

APPLICATION FOR TAX ABATEMENT/ECONOMIC DEVELOPMENT INCENTIVES IN WALKER COUNTY, TEXAS

INSTRUCTIONS

Applicants and projects must meet the requirements established by Walker County Commissioners Court in Resolution No. 2023-07 Adopting Guidelines and Criteria for Tax Abatements. The Guidelines provide detail on eligible facilities, eligible and ineligible improvements, job creation/retention, 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. Conformance with all sections is the basis for determination of initial eligibility and for favorable consideration by Commissioners Court. Nothing in the Guidelines shall imply or suggest, or be construed to imply or suggest, that Walker County is under any obligation to provide any incentive to any applicant. All applications for tax abatement/economic development incentives shall be considered on an individual basis with regard to both the qualification of the abatement and the amount of the abatement. This application must be submitted at least 30 days prior to Commissioners Court formal consideration and action, if any.

Applicant Information

In addition to the factors outlined in the Guidelines, the applicant's financial capacity is also considered. 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 account 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), and physical and mailing addresses of the authorized officers who will execute the agreement on behalf of the applicant (and owner, operator, lessor, lessee, where applicable).

Economic Information (for use in completing Section B)

Permanent Job Creation/Retention – 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 Walker County economy but for the abatement.

Estimated Appraised Value on Site – The value on January 1 preceding abatement should be the value established by the Walker 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. Projections of value should be the "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.

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Prior to any public expression of a decision or any commitment (legal or financial) to the proposal by applicant, a completed original of this application, including supporting documentation of competitive siting, narrative impact statement and \$ 500.00 application fee (non-refundable) must be submitted to Walker County Judge, 1101 University, Huntsville, TX 77340. This application will become part of the Tax Abatement Agreement and any knowingly false representation 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.

WALKER COUNTY, TEXAS APPLICATION FOR TAX ABATEMENT/ ECONOMIC DEVELOPMENT INCENTIVES

If any section is not applicable to the proposed development project please mark that section "NA"

SECTION A – APPLICANT INFORMATION		FOR COUNTY USE ONLY
A1. Applicant/Company Name		Application Number:
A2. Mailing Address		Date of Submittal:
		Precinct Number:
City	State	ZIP Code
A3. Name of Company Representative for Application.		
A4. Primary Telephone Number	A5. Alternate Phone Number	
A6. E-mail Address	A7. If incorporated, in which state is the company incorporated?	
A8. Is the Company registered with the Texas Sec. of State?	A9. Name of Registered Agent	
A10. Phone Number of Registered Agent	A11. E-mail of Registered Agent	
A12. Does the Company have any litigation history? <input type="checkbox"/> Yes <input type="checkbox"/> No (If Yes, please provide an attachment listing litigation history)	A13. Does the applicant have delinquent taxes or fees in Walker County or other jurisdictions? <input type="checkbox"/> Yes <input type="checkbox"/> No (If Yes, please provide attachment listing and explaining. If No, please provide certification from the appraisal district.)	
A13. Please provide as an attachment your most recent financial statements and/or banking references (mark as confidential)	A14. Please provide as an attachment any references.	
A15. Annual Sales	A16. Total Worldwide Employees / Employees in Walker County /	
A17. Years the company has operated in Walker County	A18. Provide as an attachment a company overview including legal status	
A19. 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.		

SECTION B – PROJECT INFORMATION*Project Details for the Specific Proposal*

B1. Project Location / Site Address				City	State	Zip Code
B2. Legal Description of Project Tract (Attach a plat survey with metes and bounds for project site)						
B3. Appraisal District Property ID #				B4. Will the Project be a New Facility or and Expansion?		
B5. Please List All Taxing Entities to Which the Property is Subject						
B6. Facility Type: <input type="checkbox"/> Manufacturing <input type="checkbox"/> Distribution Facility <input type="checkbox"/> Service Facility <input type="checkbox"/> Entertainment <input type="checkbox"/> Research & Development <input type="checkbox"/> Office Building <input type="checkbox"/> Other: _____ <i>For regional facilities, provide market studies, business plan, or other materials demonstrating that the facility is intended to serve a primary market which lies at least 100 miles outside Walker County.</i>						
B7. <u>Describe Project in an attachment conforming to the Narrative Guidelines attached as Appendix A</u>						
B8. Describe the Product or Service to be Provided						
B9. Estimated Start of Construction Date				B10. Estimated Completion Date		
B11. Estimated Start of Operations Date				B12. Estimated Contract Amount		
B13. Estimated Life of New Improvements (years)				B14. Peak Construction Jobs		
B15. Jobs to be created after 3 years from contract inception				B16. Current Number of Employees in Walker County		

B17. Address the number of qualified employees* and employee wages and benefits to be hired within 12 months of project completion, if addressed by attachment please please so note below

(*Qualified employees are permanent full-time employees receiving access to benefits via the employer (i.e., medical, vacation, etc.) and work not less than 2,000 hours per year.)

B20. Amount to be invested by Company for worker training within the first 12 months of project completion

B21.

Estimated Appraised Value on Site	Land	Improvements	Total
Value on January 1 preceding abatement (per Walker 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	\$	\$	\$

**Only the increase in the fair market value of the real property directly resultant from the development, re-development and improvement specified in the application will be eligible for a tax abatement and then only to the extent that such increase exceeds any reduction in the fair market value of other real property of an owner located within the jurisdiction creating the reinvestment zone.*

SECTION C – VARIANCES

C1. Is the applicant seeking a variance to the Guidelines? ☐ Yes ☐ No

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

UNDOCUMENTED WORKER CERTIFICATION

Chapter 2264, Subchapter A, Texas Government Code requires that any public agency or economic development corporation shall require a business that submits an application to receive a public subsidy to include a statement certifying that the business does not and will not knowingly employ an undocumented worker.

