

**RESOLUTION RE-ADOPTING THE GUIDELINES AND CRITERIA FOR GRANTING TAX PHASE-IN  
IN A REINVESTMENT ZONE CREATED IN WASHINGTON COUNTY**

**WHEREAS**, the creation and retention of job opportunities that bring new wealth to the community is a high civic priority; and

**WHEREAS**, new jobs and investment will benefit the area economy, provide needed opportunities, strengthen the real estate market and generate tax revenue to support local services; and

**WHEREAS**, the communities within Washington County must compete with other localities across the nation currently offering tax inducements to attract new plant and modernization projects; and

**WHEREAS**, any tax incentives offered in Washington County would reduce needed tax revenue unless strictly limited in application to those new and existing industries that bring new wealth to the community; and

**WHEREAS**, any tax incentives should not affect the competitive position of existing companies operating in Washington County; and

**WHEREAS**, the abatement of property taxes, when offered to attract primary jobs in industries which bring in money from outside a community instead of merely re-circulating dollars within a community, has been shown to be an effective method of enhancing and diversifying an area economy; and

**WHEREAS**, effective September 1, 1987, Texas law requires an eligible taxing jurisdiction to establish guidelines and criteria as to eligibility for tax abatement agreements prior to granting of any future tax abatement, said guidelines and criteria to be unchanged for a two-year period unless amended by a three-fourths vote of the participating governing body; and

**WHEREAS**, on December 10, 2013, Commissioners Court passed a Resolution re-adopting the guidelines and criteria for granting tax abatement in a re-investment zone created in the county; and

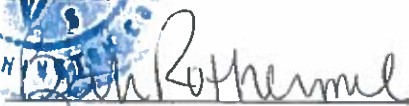
**WHEREAS**, on December 19, 2017, Commissioners Court passed a Resolution re-adopting the guidelines and criteria for granting tax abatement in a re-investment zone created in the county; and


**WHEREAS**, these guidelines and criteria shall not be construed as implying or suggesting that Washington County is under any obligation to provide tax abatement or other incentive to any applicant and all applicants shall be considered on a case by case basis,

**NOW, THEREFORE, BE IT RESOLVED** that the undersigned does hereby re-adopt the attached guidelines and criteria for granting tax abatement in reinvestment zones in Washington County styled as "Policy Statement on Property Tax Phase-in Incentive for Selected Commercial Enterprises", as amended and incorporated herein by reference and effective September 15, 2020.

APPROVED this the 15<sup>th</sup> day of September, 2020.



  
Beth Rothermel, County Clerk

  
John Durrenberger, County Judge  
Washington County

## WASHINGTON COUNTY

### POLICY STATEMENT ON PROPERTY TAX PHASE-IN INCENTIVE FOR SELECTED COMMERCIAL ENTERPRISES

#### I. PURPOSE

Washington County, hereinafter referred to as "the County," is committed to the promotion of high quality development in all parts of the community and to improving the quality of life for its citizens. In order to help meet these goals and to stimulate economic development, the County will consider providing incentives that include, but are not limited to, the property Tax Phase-In incentive, in accordance with the procedures, criteria and guidelines set forth in this Policy and as provided by Chapter 312 of the Texas Tax Code. Nothing in this Policy shall imply or suggest that the County is under any obligation to provide any incentives to any applicant. Each application for the Tax Phase-In incentive under this Policy shall be considered on an individual basis.

#### II. DEFINITION OF TAX PHASE-IN INCENTIVE

Tax Phase-In incentive, as referred to in this Policy, means the partial, temporary exemption from ad valorem taxes on certain qualifying property in a Reinvestment Zone designated by the City or County for economic development purposes. Only ad valorem (property) taxes are eligible for the incentive. Brenham ISD and Blinn College taxes are required to be paid in full at all times.

The attached Glossary is a list of words with their definitions that are found in this document, and the Glossary is incorporated herein by reference.

#### III. GUIDELINES AND CRITERIA

In order to be eligible for property Tax Phase-In incentive, the planned improvement at a minimum must:

- (a) Be a facility used or to be used by a Primary Jobs Employer according to Exhibit A (except for a location in the Downtown Zone).
- (b) The project must add new value to the tax roll of eligible property: a minimum of \$300,000 for a business new to Washington County or \$150,000 for an existing local business. For development in the Downtown Zone, a National Register Historic District, the added value must be a minimum of \$50,000. This is to help maintain the economic viability of the central business district.
- (c) The applicant must maintain or create within the first year and throughout the Tax Phase-In incentive period a minimum of ten (10) jobs at an average salary of \$36,000/year or higher, including any benefits (except for a location in the Downtown Zone).

