



## **JEFFERSON COUNTY DRAINAGE DISTRICT NO. 6's AMENDED UNIFORM TAX ABATEMENT POLICY 2023**

### **ADMONITORY PROVISIONS**

Jefferson County Drainage District No. 6 favors Tax Abatements that ultimately contribute to the economic development of Jefferson County by creating jobs for the citizens of the County, building the tax base of the County, and providing an attractive environment for businesses to build capital intensive projects within Tax Abatement Reinvestment Zones. Jefferson County Drainage District No. 6 will review each application upon its own merits, and the Board reserves the right to reject or approve applications, in total or in part, as it deems most prudent under the unique factors of each application submitted to it for consideration and potential approval.

The final determination of value to be abated is vested with the Jefferson Central Appraisal District (JCAD), an agency autonomous from Jefferson County Drainage District No. 6 (DD6). The Procedures used by JCAD are attached as Exhibit "A" and incorporated and adopted in this Abatement Policy for all purposes. These provisions are illustrative only and shall not limit the Appraisal District in making determinations in any manner otherwise allowed by law.

Businesses applying for tax abatement with DD6 are advised that any agreement with DD6 applies only to taxes assessed by DD6. Any abatement agreement with other taxing entities must be negotiated directly with such entities. In addition, each individual or business receiving an abatement retains the responsibility for annually applying to the Jefferson Central Appraisal District for recognition and implementation of such abatement agreement.

### **STATEMENT OF PURPOSE**

#### **SECTION I**

- (a) The Board of Directors of DD6, adopts this tax abatement policy to provide incentives to the owner of real property, who proposes a Project to develop, redevelop, or improve eligible facilities. The incentives will consist of a limited special exemption from certain taxes provided that the owner agrees to accept and abide by this Policy and provided that the real property is located in a lawfully created Reinvestment or Enterprise Zone.
- (b) This policy is intended to improve the quality of life in economically depressed areas and throughout DD6's district by stimulating industrial development and job creation, and retention provided that the taxable value of the property of the owner is not adversely affected.

# DEFINITIONS

## SECTION II

- (a) **“Abatement”** means the full or partial exemption from ad valorem taxes of certain real property values in a reinvestment or enterprise zone designated by DD6 for economic development purposes.
- (b) **“Affiliate”** means any specified person or entity which directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with such specified person or entity. For the purposes of this definition, the term “control” (including the terms “controlled by” or “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such person or entity, whether through the ownership of voting securities, by contract or otherwise.
- (c) **“Agreement”** means a contractual agreement between a property owner and/or lessee and DD6.
- (d) **“Base Year”** means the calendar year in which the abatement contract is executed (signed).
- (e) **“Bulk Buys”** include but are not limited to material that is purchased in the early phase of the project. This material includes commodity and special-order items that may have long lead times due to fabrication timeframe or by the significant size of the orders(s). DD6 recognizes that “Bulk Buys” historically represent a significant percentage of the material purchase for a project.
- (f) **“Deferred Maintenance”** means improvements necessary for the continued operation that do not improve productivity, or alter the process technology, reduce pollution, or conserve resources.
- (g) **“Distribution Center”** means buildings and structures, including fixed machinery and equipment, used or to be used primarily to receive, store, service, or distribute goods or materials owned by the Facility operator where a majority of the goods or services are distributed to points beyond DD6’s district.
- (h) **“Eligible Facilities”** or “Eligible Projects” means new, expanded, or modernized buildings and structures, as defined in the Texas Property Tax Code, including fixed machinery and equipment, which is reasonably likely as a result of granting abatement to contribute to the retention or expansion of primary employment or to attract major investment in the reinvestment or enterprise zone that would be a benefit to the property and that would contribute to the economic development within DD6’s district, but does not include facilities which are intended primarily to provide goods or services to residents or existing businesses located in DD6’s district such as, but not limited to, restaurants and retail sales establishments. Eligible facilities may include, but shall not be limited to, industrial buildings and warehouses. Eligible facilities may also include facilities designed to serve a regional population greater than DD6’s district for medical, scientific, recreational, or other purposes.

