SECTION 9: Projected Timeline

1. Application approval by school board Q2 2019
2. Commencement of construction Q4 2019
3. Beginning of qualifying time period . . . . . . June 30, 2019
4. First year of limitation 2022
5. Begin hiring new employees Q4 2019
6. Commencement of commercial operations Q4 2022
7. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date *(date your application is finally determined to be complete)*? . . . . . . ☐ Yes ☑ No

   Note: Improvements made before that time may not be considered qualified property.
8. When do you anticipate the new buildings or improvements will be placed in service? Q4 2022

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located: Lamar County
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property: Lamar CAD
3. Will this CAD be acting on behalf of another CAD to appraise this property? . . . . . . ☐ Yes ☑ No
4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:

   County: Lamar County, 0.3940 (100%) *(Name, tax rate and percent of project)*

   City: N/A *(Name, tax rate and percent of project)*

   Hospital District: N/A *(Name, tax rate and percent of project)*

   Water District: N/A *(Name, tax rate and percent of project)*

   Other *(describe)*: Paris Junior College, 0.0850 (100%) *(Name, tax rate and percent of project)*

   Other *(describe)*: N/A *(Name, tax rate and percent of project)*
5. Is the project located entirely within the ISD listed in Section 1? . . . . . . ☑ Yes ☐ No

   5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? . . . . . . ☐ Yes ☑ No

   6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

NOTE: The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as Subchapter B or Subchapter C, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's website at **comptroller.texas.gov/economy/local/ch313/**.

1. At the time of application, what is the estimated minimum qualified investment required for this school district? 10,000,000.00
2. What is the amount of appraised value limitation for which you are applying? 20,000,000.00

   Note: The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? . . . . . . ☑ Yes ☐ No
4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
   a. a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
   b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
   c. a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).
5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? . . . . . . ☑ Yes ☐ No

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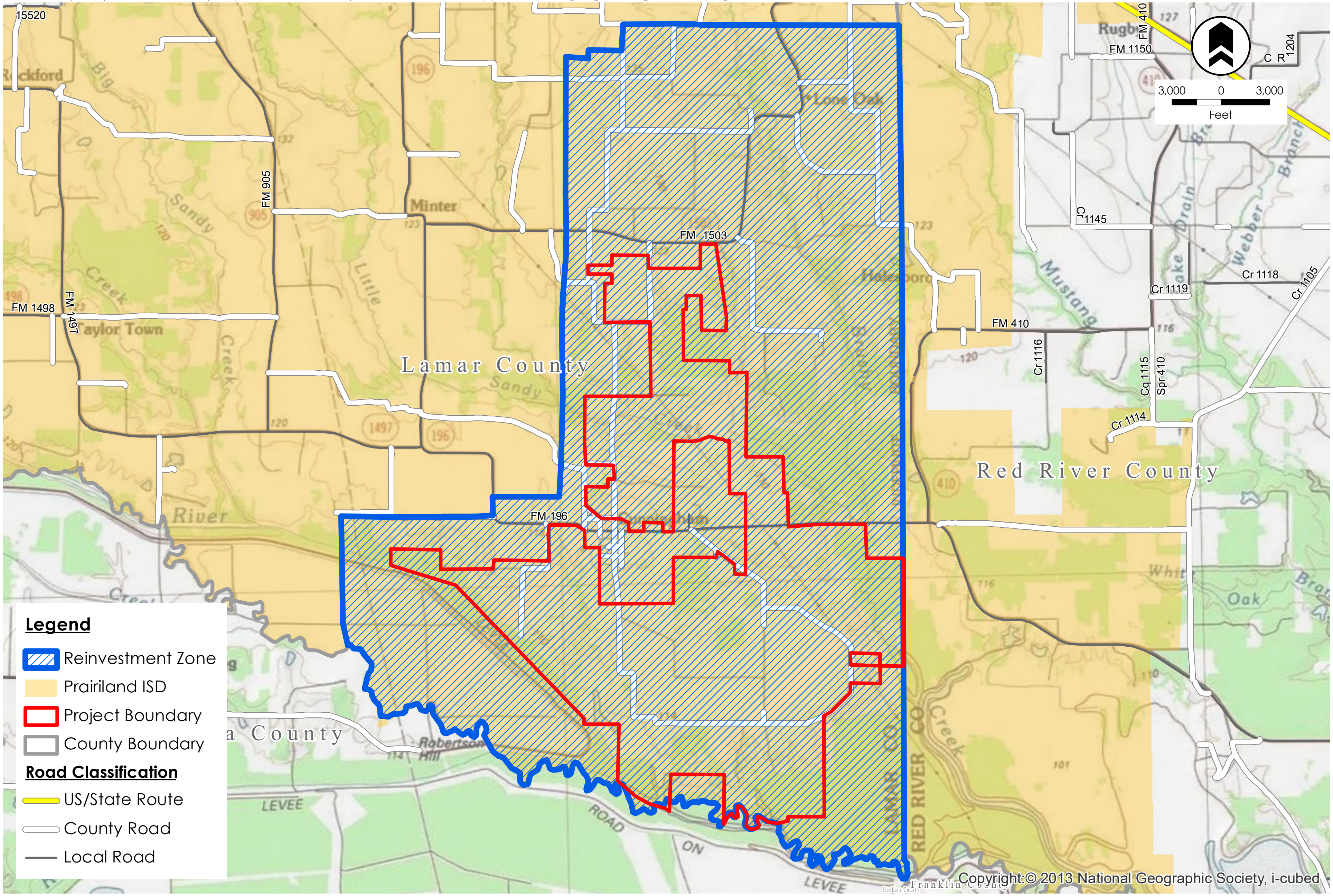