In consideration of the request for the Tax Phase-In incentive, the following factors will also be considered:

- (1) Jobs The projected new jobs created including the number of jobs, the type of jobs and the average salary per job class.
- (2) Fiscal Impact The amount of real and personal property value that will be added to the tax roll for both eligible and ineligible property, the amount of direct sales tax that may be generated, any infrastructure improvements by the County that will be required by the facility, the infrastructure improvements made by the facility, and the compatibility of the project with the County's master plan for development.
- (3) Valuation at Termination of Tax Phase-In Incentive Period The estimated fair market value, valued at the end of incentive period, of any equipment included in the Tax Phase-In incentive. The economic life of the added-value property must exceed the duration of the granted Tax Phase-In incentive period.

(4) Community Impact

The pollution, if any, as well as other negative environmental impacts affecting the health and safety of the community that will be created by the project;

The revitalization of a depressed area;

The business opportunities of existing local businesses;

The alternative development possibilities for proposed site;

The impact on other taxing entities;

Whether the improvement is expected to solely or primarily have the effect of transferring employment from one part of Washington County to another; and/or,

Whether the product manufactured or service provided by the business competes to a substantial degree with an existing business.

#### IV. TAX PHASE-IN INCENTIVE AUTHORIZED

- (a) Authorized Date A facility shall be eligible for the Tax Phase-In incentive if it has applied for the incentive prior to the commencement of construction and meets the guidelines and criteria under this Policy.
- (b) Creation of New Value Tax Phase-In incentive may only be granted for the additional value of eligible property improvements made subsequent to the filing of an application for the Tax Phase-In incentive and specified in the Tax Phase-In incentive agreement between the County and the property owner and/or lessee, subject to such limitations as the guidelines and criteria may require.

- (c) New and Existing Facilities Tax Phase-In incentive may be granted for new facilities and improvements and for the expansion or modernization of existing facilities and improvements. If the modernization project includes facility replacement, the Tax Phase-In incentive value shall be the tax- appraised value of the new unit(s) less the value of the old unit(s).
- (d) Eligible Property Except as otherwise provided in this policy, the Tax Phase-In incentive may be extended to the value of buildings, structures, fixed machinery and equipment, site improvements plus that office space and related fixed improvements necessary or convenient to the operation and administration of the facility.
- (e) Ineligible Property The following types of property shall be fully taxable and ineligible for property Tax Phase-In incentives:
- land,
  - animals,
  - inventories,
  - supplies,
  - tools,
  - furnishings and other forms of movable personal property,
  - vehicles,
  - vessels,
  - aircraft,
  - housing or residential property (except for property owners in the Downtown Zone),
  - hotels/motels,
  - fauna,
  - flora,
  - retail facilities (except for property owners in the Downtown Zone),
  - deferred maintenance investments,
  - property to be rented or leased except as provided in Part IV (f),
  - 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 or fluids that are not integral to the operation of the facility, or
  - property owned or used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas.
- (f) Owned/Leased Facilities If a leased facility is granted the Tax Phase-In incentive, the agreement shall be executed with the lessor and the lessee and the new value investment shall be combined to calculate the total new value investment. If the lessee removes or reduces its new value investment to the detriment of the lessor, the lessor may annually elect to extend its Tax Phase-In incentive to obtain a replacement lessee. The lessor may obtain the full benefit of the remaining Tax Phase-In incentive period by resuming the Tax Phase-In incentive with the combined value of the replacement lessee by disregarding the Tax Phase-In incentive extension term. The lessor shall not receive any Tax Phase-In incentive during any year where a Tax Phase-In incentive extension has been elected. The Tax Phase-In incentive period, including any extensions, shall never exceed a total of ten years as provided by state law. The replacement lessee may apply for its own Tax Phase-In incentive based solely on its new value investment.

- (g) Value and Term of Tax Phase-In incentive Tax Phase-In incentives shall commence with the January 1 valuation date immediately following the occupancy of the property qualifying for the Tax Phase-In incentive unless otherwise specified by the County. The value of new eligible properties shall be abated according to the approved agreement between applicant and the County. The County, in its sole discretion, shall determine the amount of any Tax Phase-In incentive. The Table 1 and Table 2 Tax Phase-In Incentive Schedules - Exhibit "B", Table 3 in a Downtown Zone (map Exhibit "C"), incorporated herein by reference, shall be the maximum Tax Phase-In incentive available based on total new value investment or added employment for each year during the Tax Phase-In incentive term, whichever is greater.