- (i) **“Eligible Property”** means realty improvements, the on-site buildings, structures, fixed machinery and equipment, storage tanks, process units (including all integral components necessary for operations), site improvements, and infrastructure included in the PROJECT, and the permanent office space and related fixed improvements necessary to the operation and administration of the PROJECT, as defined in the Tax Code, but does not include personal property.
- (j) **“Expansion”** means the addition of buildings, structures, machinery, tangible personal property, equipment, payroll, or other taxable value for purposes of increasing production capacity.
- (k) **“Field Buys”** include but are not limited to the procurement of material that is conducted by the project procurement teams, which is typically located on site throughout the duration of the project.
- (l) **“Modernization”** means a complete or partial demolition of facilities and the complete or partial reconstruction or installation of a facility of similar or expanded production capacity. Modernization may result from the construction, alteration, or installation of buildings, structures, machinery, equipment, pollution control devices, or resource conservation equipment. Modernization shall include improvements for the purpose of increasing productivity or updating the technology of machinery and equipment, or both.
- (m) **“Facility”** means property improvements completed or in the process of construction which together comprise an integral whole.
- (n) **“New Facility”** means a property previously undeveloped which is placed into service by means other than in conjunction with Expansion or Modernization.
- (o) **“Productive Life”** means the number of years a property improvement is expected to be in service in a facility.

## **WHEN ABATEMENT AUTHORIZED**

### **SECTION III**

- (a) **Eligible Facilities.** Upon application, Eligible Facilities shall be considered for tax abatement as hereinafter provided.
- (b) **Creation of New Value.** Abatement may only be granted for the creation of additional value to eligible facilities made subsequent to and specified in an abatement agreement between DD6 and the property owner or lessee, subject to such limitations as DD6 may require. In order to be eligible for consideration, the applicant must submit an application to at least one of the taxing units, county or municipality, prior to commencement of construction of the project.
- (c) **New and Existing Facilities.** Abatement may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion.

- (d) **Eligible Property.** Abatement may be extended to the increase in value of buildings, structures, fixed machinery and equipment, site improvements, and related fixed improvements necessary to the operation and administration of the facility.
- (e) **Ineligible Property.** The following types of property shall be fully taxable and ineligible for tax abatement: land, supplies, inventory, vehicles, vessels, housing, improvements for the generation or transmission of electrical energy not wholly consumed by a new facility or expansion; any improvements, including those to produce, store or distribute natural gas, fluids or gases, which are not integral to the operation of the facility; deferred maintenance, property to be rented or leased (except as provided in Section III(f), property which has a productive life of less than ten years, or any other property for which abatement is not allowed by state law.
- (f) **Owned/Leased Facilities.** If a leased facility is granted abatement, both the owner/lessor and the lessee shall be parties to the abatement contract with DD6.
- (g) **Economic Qualification.** In order for an Eligible Facility to receive tax abatement the planned improvement:
  - (1) Must create an increased appraised ad valorem tax value based upon the Jefferson Central Appraisal District's assessment of the eligible property;
  - (2) Must prevent the loss of payroll or retain, increase, or create payroll (full-time employment) on a permanent basis in DD6's district;
  - (3) Must not have the effect of displacing workers or transferring employment from one part of DD6's district to another; and
  - (4) Must demonstrate by an independent economic impact analysis that the local economic benefit will be substantially in excess of the amount of anticipated foregone tax revenues resulting from the abatement.

