad valorem taxes.
- The Interlocal Agreement entered into between Harris County and PHA, on May 21, 2013, assured the County that the Grantee will not give its required approval to any designation and/or activation of the FTZ Site, unless the County has approved and delivered a Letter of Non-Objection to such designation and/or activation. Furthermore, PHA will provide in its Operators Agreement with the Operator within such subject FTZ Site, a requirement that the Operator comply with the terms of this Agreement, and that the Operator’s default under its Payment in Lieu of Taxes (“PILOT”) Agreement with the County for such subject FTZ Site will, upon notice of such default by the County to PHA, also be a default under the Port's Operators Agreement and result in the initiation by PHA of Deactivation and/or Deauthorization (as applicable) proceedings for such subject FTZ Site.

- The Operator and the County desire that **designation and activation** of the FTZ Site cause no financial harm or lost revenue to the County.
- Any inaccuracy of the Affidavit, as described in Exhibit E, should constitute grounds for the immediate termination of this Agreement and initiation of proceedings for Deactivation and/or Deauthorization of the subject FTZ Site as applicable.

In consideration of the mutual commitments expressed in this Agreement, the parties agree to the following:

B. DEFINITIONS

When used herein, the listed words have the following meanings:

“Board” means Foreign-Trade Zones Board within U. S. Department of Commerce.

“DEEO” means Harris County Department of Economic Equity & Opportunity.

“Customs” means Bureau of Customs and Border Protection within U.S. Department of Homeland Security.

“FTZ Exemption” means 19 U.S.C. § 81o(e) federal exemption for certain inventory and any other potential exemptions from taxation for inventory in a FTZ.

“FTZ Inventory” means any inventory held in the FTZ Site that may qualify for the FTZ Exemption and that would otherwise be taxable by the County.

“FTZ Site” means the tract(s) described in Exhibit B.

“HCAD” means the Harris Central Appraisal District.

“Interest” means interest payments on delinquent amounts owed to the County.

“Letter” means executed Letter of Non-Objection from the County issued on behalf of the Operator.

“Payment” means the amount equal to all property taxes on FTZ Inventory that would have been due and payable to the County from the Operator if the FTZ Site had not been designated and activated.

C. OBLIGATIONS

The Operator understands that if any FTZ Inventory receives the FTZ Exemption, the County will suffer lost revenue. Therefore, the Operator agrees to the following:

- a) The Operator agrees to make Payment(s) to the County each year for all FTZ Inventory stored in the FTZ Site as it relates to ad valorem taxes that would have been levied by the County but for the FTZ Exemption. The Operator’s obligation for Payment(s) to the County shall extend to all inventory, whether owned by itself or owned by an affiliated or unaffiliated third-party storing inventory within the FTZ Site. The Operator agrees to disburse such Payment(s) to Harris County in the form of a check payable to “Harris County,” in the amount equal to the ad valorem taxes that would have been due on all FTZ Inventory in the FTZ Site for the preceding tax year, and before the date such ad valorem taxes

would have become delinquent under the Texas Property Tax Code had the Operator, or any other party owning FTZ Inventory in the FTZ Site, not received the FTZ Exemption under 19 U.S.C. §810(e).

- b) For any FTZ Inventory that does not receive the FTZ Exemption, PILOT Payment(s) shall not be owed to the County. However, if such FTZ Inventory does not initially receive the FTZ Exemption but is later granted the FTZ Exemption, the Operator agrees to disburse Payment(s) to the County in the amount of all ad valorem taxes that would have been due on all FTZ Inventory but for the FTZ Exemption, plus Interest calculated from the original due date and in accordance with “**D. MISCELLANEOUS PROVISIONS.**”
- c) No later than April 15 of each year, as long as this Agreement is in effect, the Operator agrees to furnish: (1) to DEEO, a notarized report detailing ALL inventories stored in the subject FTZ Site and; (2) to HCAD, a copy of such notarized report.
- d) Any additional information that may be requested by DEEO and/or HCAD must be furnished by the Operator within 15 business days thereafter.
- e) Upon execution of this Agreement, the County shall furnish its Letter of Non-Objection, in the form shown in Exhibit F, based on the commitments of the Operator herein that no County entity will suffer lost revenue given that the Operator agrees to forego the benefit of the FTZ Exemption under the FTZ law regarding the County ad valorem taxes and agrees to pay the County for any/ all lost revenue for the applicable year(s).
- f) The Operator agrees to pay Interest on Delinquent Amounts. Interest will be calculated as described in “**D. MISCELLANEOUS PROVISIONS.**”
- g) The Operator agrees that this Agreement is necessary for the **designation and/or activation** of the FTZ Site. Therefore, any violation by the Operator or a determination of the invalidity of this Agreement would justify a reversal of the FTZ Site designation and/or activation by the Board and/or Customs. Furthermore, the Operator acknowledges that default under its PILOT Agreement with the County for such subject FTZ Site shall, upon notice of such default by the County to PHA, also be a default under the Operators Agreement, and result in the initiation by PHA of Deactivation and/or Deauthorization (as applicable) proceedings for such subject FTZ Site.
- h) As long as this Agreement is in effect, the Operator shall not modify its FTZ Site boundaries as described in Exhibit B, transfer ownership or leasehold rights in any part of FTZ Site or its operations, or otherwise take any action allowing any party whether affiliated or unaffiliated to operate in the FTZ Site, unless the County, by express action of its Commissioners Court, enters into a new or modified PILOT Agreement with the Operator allowing the boundary modification and/or with such party expressly allowing such transfer of operation.
- i) The amounts payable by the Operator to the County under this Agreement shall in no event exceed the amounts of ad valorem taxes that would have been payable to the County pursuant to the Texas Property Tax Code on FTZ Inventory in the FTZ Site had the Operator and/or any other party owning FTZ Inventory in the FTZ Site not received the FTZ Exemption under 19 U.S.C. §810(e).

