

County of Coryell }
 }
State of Texas }

RESOLUTION

BE IT HEREBY RESOLVED that this 23rd day of November 2009, the Coryell County Commissioner's Court, after motion and second, resolved as follows:

1. Pursuant to Texas Tax Code §312.402, the Court may enter in tax abatement agreement with the owner or leaseholder of real property located in a reinvestment zone.
2. The Coryell County Commissioners' Court hereby adopts the tax abatement guidelines attached hereto.

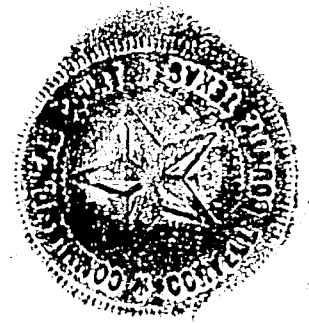
APPROVED BY THE CORYELL COUNTY COMMISSIONERS' COURT THIS 23RD DAY OF NOVEMBER 2009.

ATTEST:

COMMISSIONERS' COURT

[Signature]
County Clerk

[Signature]
John Firth, County Judge



FILED
AT _____ O'CLOCK _____ M
NOV 23 2009
[Signature]
COUNTY CLERK, CORYELL CO. TEXAS

TAX ABATEMENT GUIDELINES
FOR
CORYELL COUNTY, TEXAS

FILED
AT ___ O'CLOCK ___ M

NOV 23 2009

Shelley Simpson
COUNTY CLERK, CORYELL CO. TEXAS

I. INTRODUCTION

In order for the County to enter into tax abatement agreements as inducements for the investment of private resources in productive business enterprises located in the County of Coryell and to create and retain jobs for the residents of the County, it must first have established guidelines and criteria governing tax abatement agreements. The County has previously passed a resolution stating that the County elects to become eligible to participate in a tax abatement program.

II. PURPOSE

The purpose of these guidelines is to establish procedures and criteria for inducing by tax abatement the investment of private resources to establish, expand, or modernize businesses or industries to create new permanent jobs or to retain existing jobs.

III. SCOPE

These guidelines cover the eligibility for tax abatement, the value and term of the tax abatement, the contents of the tax abatement agreement, and the effective period of these guidelines.

IV. ELIGIBILITY

- A. The eligibility of a business or industry to participate in the tax abatement program is determined by the business or industry meeting both of the following requirements. First, the business or industry must create an Ad Valorem Tax Value of \$200,000 or more in new construction, expansion, or modernization of existing property. Secondly, the property on which the construction, expansion, or modernization is to occur is located in a Reinvestment Zone.
- B. Coryell County reserves the right to enter into an agreement in coordination with, and under the same terms and conditions as, a municipality located in the County.
- C. Property owned or leased by a County Commissioner or County Judge is not eligible for tax abatement.
- D. The adoption of these guidelines and criteria by the Commissioners Court does not limit the discretion of the Commissioners Court to decide whether to enter into a specific tax abatement agreement or create any property, contract, or other legal rights of any person to have the Commissioners Court consider or grant a specific application or request for tax abatement.

V. VALUE AND TERM OF ABATEMENT

The criteria for establishing the value and term of the tax abatement authorized are presented below:

Ad Valorem Tax Value Recommended Abatement Schedule

Applicant Category A:

\$200,000 to \$1,499,999	Year 1: 90%
	Year 2: 80%
	Year 3: 70%
	Year 4: 60%
	Year 5: 45%
	Year 6: 25%
	Year 7: 10%

Applicant Category B:

\$1,500,000 to \$2,999,999	Year 1: 90%
	Year 2: 80%
	Year 3: 75%
	Year 4: 65%
	Year 5: 55%
	Year 6: 45%
	Year 7: 35%
	Year 8: 20%
	Year 9: 10%

Applicant Category C:

\$3,000,000 to \$4,999,999	Year 1: 95%
	Year 2: 90%
	Year 3: 85%
	Year 4: 80%
	Year 5: 75%
	Year 6: 60%
	Year 7: 45%
	Year 8: 30%
	Year 9: 20%
	Year 10: 10%

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Applicant Category D:

\$5,000,000 TO \$9,999,000

- Year 1: 100%
- Year 2: 95%
- Year 3: 90%
- Year 4: 85%
- Year 5: 80%
- Year 6: 75%
- Year 7: 65%
- Year 8: 50%
- Year 9: 30%
- Year 10: 15%

Applicant Category E:

\$10,000,000 or more

- Year 1: 100%
- Year 2: 100%
- Year 3: 95%
- Year 4: 95%
- Year 5: 90%
- Year 6: 85%
- Year 7: 75%
- Year 8: 60%
- Year 9: 30%
- Year 10: 15%

VI. TAX ABATEMENT AGREEMENTS

A. The Commissioners Court may include in a tax abatement agreement made with an owner of taxable real property located in a Reinvestment Zone:

1. to exempt from taxation a portion of the value of real property or of the tangible personal property located on the real property, or both, for a period not to exceed ten years, subject to the rights of holders of outstanding bonds of the County, on condition that the owner make specific improvements or repairs to the property;
2. to exempt real property covered by the agreement only to the extent its value exceeds its value in the year the agreement was made;
3. to exempt tangible personal property located on the real property each year covered by the agreement other than tangible personal property that was located on the real property at any time before the period covered by the agreement, and other than inventory or supplies;
4. improvements or repairs by the County to streets, sidewalks and utility services or facilities associated with the property, except that the

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agreement may not provide for lower charges or rates than are made for other services or properties of a similar character;

5. an economic feasibility study, including a detailed list of estimated improvement costs, a description of the methods of financing all estimated costs, and the time when related costs or monetary obligations are to be incurred;
6. a map showing existing proposed improvements and uses in the reinvestment zone; and
7. proposed changes of zoning ordinances, the comprehensive plan, the map, building codes and court orders.

B. The County must include in a tax abatement agreement made with an owner of real property located in a reinvestment zone:

1. a list of the kind, number, and location of all proposed improvements of the property;
2. provisions for access to and inspection of the property by representatives of the County to ensure that the improvements or repairs are made according to the specifications and conditions of the agreement;
3. a limitation of the use 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;
4. provisions 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;
5. contain each term agreed to by the owner of the property;
6. require the owner of the property to certify annually to the County that the owner is in compliance with each applicable term of the agreement; and,
7. provide that the County may cancel or modify the agreement if the property owner fails to comply with the agreement.

C. Pursuant to the authority granted in Texas Property Tax Code §312.206, the County may, at any time before the execution of a tax abatement agreement by a municipality in the County, express an intent to be bound by the terms of the municipal agreement with the owner relating to the property, and may agree that the terms of the municipal agreement regarding the share of the property to be exempt in each year of the municipal agreement apply to the taxation of the property by the County.

VII. EFFECTIVE PERIOD OF GUIDELINES

These guidelines and criteria are effective for two years from the date of adoption. During that period, the guidelines and criteria may be amended or repealed only by a vote of three-fifths of the members of the Commissioners Court.