## **Factors Considered By DD6 In Considering Abatement Requests**

### **Section IV**

- (a) **Standards For Tax Abatement.** The following non-exclusive factors may be considered in determining whether to grant tax abatements for an Eligible Facility or Project and if so, the percentage of value to be abated and the duration of the tax abatement:
  - (1) Existing improvements, if any;
  - (2) Type and value of proposed improvements;
  - (3) Productive life of proposed improvements;

- (4) Number of existing jobs to be retained by proposed improvements;
- (5) Number and types of new jobs to be created by proposed improvements;
- (6) The extent to which new jobs to be created will be filled by persons who are economically disadvantaged, including residents of a Reinvestment or Enterprise Zone;
- (7) The extent to which local labor, local subcontractors, and local vendors and suppliers will be used in the construction phase of the project;
- (8) The amount of local taxes to be generated directly.
- (9) The amount the property tax base valuation will be increased during the term of abatement and after the abatement;
- (10) The amount of economic impact the Eligible Facility will provide to the local community;
- (11) The costs to be incurred by DD6 to provide facilities or services directly resulting from the new improvements;
- (12) The amount of ad valorem taxes to be paid to DD6 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;
- (13) The population growth of DD6's district is projected to occur directly as a result of new improvements;
- (14) The types and values of public improvements, if any, to be made by the applicant seeking abatement;
- (15) Whether the proposed improvements compete with existing businesses to the detriment of the local economy;
- (16) The impact of the proposed project on the business opportunities of existing businesses;
- (17) The attraction of other new businesses to the area as a result of the project;
- (18) The overall compatibility with the zoning ordinances and comprehensive plan for the area;
- (19) Whether the project is environmentally compatible with no negative impact on quality-of-life perceptions. Each application for tax abatement shall be reviewed on its merits utilizing the factors provided above. After such review, abatement may be denied entirely or may be granted to the extent deemed appropriate after full evaluation.

- (b) **Local Employment:** For purposes of evaluating compliance, local labor is defined as those laborers or skilled craftsmen who are residents and domiciliaries of the nine-county region comprised of Jefferson, Orange, Hardin, Jasper, Newton, Liberty, Tyler, and Chambers counties, as well as the Bolivar Peninsula area of Galveston County. Local vendors and suppliers shall include only those located or having a principal office in Jefferson County. Local Subcontractors shall include only those located or having a principal office in Jefferson County.

Each recipient of property tax abatement shall additionally agree to give preference and priority to local manufacturers, suppliers, vendors, contractors, and labor, except where not reasonably possible to do so without significant added expense, substantial inconvenience, or sacrifice in operating efficiency. In any such exception, cases involving purchases over \$10,000.00, a justification for such purchase shall be included in the annual report. Each recipient shall further acknowledge that is a legal and moral obligation of persons receiving property tax abatement to favor local manufacturers, suppliers, contractors, and labor, all other factors being equal. In the event of a breach of the “buy-local” provision, the percentage of abatement shall be proportionately reduced in an amount equal to the amount the disqualified contract bears to the total construction cost for the project.

- (c) Each recipient of a property tax abatement must also provide bidding information to local contractors, manufacturers, and labor to allow them to have sufficient information and time to submit their bids and pre-bid meetings must be held between the owner and potential local bidders and suppliers of services and materials. In this regard, each recipient of an abatement will provide sufficient notice and information regarding the project to qualified contractors and suppliers to enable them to submit bids in the early procurement processes for materials, including but not limited to Bulk Buys.

- (d) **Historically Underutilized Businesses/Disadvantaged Business Enterprises.** DD6 will also strongly consider the extent to which the project will encourage and promote the utilization of Historically Underutilized Businesses (HUBs) (also known as Disadvantaged Business Enterprises, or DBEs) by the owner and general contractor by ensuring that qualified HUB vendors and contractors are given an opportunity to bid on all contracts.

- (1) A Historically Underutilized Business (HUB) is a business owned or controlled by Socially and Economically Disadvantaged Individuals as defined by all applicable federal or state laws and local policies, including Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Asian-Indian Americans, women and individuals with disabilities. A HUB is one that is at least 51 percent owned or controlled by one or more women or Socially and Economically Disadvantaged Individuals who actively participate in the conduct of the business or, in the case of a publicly owned business, one in which at least 51 percent of the stock is controlled by one or more women or Socially and Economically Disadvantaged Individuals. A business that has been certified as a HUB/DBE by an agency of the federal government or the State of Texas is presumed to be a HUB/DBE for purposes of this policy. Only a HUB/DBE with its principal office in Jefferson, Hardin, and Orange, County will be recognized as a HUB/DBE for purposes of this policy. Upon request, DD6 will supply a Minority Business Directory to each applicant.