D. MISCELLANEOUS PROVISIONS

1. Governing Law. This Agreement will be interpreted under the laws of the State of Texas.

2. Interlocal Agreement between County and PHA. All definitions and terms set forth in the Interlocal Agreement are applicable to this Agreement, except as otherwise expressly provided in this Agreement.
3. Interest. Interest shall accrue on any Delinquent Amount under this Agreement at the rate provided for in the Texas Property Tax Code as though the Delinquent Amount is a tax payment.
4. Binding Effect. This Agreement shall extend to and be binding upon and inure to the benefit of the parties hereto, and their respective legal representatives, and future occupants of the FTZ Site. It is agreed that each County entity is a beneficiary of this Agreement and shall be entitled to enforce its terms and seek damages for its breach.
5. Entire Agreement. This Agreement supersedes any prior understanding or agreements between the parties with respect to the subject matter hereof and constitutes the entire understanding and agreement between the parties with respect to the subject matter hereof, and there are no agreements, understandings, restrictions, representations, or warranties among the parties with respect to the subject matter hereof other than those set forth herein or provided for herein.
6. This Agreement Does Not Affect Other Rights, Obligations or Agreements. This Agreement does not supersede, modify, or affect any other agreement that has been or may be entered into between the Operator and any other taxing jurisdiction or any other entity, except as otherwise expressly stated in this Agreement.
7. Modification of Agreement. This Agreement may be modified only by written consent of all parties.
8. Further Assurances. The parties covenant and agree that they will execute such other and further documents as are or may become necessary or convenient to effectuate and carry out the purpose of this Agreement.
9. Severability. To the extent permitted by law, a holding by any court that any part or any provision in this Agreement is invalid, illegal, or unenforceable in any respect, shall not affect any other provision, and this Agreement shall be construed as if the invalid, illegal, or unenforceable provision had never been a part of the Agreement.
10. Termination of Agreement. This Agreement shall terminate upon the revocation of FTZ Site status by the Board, but such termination shall not relieve the Operator from its obligation to pay damages as provided in this Agreement.
11. Electronic or Facsimile Signatures and Duplicate Originals. Pursuant to the requirements of the Uniform Electronic Transactions Act in Chapter 322 of the Texas Business and Commerce Code and the Federal Electronic Signatures in Global and National Commerce Act (beginning at 15 U.S.C. Section 7001), the Parties have agreed that the transactions under this Agreement may be conducted by electronic means, including online or electronic notarization performed in compliance with Chapter 406 of the Texas

Government Code. Pursuant to these statutes, this Agreement may not be denied legal effect or enforceability solely because it is in electronic form or because it contains an electronic signature. This Agreement may be executed in duplicate counterparts and with electronic or facsimile signatures with the same effect as if the signatures were on the same document. Each multiple original of this document shall be deemed an original, but all multiple copies together shall constitute one and the same instrument.

12. Affidavit. This Agreement shall terminate upon the determination by the County of any misrepresentation in the Affidavit and/or this Agreement which should constitute grounds for the immediate initiation of proceedings for Deactivation and/or Deauthorization of the subject FTZ Site, as applicable.
13. Notices. Any notice permitted or required to be given must be in writing delivered in person or by certified U.S. Mail, return receipt requested, to the applicable party addressed as follows:

To Operator: Company Name:

Contact Name:

Title:

Address

Phone

Email

To County: Harris County, Department of Economic Equity & Opportunity

Attention: Judit Haracsek

Title: Director of Economic Development

Address 1001 Preston, Suite 670, Houston, Texas 77002

Phone (713) 274-1400

Email deeo@harriscountytexas.gov

[Signature page follows.]