The total amount of eligible property improvements and jobs created and retained are based on projected property improvements and personnel employed, however, the actual amount of tax phase-in incentives shall be determined annually by Table 1 and Table 2 in Exhibit B based on the actual eligible improvements and the actual number of employees, unless located in a Downtown Zone, in which the total amount of abatement will be derived from Table 3.

If an existing local business has ten to forty-nine (10-49) employees for their base year employment, then the total abatement levels shall be determined from Levels 1-4 in Table 2 of Exhibit B. If an existing local business has fifty (50) or more employees for their base year employment, then the following abatement levels shall be determined from Table 2 in Exhibit B:

- Level 5 – if base year employment is at least 90% for that calendar year
- Level 4 – if base year employment is at least 80% for that calendar year
- Level 3 – if base year employment is at least 70% for that calendar year
- Level 2 – if base year employment is at least 60% for that calendar year
- Level 1 – if base year employment is at least 50% for that calendar year

- (h) Downtown Zone A Tax Phase-In incentive zone within the designated downtown area in the attached Exhibit C, incorporated herein by reference, and any tracts or parcels contiguous to a tract in Exhibit C under common ownership. Tax Phase-In incentive in a Downtown Zone shall receive approval for building plans and specifications by the Main Street Board as a condition of receiving the Tax Phase-In incentive.
- (i) Taxability From the execution of the Tax Phase-In incentive contract to the end of the agreement period, taxes shall be payable as follows:
- (1) The value of ineligible property as provided in Part IV (e) shall be fully taxable.
  - (2) The base year value of existing eligible property as determined each year shall be fully taxable.
  - (3) The additional value of new eligible property shall be taxable in the manner described in Part IV (g).

## V. APPLICATION PROCESS

- (a) Any present or potential owner of taxable property in Washington County may request the creation of a Reinvestment Zone and Tax Phase-In incentive by filing written request with the County Judge.
- (b) The application shall consist of a completed application form accompanied by:
  - (1) A general description of the proposed use and the general nature and extent of the modernization, expansion or new improvements to be undertaken;
  - (2) A descriptive list of the improvements which will be a part of the facility;
  - (3) A map and property description or a site plan, including a legal description of the area proposed for designation as a Reinvestment Zone, as applicable.
  - (4) A time schedule for undertaking and completing the planned improvements;
  - (5) In the case of modernizing or replacing existing facilities, 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;
  - (6) The application form may require such financial and other information as deemed appropriate for evaluating the financial capacity and other factors of the applicant;
  - (7) A schedule reflecting the proposed amount of abated taxes for which the applicant seeks, as well as the anticipated taxes to be paid by the applicant which will not be subject to the Tax Phase-In incentive; and
  - (8) A schedule of the proposed job creation or retention, including details of job type(s), wages and benefits, and the timing of creation of any job within the phase-in period.
- (c) Upon receipt of a completed application, the County Judge shall notify the County Commissioners. Before acting upon the application, the County may conduct an Economic Impact Study. Following this step, the County shall afford the applicant and any other interested persons the opportunity to speak and present evidence for or against the designation of the area as a Reinvestment Zone for the purpose of the Tax Phase-In incentive during a public hearing. Notice of the public hearing shall be clearly identified on an agenda of the County to be posted as required by law. At least seven (7) days before the date of the hearing, notice of the hearing must be 1) published in a newspaper having general circulation in the County; and 2) delivered in writing to the presiding officer of the governing body of each taxing entity having in its boundaries real property that is to be included in the proposed Reinvestment Zone.
- (d) The County shall approve or disapprove the application for designation of an area as a Reinvestment Zone for Tax Phase-In incentive within ninety (90) days after receipt of the application. The presiding officer of the legislative body of the County shall notify

the applicant of the approval or disapproval promptly thereafter.

- (e) A request for designation of an area as a Reinvestment Zone for the purpose of receiving the Tax Phase-In incentive shall not be granted if the County finds that the request for the Tax Phase-In incentive was filed after the commencement of construction or installation of improvements related to a proposed modernization expansion or new facility began.