- (2) DD6 will require that each abatement contract between itself and any individual or entity seeking the abatement of ad valorem taxes contain a provision requiring the owner, on at least a quarterly basis, and at the owner's cost, to allow the full examination by DD6 or its designated representative(s) of all documents necessary for DD6 to assure that best efforts have been used by owner to utilize local labor, subcontractors, vendors, suppliers and HUB's/DBE's. DD6 will also require that such contracts contain provisions binding the engineering/construction firms utilized as general contractors on the Project to the terms of the abatement contract.
- (e) Denial of Abatement. An abatement agreement shall not be authorized if it is determined that:
- (1) There would be a substantial adverse effect on the provision of government service or tax base;
  - (2) The applicant has insufficient financial capacity;
  - (3) Planned or potential use of the property would constitute a substantial hazard to public safety, health or morals;
  - (4) The project would cause a violation of state or federal laws; or
  - (5) For any other action deemed appropriate by DD6, including the pendency of litigation between the individual or entity requesting the abatement.
- (f) "Taxability" From the execution of the abatement agreement to the end of the agreement period, taxes shall be payable as follows:
- (1) The value of ineligible property shall be fully taxable; and
  - (2) The base year value of existing eligible property as determined each year shall be fully taxable.

## **APPLICATION PROCESS**

### **SECTION V**

- (a) Any present owner, potential owner, or Lessee of taxable property in DD6's district may request tax abatement by filing a written request with the Chief Operating Officer of DD6.
- (b) The application shall consist of a completed application form which shall provide detailed information on the items described herein; a map and property description with specific metes and bounds; which includes GPS coordinates (pursuant to a directive from the Comptroller's office), a time schedule for undertaking and completing the planned improvements. In the case of modernization, a statement of the assessed value of the

facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application. The application form may require such financial and other information as may be deemed appropriate for evaluating the financial capacity and other factors of the applicant. DD6 shall also require a non-refundable application fee in the amount of \$3,000.00 to be submitted with the application.

- (c) Prior to entering into an abatement agreement, the owner must provide DD6 with a copy of an order creating the reinvestment or enterprise zone.
- (d) DD6 shall make every reasonable effort to either approve or disapprove the application for tax abatement within sixty (60) days after receipt of the application. DD6 shall notify the applicant of approval or disapproval.
- (e) DD6 shall not enter into an abatement agreement if it finds that the request for the abatement was filed after the commencement of construction, alteration, or installation or improvements related to a proposed modernization, expansion, or new facility.
- (f) Information that is provided to DD6 in connection with an application or request for tax abatement and that describes the specific processes or business activities to be conducted or the equipment or other property to be located on the property for which a tax abatement agreement is requested is confidential and not subject to public disclosure pursuant to the Texas Public Information Act until the tax abatement agreement is executed. That information in the possession of a taxing unit after the agreement is executed is not confidential and is subject to disclosure.

## **AGREEMENT**

### **SECTION VI**

- (a) Not later than the thirtieth (30<sup>th</sup>) day before the date on which DD6 enters into the abatement agreement, DD6 shall deliver to the presiding officer of the governing body of each other taxing unit in which the property is located, a written notice that DD6 intends to enter into the agreement. The notice shall include a copy of the prepared agreement.
- (b) DD6 shall formally pass a resolution and execute an agreement with the owner of the facility and lessee, as the case may be, which shall include at least the following terms:
  - (1) Estimated value to be abated and the base year value;
  - (2) Percent of value to be abated each year;
  - (3) The commencement date and the termination date of abatement;
  - (4) The proposed use of the facility, nature of construction, time schedule, map, property description and improvement list;
  - (5) Contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, or assignment;