Reinvestment Zone Area Map

Samson Solar Energy Project | Lamar County, Texas

Rev. 00

February 12, 2019

Invenergy

Tab 12 - Jobs Waiver Request Supplement

Invenergy determines on-site staffing needs based upon a number of factors, including the size of the facility, an analysis of the work required to maintain the equipment selected, and temporary resources available to account for unscheduled maintenance needs. Based upon these factors for Project Samson, as well as our experience with other similar projects in the United States, we estimate a staffing need of 1 full-time employee (FTE) per 75-125 MW of output. Again, this is highly dependent upon the economies of scale for the project, plus project design and specific equipment used, which is yet to be determined. Therefore, with a projected output of approximately 500 MW, Samson Solar Energy LLC is estimating a need for four (4) permanent full-time local jobs once Project Samson is fully operational (1 job / 125MW).

(Updated 01-08-18)

POLICY STATEMENT

CRITERIA AND GUIDELINES FOR TAX ABATEMENT

I. General Purpose and Objectives.

The City of Paris (City) and Lamar County Government (County) (collectively, herein called the "Taxing Jurisdictions") are committed to enhancing the competitiveness and expansion potential of local industry; to attracting and encouraging new manufacturing industry and investment; to improving the City of Paris, Lamar County and its infrastructure, which attracts and supports development; and, to expanding the tax base, employment opportunities, and the overall quality of life for its citizens. Therefore, the governing bodies of the Taxing Jurisdictions will give consideration, on a case-by-case basis, to providing tax abatements to the owners of real and personal property for projects that stimulate economic growth and diversification in the geographic areas served by the Taxing Jurisdictions, according to state law and consistent with these policies, criteria and guidelines.

Tax abatements may be made available to industrial, manufacturing, distribution, service facilities, or any "primary jobs" creating industry as defined by the Economic Development Act of the State of Texas. The facility must be currently in, or locating in the areas served by the Taxing Jurisdictions, and located in a designated Enterprise Zone or Reinvestment Zone. New facilities and structures as well as the expansion and modernization of existing facilities and structures, will be considered. Evaluation of a tax abatement request will be based on the information provided in the tax abatement application. However, the City of Paris and Lamar County are under no obligation to provide tax abatements to any applicant.

The Paris City Council acts as the lead entity for projects located in the City limits. The Lamar County Board of Commissioners acts as the lead entity for projects in Lamar County, which are located outside of the City limits. All governing bodies of the Taxing Jurisdictions have adopted like policies, criteria and guidelines and will consider tax abatement requests that qualify thereunder.

II. Definitions.

Definitions are provided as an Appendix A.

III. Designation of a Reinvestment Zone.

For any facility located within the area served by the Taxing Jurisdictions to be eligible for tax abatement it must meet the criteria for designation as a tax abatement reinvestment zone as set forth in the Property Redevelopment and Tax Abatement Act, Texas Tax Code Chapter 312. The City or County may designate an area as a reinvestment zone in accordance with the criteria and procedural requirements set forth in the Property Redevelopment & Tax Abatement Act, as amended (Texas Tax Code Sec. 312.401 (b)). Pursuant to Texas Tax Code Sec. 312.2011, designation of an area as an enterprise zone under Chapter 2303 of the Texas Government Code constitutes designation of the area as a reinvestment zone without further hearing or procedural requirements other than those provided under said Chapter 2303.