EXECUTED on the dates set forth below, but effective as of the last date executed by all the Parties.

APPROVED AS TO FORM

HARRIS COUNTY

CHRISTIAN MENEFEE
County Attorney

By: _____
Assistant County Attorney

By: _____
LINA HIDALGO
County Judge

Date: _____

Date: _____

OPERATOR

Name of Operator

By: _____
Signature (must be legally authorized to
sign on behalf of Operator)

Printed Name & Title

Date: _____

ATTEST

By: _____
Signature of Officer to Attest to Officer's
Execution of Agreement (must be legally
authorized to sign on behalf of Operator)

Printed Name & Title

Date: _____

EXHIBIT A

Contact Information-Proposed Operator
Foreign-Trade Zone Site within Harris County, Texas

Proposed FTZ Site Operator's Legal Name: _____

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

Local Address: _____ City: _____ State: _____ Zip: _____

Telephone Number: _____ State Incorporation: _____

Designated Company Representative as Contact: Authorized Company Official:

Name: _____

Name: _____

Title: _____

Title: _____

Telephone: _____

Telephone: _____

E-mail address: _____

E-mail address: _____

Website: _____

Authorized Company

Official Signature: X _____

Does the Operator own the real property of the proposed FTZ site? YES PARTIAL NO
(if checked PARTIAL and/or NO, then must complete the below section)

Real Property Owner's Legal Name IF Proposed FTZ Site Operator does not Own the Subject Site:

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

Local Address: _____ City: _____ State: _____ Zip: _____

Telephone Number: _____ State Incorporation: _____

Designated Company Representative as Contact: Authorized Company Official:

Name: _____

Name: _____

Title: _____

Title: _____

Telephone: _____

Telephone: _____

E-mail address: _____

E-mail address: _____

Website: _____

Authorized Company

Official Signature: X _____

EXHIBIT B-1

Attachment

(Legal description with metes and bounds from survey or deed(s) to the property)

EXHIBIT C-1
Attachment

(State of Texas Registration)

EXHIBIT D

**Financial Condition of Applicant, Litigation Status with Harris County
and Formation Document**

Entity Name: _____

Type of entity (for example: Limited Partnership, Limited Liability Company, Corporation, individual Person)

State of formation (**Attach** Article of Incorporation, Certificate of Formation or Applicable Document as D-1)

For Harris County to determine Applicant's ability to comply with the terms of this Agreement for Payment in Lieu of Taxes, please check all that apply for the above entity:

has not filed a voluntary petition under federal or state bankruptcy laws.

has not had a petition in bankruptcy filed against them that remained un-dismissed for ninety (90) days.

has not made an assignment of all or a part of their assets for the benefit of a creditor.

has not had a receiver or trustee appointed to administer all or a part of their assets.

has not had all or a part of their assets seized by a judgment creditor.

has not been a defendant in a foreclosure action or transferred an interest in real property by virtue of a deed in lieu of foreclosure.

has no knowledge of any pending or threatened lawsuit(s) or claim(s) which have been raised against them by Harris County, Texas.

Incomplete Package: Any box unchecked will result in the Package being considered incomplete.

EXHIBIT D-1

Attachment

(State of formation (Attach Article of Incorporation, Certificate of Formation or Applicable Document))

EXHIBIT E

AFFIDAVIT

The Payment in Lieu of Taxes Agreement requires the statements and all Exhibits to be verified. The verification page must have the signature of the authorized entity official required to file the statements and all Exhibits, as well as the signature and stamp or seal of office of a notary public or other person authorized by law to administer oaths and affirmations. Without proper verification, the statements and Exhibits are not considered filed.

I swear, or affirm, under penalty of perjury, that all statements and Exhibits filed with this Agreement are true and correct and include all information required to be reported by me under the Payment in Lieu of Taxes Agreement for :

Signature of Affiant (Officer)
**(Attach the Corporate Resolution, Articles of
Organization, or Other Applicable Document as E-1)**

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said _____, this the _____ day
of _____, 20 _____, to certify which, witness my hand and seal of office.

Signature of officer administering oath Print name of officer administering oath Title of officer administering oath

EXHIBIT E-1

Attachment

(Corporate Resolution, Articles of Organization, or Other Applicable Document)