- (6) Provision for access to and authorization for inspection of the property by DD6 employees to ensure that the improvements or repairs are made according to the specifications and conditions of the agreement;
- (7) Limitations on the uses of the property consistent with the general purpose of encouraging development or redevelopment of the zone during the period that property tax exemptions are in effect;
- (8) Provision for recapturing property tax revenue lost as a result of the agreement if the owner of the property fails to make the improvements or repairs as provided by the agreement;
- (9) Provision that all permanent jobs be registered with the Texas Workforce Commission and that all contractors shall give preference to and to seek qualified workers through the Texas Workforce Commission;
- (10) Contain each and every term agreed to by the owner of the property;
- (11) Requirement that the owner or lessee of the property certify annually to the governing body of DD6 that the owner or lessee is in compliance with each applicable term of the agreement; and
- (12) All terms required by Texas Tax Code §312.205, as amended; Such agreement shall normally be executed within sixty (60) days after the applicant has forwarded all necessary information and documentation to DD6.

## **RECAPTURE**

### **SECTION VII**

- (a) In the event that the company, owners, or individual (1) allows its ad valorem taxes owed DD6 to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest; or (2) violates any of the terms and conditions of the abatement agreement; and fails to cure during the cure period, or discontinues production the agreement then may be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within thirty (30) days of the termination.
- (b) Should DD6 determine that the company or individual is in default according to the terms and conditions of its agreement, DD6 shall notify the company or individual of such default in writing at the address stated in the agreement; and if such is not cured within thirty (30) days from the date of such notice ("Cure Period"), then the agreement may be terminated. Alternatively, DD6 may, as a penalty for default or non-compliance with the provisions of an abatement contract, reduce the term of the abatement period and/or the annual percentage of abatements available thereunder.

- (c) Payment in Lieu of Taxes: If, during the period of this abatement, any Federal or State law provides an additional tax exemption for the property that is already the subject of this agreement, Applicant agrees to decline that tax exemption during the period of this abatement. If Applicant is unable to decline that tax exemption, Applicant agrees to pay the taxes, or payment in lieu of taxes, on the reduction of property tax revenue to DD6 that is the result of said exemption. Any payment in lieu of taxes shall be due on or before November 15 of the year in which payment is due.
- (d) By this, it is understood and agreed that if the party granted this abatement avails itself of a Foreign Trade Zone exemption, the abated value subject to this contract will be reduced dollar for dollar for each dollar and taxed.

It is further understood and agreed that if any personal property owned by third parties, located on property subject to this contract is exempted by a Foreign Trade Zone exemption, the abated value subject to the contract will be reduced dollar for dollar for each dollar the value is reduced, as a result of the Foreign Trade Zone exemption.

- (e) It is specifically understood and agreed by the owner, owner's affiliates, or joint venture that, if at any time during the effective dates of an agreement relating to abatement, the owner, affiliates, or joint venture files or prosecutes an action to contest the appraised value of any property of the owner, owner's affiliates, or joint venture within Jefferson County or unequal appraisal or revision thereof pursuant to Section 42.26, Texas Tax code, any and all abatements granted by DD6 to owner, owner's affiliates, or joint venture shall become null and void and canceled. DD6 shall reduce the amount of abatement dollar for dollar for each dollar that the taxable value is reduced as a result of that contest.

## **ADMINISTRATION**

### **SECTION VIII**

- (a) The Chief Appraiser of the Jefferson Central Appraisal District will annually determine an assessment of the real and personal property subject to each abatement agreement. Each year, the company or individual receiving abatement shall furnish the appraiser with such information as may be necessary to determine compliance with the abatement agreement. Once value has been established, the Chief Appraiser will notify the DD6 Tax Assessor of the amount of the assessment.
- (b) The abatement agreement shall stipulate that employees and/or designated representatives of DD6 will have access to the facility during the term of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. Inspections will only be conducted in such a manner as to not unreasonably interfere with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the company or individual and in accordance with its safety standards.