IV. Tax Abatement Authorized.

The Taxing Jurisdictions, through their elected governing bodies, may agree in writing with the owner and/or lessee of taxable real and/or personal property that is located in a reinvestment zone, but that is not in an improvement project financed by tax increment bonds, to exempt from taxation a portion of the value of the real property, or of personal property located on the real property, or both. The period of the abatement granted under the agreement shall not exceed the term authorized by law. Such agreement will be based on the condition that the owner or lessee of the property makes specific improvements or repairs to the property. An agreement may provide for the exemption of the real property in each year covered by the agreement only to the extent its value for that year exceeds the base year value. An agreement may provide for the exemption of personal property located on the real property in each year covered by the agreement other than personal property that was located on the real property at any time before the period covered by the agreement. Inventory or supplies cannot be abated as personal property.

Tax abatements may only be granted for additional value of eligible property improvements made subsequent to and specified in an abatement agreement between the Taxing Jurisdictions and the property owner or lessee subject to such limitation as the Taxing Jurisdictions may require. The additional value must exceed any reduction in the fair market value of other property of the owner already on the tax roll within the area served by the Taxing Jurisdictions. Change in appraised value does not qualify for abatement except in an instance where a previously vacant authorized facility is utilized. Value added to the tax rolls must come from actual capital expenditures.

Because the Policy Statement Criteria and Guidelines for Tax Abatement are created for the purposes of economic development and the creation and retention of local jobs, the Paris Economic Development Corporation will be the lead in the effort in articulating this policy to prospects and local businesses considering expansion and the possible use of tax abatements. The negotiation of tax abatement agreements will, therefore, be conducted by the Paris Economic Development Corporation's ("PEDC") executive director, in close consultation with the city manager and county judge, each representing their respective jurisdictions. In determining where and how tax abatements will be utilized, the executive director will examine the potential return on the public's investment. Return on public investment will be measured in terms of (i) jobs created, (ii) jobs retained in cases of existing employers within the Taxing Jurisdictions, and (iii) broadening of the tax base and expansion of the economic base (e.g. capital investment, payroll, local spending, etc.).

V. Eligibility Criteria for Tax Abatement for Real and Personal Property

A property owner and/or lessee shall be eligible for tax abatement only upon the following criteria.

Eligibility Criteria for Tax Abatement	
Authorized Facility	1. An authorized facility is used for manufacturing, research, regional distribution, regional services, regional tourist entertainment, other basic industry, or any primary jobs creating industry. (See Appendix A for definitions.) 2. A new authorized facility must be created, or an existing authorized facility must be improved, modernized or expanded. 3. If a leased authorized facility is granted abatement, the agreement may be executed with the lessor and/or lessee, depending upon the particular circumstances of the proposed project. If the agreement is with the lessor, lessor shall demonstrate binding contracts with the lessee to guarantee compliance with the terms of the agreement.
Eligible Property	1. The property involved must be a newly created, or improvements to an existing, authorized facility. 2. Eligible property for which abatement may be granted includes nonresidential real property and/or tangible personal property not located on the real property at any time before the abatement agreement becomes effective. 3. Abatement may be extended to the value of buildings, structures, fixed machinery and equipment, site improvements, tangible personal property, and that office space and related fixed improvements necessary

