IN THE COMMISSIONERS	§
COURT OF	§
FALLS COUNTY,	§
STATE OF TEXAS	§

Tax Abatement Guidelines and Criteria

The purpose of this document is to reauthorize, clarify or re-establish previously adopted guidelines and criteria for purposes of adopting a uniform policy of tax abatement, and to establish a competitive economic environment to attract commercial investment to Falls County. The use of tax abatement as a tool to encourage a competitive commercial policy will serve to foster a long-term positive environment for economic development within Falls County.

In order to be eligible for the designation of a reinvestment zone and receive tax abatement for improvements within that reinvestment zone, the planned improvement:

1. Must be reasonably expected to have an increase in positive net economic benefit to Falls County of at least Ten Million Dollars ($10,000,000.00) over the life of the abatement, computed to include (but not limited to) new sustaining payroll and /or capital improvement. By "net" economic benefit, it is intended to reflect the benefit realized on the Falls County ad valorem tax base less any costs incurred by Falls County to facilitate the applicant's proposed improvement, such as road infrastructure, use of right-of-way, or other similar costs. The creation of new jobs will also factor into the decision to grant an abatement. jobs (The application should identify the number and type of temporary and new jobs, along with temporary and permanent annual payrolls, as well as average annual salary for each category of employee); and

2. Must not be expected to solely or primarily have the effect of merely transferring employment from one area of Falls County to another.

In addition to the criteria set forth above, the Falls County Commissioners Court reserves the right to negotiate a tax abatement agreement in order to compete favorably with other communities for the Applicant's improvements.

Only projects that increase the fair market value of the property directly resultant from the development, redevelopment, and improvement specified in the contract

will be eligible for abatement and then only to the extent that such increase exceeds any reduction in the fair market value of the other property of an Applicant located within the Affected Jurisdiction creating the reinvestment zone.

All abatement agreements shall be in effect for a term no longer than allowed by law.

It is the goal of Falls County to utilize tax abatements on terms and conditions beneficial to the economic interests of the residents of Falls County, to attract capital investment in Falls County and to serve the beneficial interests of other Affected Jurisdictions having taxing authority within the proposed reinvestment zone. However, nothing herein shall limit the discretion of the Falls County Commissioners Court to consider, adopt, modify or decline any tax abatement request.

These policies and guidelines become effective on the date subscribed below, and shall at all times be kept current with regard to the needs of Falls County and reflective of the official views of the County Commissioners Court of Falls County. Therefore, in accordance with state law, and to facilitate this section, the Commissioners Court shall review and reauthorize, modify or amend these policies and guidelines every two years.

The adoption of these guidelines and criteria by the Falls County Commissioners Court does not:

1. Limit the discretion of the Falls County Commissioners Court body to decide whether or not to enter into a specific tax abatement agreement;

2. Limit the discretion of the Falls County Commissioners Court to delegate to its employees the authority to determine whether or not the Falls County Commissioners Court should consider a particular application or request for tax abatement;

3. The mere filing of an application in conformity with these criteria and guidelines does not vest or create any property interest, contract, or other legal right in any person filing such an application to have the Falls County Commissioners Court grant any such application or request for tax abatement. The Falls County Commissioners Court expressly reserves all rights vested by law to consider, approve, or decline such application for any reason within the sole discretion of the Commissioners Court.

Section 1
Definitions

"Abatement" means the full or partial exemption from ad valorem taxes of certain a portion of the appraised value of property in a reinvestment zone designated by Falls County for economic development purposes.

"Affected jurisdiction" means Falls County and any taxing authority having jurisdiction over land located within the proposed reinvestment zone and also located within Falls County that levies ad valorem taxes upon and provides services to property located within the proposed or existing reinvestment zone designated by Falls County.

"Agreement" means a contractual agreement for tax abatement between a Property Owner and/or Lessee and Falls County.

"Applicant" means any person, including business entities, who file an application in conformity with these guidelines seeking tax abatement from Falls County, Texas.

"Base year value" means the assessed value on the eligible property as of January 1 preceding the execution of the agreement, plus any agreed upon value of eligible property improvements made after January 1, but before the execution of the Agreement.

"Eligible facilities" means new, expanded, or modernized buildings and structures, 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 zone that would be a benefit to the property and that would contribute to the economic development of Falls County, but does not include deferred maintenance of existing facilities. Hotels are not excluded from this definition of eligible facilities.

For purposes of this definition:

"Expansion" means the addition of building structures, machinery, equipment, or payroll for purposes of increasing production capacity.

"Facility" means property improvement completed or in process of construction which when complete will comprise an interconnect whole capable of increasing the ad valorem property value of the land or leasehold estate and providing employment within the county, and further means products, buildings and structures, including machinery and equipment, the primary 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, including the generation of electrical energy or digital information or computer based information.