- (c) In the event DD6 terminates this AGREEMENT as a result of any event of default by the owner including, for the avoidance of doubt, if owner fails to make the improvements to the Eligible Property as provided by this AGREEMENT, DD6 shall be entitled to recapture and be paid all taxes previously abated by virtue of this AGREEMENT within thirty (30) days of the termination, together with all penalties and interest required by the Texas Property Code.
- (d) During the course of construction of the Project, owner and its general contractor and/or subcontractors shall, on at least a quarterly basis, file a written report with and/or meet with designated DD6 representatives for an onsite inspection to assure compliance with the terms of the abatement agreement. Owner will file quarterly reports that detail which persons, firms, or entities supplied materials or labor utilized in the construction of the Project and the amounts expended for same and detailing which was purchased locally or otherwise. Owner shall be responsible to DD6 for the payment of costs associated with such monitoring. In the event it is determined that owner or its contractors have failed to comply with the terms of the abatement agreement, then DD6 may terminate the abatement agreement or, at DD6's discretion, reduce the duration or annual percentages of such abatement.
- (e) During construction, the Applicant shall maintain appropriate records of the employees affected by this abatement, including but not limited to, proof of employees' legal residence, proof of immigration-resident status, and, if applicable, such other documentation that may be required to document compliance with the Agreement.
- (f) The Chief Appraiser of the Jefferson Central Appraisal District shall timely file with the Texas Department of Economic Development and the State Property Tax Assistance Division all information required by the Tax Code.
- (g) All requirements of the Abatement Agreement shall apply to Applicant's contractors/subcontractors and Applicant shall ensure that they abide by the terms of the Agreement.

## **ASSIGNMENT**

### **SECTION IX**

Abatement may be transferred, assumed, and assigned in whole or in part by the holder to a new owner or lessee of the same facility upon the approval by resolution of the Board of Directors for DD6; subject to the financial capacity of the assignee and provided that all conditions and obligations in the abatement agreement are guaranteed. No assignment or transfer shall be approved if the parties to the existing agreement, the new owner, or the new lessee are liable to any jurisdiction for outstanding taxes or other obligations. Approval shall not be unreasonably withheld. As a condition of transfer, an assignment fee of \$10,000.00 may be required, with the maximum fee being \$10,000.00.

## **SUNSET PROVISION**

### **SECTION X**

These guidelines and criteria are effective upon the date of their adoption and will remain in force for two years, unless amended by three-quarters of the Board of Directors of DD6. Prior to renewal, all reinvestment and enterprise zones and tax abatement agreements created pursuant to these provisions will be reviewed to determine whether the goals have been achieved. Based on that review, the guidelines and criteria may be modified, renewed, or eliminated.

## **DISCRETION OF DD6**

### **SECTION XI**

The adoption of these guidelines and criteria by DD6 does not:

- (1) Limit the discretion of DD6 to decide whether to enter into a specific tax abatement agreement;
- (2) Limit the discretion of DD6 to delegate to its employees the authority to determine whether or not DD6 should consider a particular application or request for tax abatement; or
- (3) Create any property, contract, or other legal rights in any person to have DD6 consider or grant a specific application or request for tax abatement.

# QUESTIONS TO BE ANSWERED IN ORDER TO DEVELOP AN APPLICATION AND ECONOMIC IMPACT STATEMENT FOR VALUE ADDED TAX ABATEMENTS IN JEFFERSON COUNTY

## General:

DD6 will provide a representative to assist in the preparation and presentation of all documents and to guide them through the abatement process.

## Opening Paragraph:

The application should include a summary statement about the company and its operations. This information can come from an annual report, corporate 10K, or other documents provided by the company. (Please include these documents with this questionnaire.)

## Economic Impact Analysis:

The application must include the attachment of an independently prepared economic impact analysis of the proposed facility as it impacts the local economy detailing the information referred to in Section IV herein.

## Maps and Plats:

Provide maps, plats, and drawings necessary to establish the location of the improvements and their relationships to the boundaries of cities, ETJs, and reinvestment or enterprise zone boundaries.