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CRITERIA AND GUIDELINES FOR TAX ABATEMENT

	to the operation and administration of the authorized facility. 4. Inventory or supplies shall not be eligible for abatement.
Historic Property	For historic property located in the City of Paris Historic District, see Chapter 30, Article IV of the City of Paris Code of Ordinances – Tax Exemption for Historically Significant Sites. Contact the City of Paris, Community Development Department for additional information on these and other programs offered by the City of Paris.
Value and Term of Abatement	1. The governing bodies of the local Taxing Jurisdictions will decide whether to grant a tax abatement to an applicant, and the amount, if any, of such abatement, on a case-by-case basis and in accordance with these Policies, Criteria and Guidelines. 2. The term of abatements granted under any agreement may not exceed that permitted by applicable state law. 3. The amount of the abatement shall be based upon a percentage (0 to 100%) of all or a portion of the eligible property within the authorized facility. 4. Abatements may only be granted for the additional value of eligible real and personal property improvements made pursuant to and listed in the agreement between the Taxing Jurisdictions and property owner and/or lessee, subject to such limitations as the Taxing Jurisdictions may require. 5. Real property tax abatement may be granted only to the extent that its value for each year of the agreement exceeds its value for the year in which the agreement is executed. 6. If a modernization project includes the replacement of improvements within an authorized facility, the value eligible for abatement shall be the value of the new unit(s), less the value of the replaced unit(s).
Abatement Evaluation Criteria	The criteria used to evaluate a proposed project application for abatement includes, but is not limited to: 1. The dollar amount of the increase in the tax roll. 2. The number of jobs created or retained by the employer involved. 3. The possible effect on attracting other taxable improvements into the Taxing Jurisdictions. 4. The nature of and overall effect on the Taxing Jurisdictions. 5. The effect on the safety, health, and morals of the Taxing Jurisdictions' residents. 6. Any substantial long-term adverse effect on the provision of the Taxing Jurisdictions' services or tax bases. 7. Meeting all relevant zoning requirements. 8. Consistent with the comprehensive plan of the City of Paris and County of Lamar. 9. The types and cost of public improvements and services (water and sewer main extensions, streets and roads, etc.) required of the Taxing Jurisdictions. 10. The types and values of public improvements to be furnished by the applicant.
Economic Qualification	To be eligible to receive tax abatement, the planned improvements: 1. Must be reasonably expected to increase the appraised value of the property. 2. Must be expected to prevent the loss of employment, or assist in the retention or creation of jobs in the Taxing Jurisdictions during the term of the agreement. 3. Should not be expected to solely or primarily have the effect of merely transferring existing employment from one part of the Taxing Jurisdictions to another without demonstration of increased future investment (dollars or jobs) or unusual circumstances whereby without such a move employment is likely to be reduced. 4. Must be necessary because capacity cannot be provided efficiently utilizing existing improved property when reasonable allowance is made for necessary improvements or relevant governmental actions.
Taxability	During the term of the agreement, taxes shall be payable as follows: 1. The base year of eligible property as determined each year by the Lamar County Appraisal District, shall be fully taxable. 2. The additional value of eligible property above the base year value shall be taxable in the manner described in the agreement. 3. The Chief Appraiser of the Lamar County Appraisal District shall annually determine an assessment of the real and personal property comprising the reinvestment zone. 4. Each year, the employer, company or individual receiving an abatement pursuant to an agreement shall furnish the assessor with such information as may be necessary to determine the amount of any abatement. 5. Once such value has been established, the Chief Appraiser shall notify the affected Taxing Jurisdictions which levy taxes on such property and also notify the Paris EDC. 6. The employer, owner or lessee of eligible property requesting tax abatement within a reinvestment zone shall, prior to the commencement of eligible property improvements, agree to expend a designated sum of money and to create or retain a certain number of jobs, or annual payroll as further defined below.

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CRITERIA AND GUIDELINES FOR TAX ABATEMENT

Capital Investment, Payroll and Job Creation Criteria

A tax abatement may be made available to employers who are increasing new capital investment and creating jobs with respect to an authorized facility located anywhere within the area served by the Taxing Jurisdictions based on the following criteria.

1. To be eligible for any tax abatement, there must be a minimum capital investment in the authorized facility of $1,000,000 and at least ten (10) new jobs added to the new employer's labor force.
2. Any project with a capital investment of more than twenty-five million dollars ($25,000,000), AND accompanied by a newly created minimum annual payroll of two and one-half million dollars ($2,500,000), OR creating more than two hundred twenty-five (225) jobs will be individually negotiated.
3. As specified in state law, no abatement will be granted for more than 10 years and the total abatement shall not exceed 100%.
4. A newly created business must be (or will be) located within an enterprise zone or a designated reinvestment zone.
5. The taxing jurisdictions recognize a significant difference in the valuation of real property versus personal property. Because of depreciation schedules, the abatement of personal property could result in a tax exemption. For this reason, the abatement schedule for personal property versus real property may be different. Each industrial account is looked at and valued on an individual basis by the Lamar County Appraisal District (LCAD). The typical depreciation used for industrial accounts by LCAD is as follows:
    a. Computers – 3 year life
    b. Furniture & Fixtures – 10 year life
    c. Vehicles – 7 to 10 year life (depending on type)
    d. Machinery & Equipment – 15 year life (maybe longer or shorter depending on the type)
6. For each abatement request the PEDC will evaluate the equipment (personal property) investment and useful life separate from the real estate (real property) investment to determine the length of the abatement for each.
7. If personal property should become obsolete and be replaced while under an abatement agreement, the replacement personal property is not eligible for abatement.
8. The charts below provide capital investment guidelines to qualify for tax abatement and the related schedule and percentage of abatement.