#### VI. PUBLIC HEARING

- (a) Should the County be able to show cause in the public hearing why the granting of a designation of an area as a Reinvestment Zone for the Tax Phase-In incentive will have a substantial adverse effect on its bonds, service capacity or the provision of service, that showing shall be reason for the County to deny the granting of the application.
- (b) Neither a Reinvestment Zone nor a property Tax Phase-In incentive agreement shall be authorized if it is determined that:
  - (1) There would be a substantial adverse effect on the provision of a government service or tax base of the County.
  - (2) The applicant has insufficient financial capacity
  - (3) Planned or potential use of the property would constitute a hazard to public safety, health or morals.
  - (4) Planned or potential use of the property violates governmental codes or laws.

#### VII. AGREEMENT

- (a) After approval of the application for the designation of an area as a Reinvestment Zone for the property Tax Phase-In incentive, the County shall formally pass a resolution and execute an agreement with the owner of the facility and the lessee involved, if any, which shall include:
  - (1) Estimated value to be abated and the base year value.
  - (2) Percent of value to be abated each year as provided in Part IV (g).
  - (3) The commencement date and the termination date of Tax Phase-In incentive.
  - (4) The proposed use of the facility, nature of construction, time schedule for undertaking and completing the planned improvements, map, property description and improvements list as provided in Application, Part V.
  - (5) Contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, recapture, administration and assignment as provided herein and other provisions that may be required for uniformity or by state law.

- (6) Amount of investment and average number of jobs involved for the period of the Tax Phase-In incentive.
- (7) Said contract shall meet all of the requirements of Texas Tax Code Chapter 312.
- (b) Such agreement shall be executed within ninety (90) days after the later of 1) the date applicant has forwarded all necessary information to the County or 2) the date of the approval of the application.
- (c) The County shall make its own determination of the property Tax Phase-In incentive which shall not bind any other jurisdiction.

#### VIII. ADMINISTRATION

Each Tax Phase-In incentive project will be monitored annually for compliance. The agreement will require the applicant to provide a sworn statement and documents verifying compliance each year. Failure to provide the required documents in the manner outlined herein shall result in termination of the Tax Phase-In incentive agreement.

The terms of the agreement shall include the right of the County to review and verify the applicant's employment records and payroll records in each year during the term of the agreement, and to conduct an on-site inspection of the project in each year during the duration of the Tax Phase-In incentive, and to review such other items as may be reasonable to verify compliance with the terms of the agreement.

The agreement shall stipulate that employees and/or designated representatives of the County will have access to the Reinvestment Zone during the term of the Tax Phase-In incentive to inspect the facility to determine compliance with the terms and conditions of the agreement. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will be conducted in such manner as to not unreasonably interfere with the construction and/or operation the facility. All County inspections will be made with one or more representatives of the company or individual and in accordance with its safety standards.

All proprietary information acquired by any affected jurisdiction for purposes of monitoring compliance with the terms and conditions of a property Tax Phase-In incentive agreement shall be considered confidential to the extent allowed by law.

Compliance will be monitored in the following manner:

- (a) A Compliance Review Committee shall collect from the applicant a sworn statement of compliance and verifying documents and conduct any inspections on or before June 30 of each calendar year. The Committee shall be comprised of 5 representatives, with 2 appointed by the Mayor, 2 appointed by the County Judge and 1 by the Chief Appraiser. They will be appointed by January 30, of even numbered years for a two year term. Any vacancy on the committee will be filled by the designated official who appointed the vacating committee person. The designated official may remove an appointee at any time. The company/individual receiving the property Tax Phase-In incentive shall furnish the Committee with such information as may be necessary to verify compliance, including the number of new or retained employees associated with the facility and their salaries.



- (b) The Chief Appraiser of the County shall annually determine an assessment of the real and personal property in the Reinvestment Zone. This shall be done on or before October 1 of each calendar year.
- (c) The Committee shall provide a report on the status of all Tax Phase-In incentive agreements to the County Commissioners on or before December 15 of each calendar year.

#### IX. DEFAULT

Should the County determine that a company or individual is in default according to the terms and conditions of its agreement, the County shall notify the company or individual in writing at the address stated in the agreement, and if such default is not cured within thirty (30) days or begun to be cured (in the case of a default that cannot reasonably be cured within 30 days) from the date of such notice ("Cure Period"), then the agreement shall be terminated.