## Questions to be Answered

- (1) Is your project within a city limit? Name City: \_\_\_\_\_
- (2) Is your project within an ETJ? Name of City ETJ: \_\_\_\_\_
- (3) Is your project within an Enterprise or Reinvestment Zone?  
Which Enterprise or Reinvestment Zone: \_\_\_\_\_
- (4) Will you own the realty or lease the realty? \_\_\_\_\_
- (5) Present Appraisal District value of land and any EXISTING improvements owned by the OWNER: (Answer this question based on Appraisal District records for the specific site you select.)  
Cost of Land (If you are purchasing): \$ \_\_\_\_\_  
Number of Acres: \_\_\_\_\_ or Square Feet: \_\_\_\_\_

(6) Type and value of proposed improvements: (In this answer list the specific amount of investment that will be expended for the entire project for which you seek abatement.)

Type of construction: (Tiltwall, Build-Out of Existing Facility, Etc.) \_\_\_\_\_

Value of Construction: \_\_\_\_\_

Value of Equipment: \_\_\_\_\_

**Value of Pollution Control Devices:** It is understood and agreed that Applicant will not seek a tax exemption for any equipment or portion of the facility that merely reduces the pollution characteristics of the finished product produced by the facility and that an exemption will only be sought for equipment and technology utilized to reduce pollution at or around the facility.

(7) Productive life of proposed improvements: \_\_\_\_\_ years, or term of initial lease: \_\_\_\_\_.

(8) Number of existing jobs to be retained by proposed improvements: \_\_\_\_\_ (Answer only if the location is already in or near Jefferson County and now employs Jefferson County residents.)

(9) Number and types of new jobs to be created by proposed improvements: \_\_\_\_\_ Include in this answer the number of Jefferson County residents that will be employed.

(10) Amount of Annual local payroll to be created: \_\_\_\_\_.

(11) What percentage and type of jobs to be created will Jefferson County residents have the opportunity to fill? \_\_\_\_\_

(12) Amount property tax base valuation will be increased:  
During term of abatement: \_\_\_\_\_  
After term of abatement: \_\_\_\_\_

(13) The costs to be incurred by local government to provide facilities or services directly resulting from the new improvements: \_\_\_\_\_ (Explain any costs for development or depletion of infrastructure the city is being asked to absorb, if any.)

(14) The amount of ad valorem taxes to be paid to DD6 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.

(15) The population growth of Jefferson County that will occur directly as a result of new improvements: \_\_\_\_\_ (If you relocate to Jefferson County, how many of your employees do you anticipate to relocate?)

(16) The types and values of public improvements, if any, to be made by applicant seeking abatement:

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(List any facilities from which the public might benefit.)

(17) Do the proposed improvements compete with existing businesses to the detriment of the local economy: \_\_\_\_\_.

(18) The impact on the business opportunities of existing businesses:

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(Are there possibilities for local businesses to become suppliers? Any new retail opportunities? If you have previously conducted business within Jefferson County, please provide a list of any and all local/non-local HUB/DBE companies with whom you have worked and the extent of that working relationship.)

(19) The attraction of other new businesses to the area:

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(Will any of your suppliers, customers, parent, or sister companies relocate because of your relocation?)

(20) The overall compatibility with the zoning ordinances and comprehensive plan for the area.

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(21) Describe, including the estimated value, all pollution control devices and other improvements for which you intend to seek TNRCC exemption from taxation.

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- (22) Describe methods/procedures you (and any procurement personnel) will use to provide bidding information to local contractors, manufacturers, and labor to allow them to have sufficient information and time to submit their bids and attend pre-bid meetings to enable them to submit bids in all stages of the procurement process, including but not limited to “bulk buys.” For further clarification, “local” is intended to mean entities that maintain their primary business office (where company policies, financial decisions, and management decisions are made) in Jefferson County.

NOTE: Failure to accurately disclose exempted property may result in a total default under the Abatement Contract, resulting in recapture of previously abated taxes and forfeiture of future abatement.