For Capital Investment ($1M minimum investment AND 10 jobs for new employers.)							
Amount of Investment	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Year 6**	**Year 7**
$1,000,000 to $5,000,000	70%	60%	50%	40%	30%	20%	10%
$5,000,001 to $20,000,000	80%	70%	60%	50%	40%	30%	20%
$20,000,001 to $25,000,000	90%	80%	70%	60%	50%	40%	30%
$25,000,001 and Above	***For projects with capital investment above $25M AND $2.5M in new annual payroll OR creating more than 225 new jobs, the term and percentage of the abatement are both negotiable, but cannot exceed 10 years or 100%.***						

9. An additional 20% abatement for new job creation is available based on the following requirements:
   a. A project that creates a minimum of 10 new jobs.
   b. The new job wages are equal to or greater than the current County average wage for all private sector jobs excluding retail trade and accommodation and food services ($41,158 annually for 2013. Source: Texas Workforce Commission via www.tracer2.com. (*Note: This represents 547 companies, 10,470 jobs and 56% of all private sector employment in Lamar County*.)
   c. The taxing jurisdictions and the company must agree to include measuring, tracking and annual reporting of the net job increases (existing jobs plus new jobs) for the entire term of the abatement agreement.

For *Net* New Jobs (New Job Creation and Retention of Existing Jobs)							
Net New Jobs	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Year 6**	**Year 7**
1. 10 new jobs minimum. 2. New job wages = or > average annual wages for *private sector* jobs in Lamar County. (Excluding retail, accommodations, food service. See Item 9.b. above.) 3. Agree to maintain existing base and new jobs during the entire term of agreement. 4. *Year 1 cannot exceed 100%.	*20%	20%	20%	20%	20%	20%	20%

VI. Tax Abatement for Existing Employers Regarding Real or Personal Property.

The Taxing Jurisdictions recognize the value of its existing employers to the well-being of the City and County. The Taxing Jurisdictions desire to encourage existing employers to remain in the Taxing Jurisdictions and to improve their respective businesses and industries, as well as their profitability.

Accordingly, if an existing employer (as opposed to a newly created business or industry moving into the Taxing Jurisdictions), owns or leases an authorized facility and has plans to improve such property by constructing new improvements on its real property and/or adding new personal property to its authorized facility which qualify for tax abatement under these Policies, Criteria and Guidelines, such employer may be eligible for tax abatement with respect to such improvements to its real property or its new personal property under the provisions of Article V above, even if no new jobs or newly created minimum annual payroll are created.

In projects involving existing employers, the criteria for tax abatements for improvements to real property and for new personal property at authorized facilities set forth in Article V above shall be waived, provided state law is fully complied with.

The local taxing jurisdictions encourage existing employers to retain as many jobs and as much existing annual payroll as is economically feasible for the existing employer, while remaining competitive in its industry.

VII. Greenfield projects

In order to encourage the development of greenfield properties and also to be able to expedite certain new projects, the criteria for tax abatements for improvements to real property and for new personal property at authorized facilities set forth in Article V above shall be waived for projects exclusively involving greenfield properties, provided state law is fully complied with.

VIII. Application Process

Application Process	
Eligibility	Any present or potential owner of taxable property in the Taxing Jurisdictions may request tax abatement by filing a written request with the City Manager or County Judge, with a copy of the application forwarded by the applicant to the Executive Director of the Paris EDC.
Form	The application shall consist of a completed application form accompanied by the following: 1. A general description of the improvements to be undertaken together with the projected new value to the property and the type of business operation proposed. 2. A detailed, descriptive list of the improvements for which abatement is requested. 3. A list of the kind, number, and location of all proposed improvements of the property. 4. A list of the number and type of jobs created, including information pertaining to anticipated job transfers (if any). 5. A metes and bounds description and plat of the proposed reinvestment zone that shows all roadways within 200 feet of the reinvestment zone and all existing zoning and land uses within 200 feet of the reinvestment zone. 6. A time schedule for undertaking and completing the proposed improvements. 7. The type and value of any additional economic development incentives requested. 8. Any other information about the proposed project as may be required by the Taxing Jurisdictions or as deemed desirable by the Taxing Jurisdictions.
Review Process	1. All applications will be initially reviewed by the PEDC executive director. 2. An initial project briefing meeting will be conducted between the company's representatives, the PEDC executive director, the city manager, and the county judge. 3. The PEDC executive director will evaluate the request for tax abatement in accordance with these criteria and guidelines and will make his/her recommendation to the Paris City Council and Lamar County Commissioners Court for their review and possible approval. 4. After the Paris City Council has been briefed on the proposed tax abatement offer and they have directed the PEDC executive director to move forward, the Paris City Attorney will draft the initial tax abatement agreement for review by the PEDC Board and representatives of each Taxing Jurisdiction. 5. Electronic versions of the City's abatement agreement will be provided to the County so all agreements have consistent language, terms and conditions. 6. Following review of the draft agreement, it will be sent to the applicant's legal counsel for review and comment. Any changes requested by the tax abatement applicant will be reviewed by the City Attorney. 7. Once the Agreement is finalized, it will be placed on the PEDC Agenda for board recommendation. 8. Once the Tax Abatement Agreement has been acted on by the PEDC Board, the Agreement shall be forwarded to the Paris City Council and Lamar County Commissioner's Court for final consideration and action.
Public Hearing	1. The Taxing Jurisdictions will comply with certain public notices and hearings required as mandated by state law under the Property Redevelopment and Tax Abatement Act prior to