The Company certifies that its operation within Walker County, Texas does not and will not knowingly employ an undocumented worker, as defined in Chapter 2264, Subchapter A, Texas Government Code, as amended (the "Act").

Pursuant to the Act, if the Company is convicted of a violation under 8 U.S.C. Section 1324a(f), after receiving any public subsidy, the Company shall promptly give the County written notice of such violation and the Company shall repay the amount of the payment with interest, at a rate of 6.75% per annum not later than the 120th day after the date the Company notifies the County of the violation.

AUTHORIZATION AND CERTIFICATION

I am the authorized representative for the Company for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application is true and correct to the best of my knowledge and belief. I hereby certify and affirm that the Company I represent is in good standing under the laws of the state in which the Company was organized and that no delinquent taxes are owed to the State of Texas.

Authorized Company Official:

Authorized Signature: _____

Name: _____

Title: _____

Telephone: _____

E-mail: _____

GIVEN under my hand and seal of office this _____ day of _____, 20____.

(Notary Seal)

Notary Public, State of _____

My commission expires _____

APPENDIX A – NARRATIVE AND ATTACHMENT GUIDELINES

- 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. Name of chief officers.
 - c. Provide copy of annual report or financial statement, as detailed in the "Instructions."
- II. Reasons for seeking abatement. Include any special considerations. **State how project will benefit 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, etc.).
 - 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, including 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.
 - 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 the 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 outside of Walker County concerning tax abatements in another city, county, state, or country and provide copies of any letters of intent from the ones offering incentive.
- VIII. If leasing property, attach copy of lease. If company owns or is purchasing land, 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.)
- IV. **General Application Information (All information not provided on the form shall be provided by attachment.)**
 - a. Company overview including legal status
 - b. Previous similar project experience, location, cost, etc.
 - c. Litigation history
 - d. Evidence of no delinquent taxes or fees due in Walker County or any other jurisdiction where the applicant owns property, if applicable
 - e. Most recent financial statements and/or banking references(confidential)
 - f. References
 - g. Description of proposed project

- h. Description of county goals, needs, or values furthered by the project
- i. Business Plan and/or pro-forma (confidential)
- j. Third-Party market study or opinion
- k. Proposed project schedule
- l. Long term project ownership plan
- m. List of other governmental entities from which incentives have or will be requested
- n. Description of the terms and conditions of that participation
- o. Analysis of the County's investment and retained revenues in relation to the other entities

IX. Tax Abatement Additional Information

- a. List all taxing jurisdictions overlapping the proposed facility
- b. Type of business activity (manufacturing, distribution, etc.)
- c. Current value of land and existing improvements, if any
- d. Type and value of proposed improvements subject to abatement (buildings, tangible personal)
- e. Type and value of proposed improvements not subject to abatement (personal property)
- f. Productive life of proposed improvements
- g. Number and type of existing jobs to be retained by proposed improvements
- h. Number and type of type of net new jobs to be created by proposed improvements
- i. Amount of local payroll to be created
- j. Whether persons residing or projected to reside within affected taxing jurisdictions will have the opportunity to fill the new jobs being created
- k. Abatement percentage requested
- l. Abatement term requested
- m. The projected amount of ad valorem taxes to be paid to the County during the abatement period considering (a) the existing values, (b) the percentage of new value abated, (c) the abatement period, and (d) the value after expiration of the Abatement period;
- n. Projected taxable value of the project at the end of the life of the abatement

X. Any additional information deemed pertinent or relevant to the proposed project

XI. Tax Increment Reinvestment Zone Additional Information

- 1. List all taxing jurisdictions overlapping the proposed project
- 2. Current value of land and existing improvements, if any
- 3. Conceptual land use plan
- 4. Preliminary Project and Reinvestment Zone Financing Plan conforming to the requirements of Texas LGC Chapter 311 and demonstrating compliance with the criteria established by this Policy.
- 5. Description of the ownership and maintenance plan for the public improvements constructed to serve the Zone.
- 6. Documentation of coordination with service providers such as school district, volunteer fire department, utility providers, etc.
- 7. Documentation of land use, architectural, landscaping and construction characteristics designed to maintain and/or enhance community character
- 8. Documentation of efforts to identify and address concerns of adjacent and interested parties
- 9. Documentation of efforts to identify, address, conserve and/or enhance traditional, historical, ecological, or scenic components of the site and community.
- 10. Any additional information deemed pertinent or relevant to the proposed project

XII. Chapter 381 Program Additional Information

XIII.

- 1. List all taxing jurisdictions overlapping the proposed facility
- 2. Current value of land and existing improvements, if any
- 3. Type of business activity (manufacturing, distribution, etc.)
- 4. Type and value of proposed improvements
- 5. Estimated increase in tax revenue to County, both ad valorem and sales
- 6. Number and type of existing jobs to be retained by proposed improvements

7. Number and type of type of net new jobs to be created by proposed improvements
8. Amount of local payroll to be created
9. Whether persons residing or projected to reside within affected taxing jurisdictions will have the opportunity to fill the new jobs being created
10. The amount, terms, and conditions of the proposed participation by other jurisdiction
11. Any additional information deemed pertinent or relevant to the proposed project.