

# ***Application for Tax Abatement in Harris County, Texas***

## ***Instructions***

### **General Information**

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.

Application shall not be considered complete until all required information has been received. Harris County reserves the right to request additional information and documentation to complete review of application.

### **Part I Applicant Information**

In addition 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, shall include with the application a copy of the latest annual report to stockholders. Privately-owned and newly-formed companies shall 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 shall also furnish a copy of the business plan and substantiation of financing commitments from a lender and/or venture capitalist.

All applicants shall 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). All applicants shall include copy of Secretary of State Certificate authorizing the company to conduct business in the State of Texas.

### **Part II Project Information**

*Physical Property Information:* Applicant shall provide detailed information on the proposed project site, to include, physical location address (street number, street name, City, County, Zip Code), key map reference, plat survey with metes & bounds description, identify all taxing entities (including, but not limited to city, school district, college district, etc.), all associated tax accounts, and current site conditions and improvements.

*Proposed Project Information:* Applicant shall submit a detailed description of the project, including but not limited to, purpose of project, intended market, proposed site improvements, indication of new construction or expansion, a detailed line item “Investment Budget” identifying the estimated value and describing the improvements for which abatement is requested, market analyses and studies, business plans, and any other documents demonstrating that the facility is intended to serve a primary market which lies at least 100 miles outside of Harris County.

*Property Ownership or Lease Information:* Applicant shall provide documentation evidencing property ownership (e.g. recorded property title), or purchase option-contract which shall include an opt-out clause for the Applicant in the event a tax abatement is not approved, or lease agreement.

Harris County reserves the right to request additional documentation, as needed.

### Part III 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 a 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 Harris County economy but for the abatement.

**Estimated Appraised Value on Site** - The value on January 1 preceding abatement shall be the value established by the Harris County Appraisal District. Applicant shall indicate on application if the value is estimated due to unknown taxable value or if the taxable value is combined with other properties under a single tax account. 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 used for plant administration, housing, etc.