	the designation of a reinvestment zone and execution of a tax abatement agreement. 2. The lead Taxing Jurisdiction (typically the City of Paris) may adopt an ordinance designating a tax abatement reinvestment zone only after notice of a public hearing has been published at least seven (7) days before the date of the hearing, and all other procedural requirements of Chapter 312 of the Texas Tax Code have been satisfied.
Findings	In order to enter into an agreement, the Taxing Jurisdictions must find that: 1. The terms of the proposed agreement comply with these Policies, Criteria and Guidelines. 2. There will be no substantial adverse effect on the provision of Taxing Jurisdictions' services or tax base. 3. That the planned use of the property will not constitute a hazard to public safety, health or morals. 4. Incident to approval of any ordinance designating a reinvestment zone, the Taxing Jurisdictions shall find that the improvements sought are feasible and practical and would be a benefit to the land to be included in the reinvestment zone and to the Taxing Jurisdictions after the expiration of the agreement.
Variances	Requests for variance from the provisions of these Policies, Criteria and Guidelines may be made in writing to the Taxing Jurisdictions; provided, however, that in no event shall the term of any abatement exceed the period authorized by applicable state law. Such request shall include a complete description of the circumstances requiring a variance. Approval of a request for variance shall require the affirmative vote of three-fourths (3/4) of the members of each of the Taxing Jurisdictions' governing body.
Proposed Agreements Decided on Individual Basis	The adoption of these Policies, Criteria and Guidelines by the Taxing Jurisdictions does not limit the discretion of the Taxing Jurisdictions' governing bodies to decide whether to enter into a specific tax abatement agreement. Nor does it limit their discretion to delegate to their employees the authority to determine whether or not the Taxing Jurisdiction should consider a particular application or request for tax abatement, or create any property, contract, or other legal right in any person or entity to have the Taxing Jurisdiction consider or grant a specified application or request for tax abatement.

VIII. Abatement Agreement Terms and Conditions.

Appendix B provides many of the terms and conditions to be included in any formal tax abatement legal agreement.

IX. Amendments to Policies, Criteria and Guidelines

These Policies, Criteria and Guidelines are effective for a two (2) year period from the date of their adoption, unless amended earlier by the affirmative vote of three-fourths (3/4) of the members of each governing body (City, County).

For a tax abatement application or additional information contact:

Paris Economic Development Corporation
1125 Bonham Street
Paris, Texas 75460
Phone: 903-784-6964
Fax: 903-784-2503
Website: www.paristexasusa.com
Email: parisedc@paristexasusa.com