In the event that the company or individual:

- (1) allows its ad valorem taxes owed the County to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest; or
- (2) does not create or maintain jobs as outlined in the agreement; or
- (3) if an existing local business falls below fifty percent (50%) of their base year employment number; or
- (4) violates any of the terms and conditions of the Tax Phase-In incentive agreement and fails to cure same during the Cure Period; or
- (5) if the facility is completed and begins producing product or service, but subsequently discontinues producing product or service for any reason excepting fire, explosion or other casualty or accident or natural disaster, for a period of more than one (1) year during the Tax Phase-In incentive period;

then the agreement shall terminate and so shall the Tax Phase-In incentive of taxes for the calendar year during which the agreement is terminated. The taxes otherwise abated for that calendar year shall be paid to the County within sixty (60) days from the date of termination.

#### X. ASSIGNMENT

- (a) The Tax Phase-In incentive may be transferred and assigned by the holder to a new owner or lessee of the same facility upon the approval by resolution of the County, subject to the financial capacity of the assignee and provided that all conditions and obligations in the Tax Phase-In incentive agreement are guaranteed by the execution of a new contractual agreement with the County.
- (b) The contractual agreement with the new owner or lessee shall not exceed the termination date of the Tax Phase-In incentive agreement with the original owner and/or lessee.

- (c) No assignment or transfer shall be approved if the parties to the existing agreement, the new owner or new lessee are liable to the County for outstanding taxes or other obligations.
- (d) Approval shall not be unreasonably withheld.

#### **XI. SUNSET PROVISION**

- (a) This policy is effective upon the date of the adoption and will remain in force for two (2) years, at which time all Reinvestment Zones and Tax Phase-In incentive contracts created pursuant to its provisions may be reviewed by the County to determine whether the goals have been achieved. Based on that review, this policy may be modified, renewed or eliminated, providing that such actions shall not affect existing contracts.
- (b) This policy does not amend any existing Industrial District Contracts or agreements with the owners of real property in areas deserving of specific attention as agreed by the County.
- (c) Prior to the date for review, as defined above, this Policy Statement may be modified by a three fourths (3/4) vote of members each governing body, as provided for under the laws of the State of Texas.

#### **XII. SEVERABILITY AND LIMITATIONS**

- (a) In the event that any section, clause, sentence, paragraph or any part of this Policy Statement shall, for any reason, be adjudged by any court of competent jurisdiction to be invalid, such invalidity shall not affect, impair, or invalidate the remainder of this Policy Statement.
- (b) Property that is owned or leased by the following is excluded from the property Tax Phase-In incentive:
  - (1) a member of the governing body of the City of Brenham or a member of a planning board or commission of the City; or
  - (2) a member of the Commissioners Court or a member of a planning board or commission of Washington County.
- (c) If this Policy Statement has omitted any mandatory requirements of the applicable Tax Phase-In incentive laws of the State of Texas, then such requirements are hereby incorporated as a part of this Policy Statement.

#### **XIII. VARIANCE**

Requests for any variances from this Policy may be made in written form to the County Judge. Such request shall include a complete description of the circumstances explaining why the applicant, company or individual should be granted a variance. Approval of a request for variance requires a three-fourths (3/4) majority vote of the governing body of the County.

## GLOSSARY

- (a) "County" means Washington County, Texas that levies ad valorem taxes upon and/or provides services to property located within the County.
- (b) "Agreement" means a contractual agreement between a property owner and/or lessee and the County for the purpose of the Tax Phase-In incentive.
- (c) "Base year employment" means the average number of employees for each quarter at an existing local business of the year prior to the execution of the agreement.
- (d) "Base year value" means the assessed value of eligible property on January 1 preceding the execution of the agreement plus the agreed upon value of eligible property improvements made after January 1 but before the filing of an application for the Tax Phase-In incentive.
- (e) "Committee" means the Compliance Review Committee, consisting of representatives appointed by the City, County and Chief Appraiser's office to annually review documents verifying compliance of all projects receiving the Tax Phase-In incentive.
- (f) "Deferred maintenance" means improvements necessary for continued operations which do not improve productivity or alter the process technology.
- (g) "Existing Local Business" means a business that has been located in Washington County and has paid property taxes for at least one full year prior to submitting any application for the property Tax Phase-In incentive.
- (h) "Expansion" means the addition of buildings, employees, structures, machinery or equipment for purposes of increasing production capacity.
- (i) "Facility" means property improvements completed or in the process of construction which together comprise an integral whole.
- (j) "Job(s)" shall represent a newly created or a retained employment position on a full-time permanent basis at an average base salary of \$36,000 or higher, including any benefits, whether hired directly or leased through an employee leasing service.
- (k) "Modernization" means the upgrading and or replacement of existing facilities which increases the productive input or output, updates the technology or substantially lowers the unit cost of the operation. Modernization may result from the construction, alteration or installation of buildings, structures, fixed machinery or equipment. It shall not be for the purpose of reconditioning, refurbishing or repairing.
- (l) "New Facility" means improvements to real estate previously undeveloped which is placed into service by means other than or in conjunction with expansion or modernization.
- (m) "Productive Life" means the number of years a property improvement is expected to be in service in a facility.