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POLICY STATEMENT
CRITERIA AND GUIDELINES FOR TAX ABATEMENT

APPENDIX A

Term	Definition
Abatement or Tax Abatement	The full or partial exemption from ad valorem taxes of certain real and tangible personal property in a Reinvestment Zone designated for economic development purposes.
Agreement or Agreements	The written legal agreement for tax abatement between a property owner and/or lessee and the City of Paris, Lamar County and Paris Junior College.
Authorized Commercial or Industrial Facility	A facility may be eligible for abatement if it is a facility used for manufacturing, research, regional distribution, regional services, regional tourist entertainment, other basic industry, or any primary jobs creating industry (see definitions below). All authorized facility definitions include buildings and structures, including fixed machinery and equipment used in operating the facility.
Authorized Residential Facility	The City Council of the City of Paris may also designate areas of the City where residential properties may be considered for abatement of City taxes only. The City of Paris will approve their residential abatement policies, criteria and guidelines separate from these policies.
Manufacturing Facility	The purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change. Facilities primarily engaged in assembling component parts of manufactured products are also considered manufacturing facilities.
Regional Distribution Facility	Used primarily to receive, store, service, or distribute goods or materials where a majority of the goods or services are distributed to points at least 100 miles from its location in the Taxing Jurisdictions of Paris and Lamar County.
Regional Tourist Entertainment Facility	Used in providing amusement/entertainment through the admission of the general public where the majority of users reside at least 100 miles from the Taxing Jurisdictions and where the majority of users are likely to stay in the Taxing Jurisdictions for more than one day and will therefore likely utilize local restaurants and hotel/motel accommodations.
Research Facility	Used primarily for research or experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes thereto.
Other Basic or Service Industry	Not elsewhere described, used for the production of products or services which result in the creation of new jobs and bring new wealth into the Taxing Jurisdictions (e.g. healthcare-related industries).
Primary Jobs Creating Industry	Any industry creating "primary jobs" defined as a job that is 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.
Base Year Value	The assessed value of eligible property as of January 1, preceding the date of execution of the agreement plus the agreed upon value of eligible property improvements made after January 1, but before the execution of the agreement. The Base Year Value may be adjusted either up or down from year to year as per renditions by the Lamar County Appraisal District.
Employer	The owner or lessee of property, who is applying for tax abatement and who will provide jobs and capital investment within the Reinvestment Zone or within the Enterprise Zone.
Reinvestment Zone	An area where the Taxing Jurisdictions have decided to influence development patterns and attract major investments that will contribute to the development of the area through the use of tax abatement for specified improvements. These statues are found in Chapter 312 of the Texas Tax Code.
Enterprise Zone	An area of land designated as such under Chapter 2303 of the Texas Government Code.
Job or Jobs	A "job" is when an individual works 40 hours per week for an employer, and in the position the individual is provided the benefits normally offered by the employer, such as health insurance, vacation and some form of retirement benefit. A job is not a position filled for the employer as a worker or employee of an employment agency or employment service. "Jobs" also includes "Full-time Equivalent Jobs" defined below.
Full-time Equivalent (FTE) Jobs	The intention of the governing bodies is to provide a company the maximum flexibility in running their business and making business decisions, especially related to staffing. The following definition of FTE will be reflected in all incentive agreements. An FTE is: 1. An individual working 40 hours per week in a job defined above. 2. A number of part-time jobs where the hours worked in each such job is less than 40 hours per

	week, made available by one employer and added together to total 40 hours per week. For example, fourteen (14) part-time jobs made available by one employer where all such part-time jobs added together require a total of 380 hours of work per week (but no such part-time job requires 40 hours of work or more per week), will equal nine and one-half (9.5) FTE jobs (380 hours divided by 40 hours per week equals 9.5). 3. FTE jobs do not require the employee to receive benefits from the employer.
Modernization	The replacement and upgrading of existing facilities, which increases the productive input or output, updates the technology, or substantially lowers the unit cost of operation. Modernization may result from the construction, alteration or installation of buildings, structures, fixed machinery or equipment, but shall not be for the purpose of reconditioning, refurbishing, repairing, or deferred maintenance.
Personal Property	Machinery, equipment, tools, shelving or materials eligible under applicable law for tax abatement, which can be removed from an authorized facility.
Property	Real Property or Personal Property defined herein that is eligible for tax abatement.
Real Property	The land within an Enterprise Zone or a Reinvestment Zone, together with all improvements and fixtures constructed or otherwise situated thereon.
Tax Abatement Advisory Committee	The Tax Abatement Advisory Committee will be convened from time to time by the Paris Economic Development Corporation to study, review and recommend tax abatements to the applicable Taxing Jurisdictions in the City of Paris and Lamar County, Texas. The Tax Abatement Advisory Committee will be composed of one person from each of the Taxing Jurisdictions: the City of Paris (the City Manager or designee), the County of Lamar (the County Judge or designee), Paris Junior College (the President or designee), the Chief Appraiser of the Lamar County Appraisal District, and the Executive Director of the Paris Economic Development Corporation. Recommendations from the Tax Abatement Advisory Committee shall be decided by majority vote of the representatives from the three taxing entities referenced above.

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POLICY STATEMENT

CRITERIA AND GUIDELINES FOR TAX ABATEMENT

APPENDIX B

Abatement Agreement Terms and Conditions

After approval, the Taxing Jurisdictions shall formally pass an order or resolution and authorize the execution of an agreement with the owner and/or lessee of the authorized facility, which shall include, but not be limited to the following terms and conditions:

Contract Terms & Conditions	
Project Description	The following project specifics will be included: 1. The base year value. 2. Percent of increased value to be abated each year. 3. The commencement date and the termination date of abatement. 4. Amount of investment and average number of jobs involved during the term of the agreement. 5. The proposed use of the authorized facility, nature of construction, time schedule, plat, property description, and improvement list, as provided in the application. 6. A listing of the kind, number, location, and costs of all proposed improvements of the property. 7. A statement limiting the uses of the property consistent with the general purpose of encouraging development or redevelopment of the reinvestment zone during the period that property tax abatement is in effect. 8. That access to the project is provided to allow for the inspection by Taxing Jurisdictions' inspectors and officials in order to ensure that the improvements or repairs are made according to the specifications and conditions of the agreement. 9. That property tax revenue lost as a result of the tax abatement agreement will be recaptured by the Taxing Jurisdictions if the owner of the property fails to make the improvements or repairs as provided by the agreement. 10. Each term agreed to by the owner of the property. 11. A requirement that the owner of the property shall certify annually to the Taxing Jurisdictions that the owner is in compliance with each applicable term of the agreement. 12. Contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, recapture, administration and assignment, or other provisions that may be required by state law, or in the discretion of the Taxing Jurisdictions' governing body. 13. That the Taxing Jurisdictions may cancel or modify the agreement if the property owner fails to comply with the agreement.
Default	If the Taxing Jurisdictions determine that the person or entity receiving an abatement is in default according to the terms and conditions of its agreement, the Taxing Jurisdictions shall notify the company or individual in writing at the address stated in the agreement, and if such default is not cured within a reasonable time specified in such notice ("cure period"), then the agreement may be modified or terminated without further notice. In the event the company or individual allows its ad valorem taxes owed to the Taxing Jurisdictions to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest, or violates any of the terms and conditions of the agreement and fails to cure during the cure period, the agreement then may be modified or terminated without further notice, and the agreement may provide a formula for recapture of all or part of the taxes abated. At any time before the expiration, any tax abatement agreement may be terminated by mutual consent of all parties involved in the same manner that the agreement was executed.
Confidentiality of Proprietary Information	Information that is provided to a Taxing Jurisdiction in connection with an application or request for tax abatement under these Policies, Criteria and Guidelines, 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 tax abatement is sought is confidential and not subject to public disclosure until the agreement is executed. Such information in the custody of the Taxing Jurisdictions after the agreement is executed is not confidential hereunder.
Inspections	The agreement shall stipulate that employees and/ or designated representatives of the Taxing

(Updated 01-08-18)

POLICY STATEMENT
CRITERIA AND GUIDELINES FOR TAX ABATEMENT

	Jurisdictions will have access to the reinvestment zone during the term of the agreement to inspect the authorized facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after the giving of at least twenty-four (24) hours' prior notice and will only be conducted in such a manner as to not unreasonably interfere with the construction and/or operation of the authorized facility. All inspections will be made with one or more representatives of the company or individual and in accordance with its safety standards. Upon completion of construction, the Taxing Jurisdictions shall annually evaluate each authorized facility receiving abatement to ensure compliance with the agreement and report possible violations of the agreement to the Taxing Jurisdictions governing bodies.
Modifications of Agreement	At any time before the expiration of an agreement made under these Policies, Criteria and Guidelines, the agreement may be modified by the parties to the agreement to include other provisions that could have been included in the original agreement or to delete provisions that were contained in the original agreement. The modification must be made by the same procedure by which the original agreement was approved and executed. The original agreement, however, may not be modified to extend the term of the agreement or the term of the abatement granted therein beyond the time permitted by State law.
Assignment	An agreement may be assigned to a new owner or lessee of the authorized facility only with the prior written consent of the Taxing Jurisdictions. Any assignment shall provide that the assignee shall irrevocably and unconditionally assume all the duties and obligations of the assignor upon the same terms and conditions as set out in the agreement, and the Taxing Jurisdictions' approval shall be subject to the determination of the financial capability of such assignee. Any assignment of an agreement shall be to an entity that contemplates the same improvements or repairs to the property, except to the extent such improvements or repairs have been completed. No assignment shall be approved if the assignor or the assignee is indebted to the Taxing Jurisdictions for ad valorem taxes or other obligations, or if any event of default under the agreement remains uncured.
Administration, Contract Review, Monitoring and Reporting	1. Each Taxing Jurisdiction shall be responsible for the administration, review, and monitoring of tax abatement agreements authorized by them Taxing Jurisdictions under these Policies, Criteria and Guidelines. These responsibilities shall include annually verifying participants in tax abatement agreements are in full compliance with the terms of the agreement, including completion and submission of all required documents in a timely manner. 2. The Paris City Attorney shall expeditiously advise the Taxing Jurisdictions in writing of any instances of contract non-compliance by tax abatement participants. In addition, the Paris City Attorney shall, on an annual basis, conduct a performance review of the activities of each tax abatement participant and report the findings of such review to the leadership and governing bodies of each taxing entity. 3. The Taxing Jurisdictions' governing bodies shall retain the right to independently review and audit the activities of tax abatement participants, and shall be responsible for enforcement of the terms of any tax abatement agreement authorized hereunder. 4. Annually the Paris City Attorney shall report to each of the governing bodies on its monitoring and compliance activities and the status of all existing abatement agreements.