**EXHIBIT A  
PRIMARY JOBS EMPLOYER DEFINITION**

**Sec. III (a)**

Be a Primary Jobs Employer.

"Primary job" means a job that is:

(i) available at a company for which a majority of the products or services of that company are ultimately exported to regional, statewide, national, or international markets infusing new dollars into the local economy; and

(ii) included in one of the following sectors of the North American Industry Classification System (NAICS):

NAICS Sector #	Description
111	Crop Production
112	Animal Production
113	Forestry and Logging
11411	Commercial Fishing
115	Support Activities for Agriculture and Forestry
211-213	Mining
221	Utilities
311-339	Manufacturing
42	Wholesale Trade
48-49	Transportation and Warehousing
51 (excluding 512131 and 512132)	Information (excluding motion picture theaters and drive-in motion picture theaters)
523-525	Securities, Commodity Contracts, and Other Financial Investments and Related Activities; Insurance Carriers and Related Activities; Funds, Trusts, and Other Financial Vehicles
5413, 5415, 5416, 5417, and 5419	Architectural, Engineering, and Related Services; Computer System Design and Related Services; Management, Scientific, and Technical Consulting Services; Scientific Research and Development Services; Other Professional, Scientific, and Technical Services
551	Management of Companies and Enterprises
56142	Telephone Call Centers
922140	Correctional Institutions

**EXHIBIT "B"**

**TAX PHASE-IN INCENTIVE SCHEDULES**

Applicants may receive property Tax Phase-In Incentive according to the schedules in Tables 1 and 2, depending on their combination of property value creation and job creation/retention.

**TABLE 1** (earns 50% of Incentive)

**1A - Property Improvements by an Existing Local Business**

Level	Amount of Valuation of Eligible Improvements as determined by the Tax Appraisal District		Percent of property tax to be abated each year							
	From	To	1	2	3	4	5	6	7	8
1	\$ 150,000	\$1,000,000	45	40	30	20	0	0	0	0
2	\$1,000,001	\$2,500,000	45	45	40	30	20	0	0	0
3	\$2,500,001	\$4,000,000	45	45	45	40	30	20	0	0
4	\$4,000,001	\$5,500,000	45	45	45	45	40	30	20	0
5	More than	\$5,500,000	45	45	45	45	45	40	30	20

**1B - Property Improvements by a New Business**

Level	Amount of Valuation of Eligible Improvements as determined by the Tax Appraisal District:		Percent of property tax to be abated each year							
	From	To	1	2	3	4	5	6	7	8
1	\$ 300,000	\$1,000,000	45	40	30	20	0	0	0	0
2	\$1,000,001	\$2,500,000	45	45	40	30	20	0	0	0
3	\$2,500,001	\$4,000,000	45	45	45	40	30	20	0	0
4	\$4,000,001	\$5,500,000	45	45	45	45	40	30	20	0
5	More than	\$5,500,000	45	45	45	45	45	40	30	20

**TABLE 2** (earns 50% of incentive)

**2 - Jobs Created & Retained - by New Business or Existing Local Business**

Level	The number of new and/or retained full-time employees with an average salary level of \$36,000+/year including benefits averaged during the twelve calendar months prior to the tax assessment date of January 1:		Percent of property tax to be abated each year							
	From	To	1	2	3	4	5	6	7	8
1	10	19	45	40	30	20	0	0	0	0
2	20	29	45	45	40	30	20	0	0	0
3	30	39	45	45	45	40	30	20	0	0
4	40	49	45	45	45	45	40	30	20	0
5	50 and more		45	45	45	45	45	40	30	20

**TABLE 3 Downtown Zone**

Amount of valuation of  
downtown reinvestment  
determined by tax appraisal:

Percent of property tax to be abated each year

Valuation	1	2	3	4	5	6	7	8
\$ 50,000 to \$150,000	90	90	90	60	40	20	0	0
\$150,001 to \$250,000	90	90	90	90	60	40	20	0
\$250,001 and beyond	90	90	90	90	90	60	40	20

**EXHIBIT C  
MAP OF DOWNTOWN ZONE**