"Ineligible facilities" means existing facilities which are intended to primarily provide goods or services to residents for existing businesses located in Falls County, such as, but not limited to, restaurants and retail sales establishments.

"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, or equipment, or both.

"New facility" means property previously undeveloped which is placed into service by means other than or in conjunction with expansion or modernization.

"Other Basic Industry" means buildings and structures including fixed machinery and equipment not elsewhere described, used or to be used for the production of products or services, which serve a market primarily outside of Falls County, resulting in the creation of new permanent jobs bringing in new wealth.

"Facility Owner" means the owner of the facility constructed within a reinvestment zone, if not the property owner.

"Property Owner" means the title owner to real property subject to any tax abatement agreement, or a Lessee of the owner responsible for leasehold improvements to the real property.

"Productive life" means the number of years a property improvement is expected to be in service as a function and operational facility. The term includes useful life or economic life of a facility.

Section 2
Abatement Authorized for Development Goals

1. Eligible facilities: Upon application, eligible facilities as defined herein may be considered for tax abatement as hereinafter provided.

2. Creation of New Values: Abatement may only be granted for the additional value of eligible property improvements made subsequent to and as specified in an abatement agreement between Falls County and the property owner or applicant, including a Lessee, subject to such limitations as Falls County may require at its sole discretion.

3. New and existing facilities: Abatement may be granted for the additional value of eligible property improvements made subsequent to and specified in an abatement agreement between Falls County and the Property Owner or Lessee, subject to such limitations as Falls County may require at its sole discretion.

4. Eligible property: Abatement may be extended to the value of buildings, structures, fixed machinery and equipment, site improvements and related fixed improvements necessary to the operation and administration of the facility.

5. Ineligible Property: The following types of property shall be fully taxable and ineligible for tax abatement: land, supplies, tools, furnishings, and other forms of movable personal property, housing, deferred maintenance, property to be rented or leased except as provided in Section 2, property which has a productive life of less than ten years, but does not include spare parts associated with eligible facilities; 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; or any other property for which abatement is not allowed by state law.

6. Owned/leased facilities: If a leased facility is permitted by state law to be granted abatement, the abatement agreement shall be applicable to the taxable value of the leased improvement, and where appropriate, may be executed with both the Lessor and the Lessee, but where the land owner has executed a lease with the

leaseholder, the Lessee alone may seek tax abatement on the value of its leasehold interest in the improvements to the realty.

7. Economic Qualifications: In order to be eligible for designation as a reinvestment zone and receive tax abatement, the planned improvement:

a. Must be reasonably expected to have an increase in positive net economic benefit to Falls County of at least Ten Million Dollars ($10,000,000.00) over the life of the abatement, computed to include (but not limited to) new sustaining payroll and /or capital improvement.; and

b. Must not be expected to solely or primarily have the effect of merely transferring employment from one area of Falls County to another.

c. The applicant must demonstrate sufficient experience in the industry relevant to the application, and sufficient financial capacity to perform the project as proposed.

8. Standards for Tax Abatement/Development Goals: The following factors, among others as may be determined to be relevant by the Falls County Commissioners Court, may be considered in determining whether to grant tax abatement, but this list is illustrative and not exclusive of the matters the Commissioners Court of Falls County may consider:

a. Value of existing improvements, if any;

b. Type and value of proposed improvements;

c. Productive life of proposed improvements; Number of existing jobs to be retained by proposed improvements;

d. Number and type of new jobs to be created by proposed improvements;

e. Amount of local payroll to be created;

f. Whether the new jobs to be created will be filled by persons residing or projected to reside within affected jurisdiction;

g. Must be reasonably expected to have an increase in positive net economic benefit to Falls County of at least Ten Million Dollars ($10,000,000.00) over

the life of the abatement, computed to include (but not limited to) new sustaining payroll and /or capital improvement.

h. The costs to be incurred by Falls County to provide infrastructure directly resulting from the proposed new improvements;

9. The amount of ad valorem taxes to be paid to Falls County during the abatement period considering:

a. the existing values;

b. the percentage of new value to be abated;

c. the difference between current tax revenues being paid upon the relevant property and under the proposed abatement agreement.

d. the length of the abatement period; and

d. the anticipated depreciated remaining taxable value of the improvements after expiration of the abatement period.

10. The population growth of Falls County that occurs directly as a result of new improvements;

11. The types and values of public improvements, if any, to be made by Applicant seeking abatement;

12. Whether the proposed improvements compete with existing businesses to the detriment of the local economy or employment levels;

13. The impact on the business opportunities of existing businesses;

14. The potential for attraction of other new businesses to the area;

15. The overall compatibility with the existing zoning ordinances or regulations and comprehensive economic planning for the area;

15. Whether the project has provisions intended to protect the general health, safety and welfare of Falls County residents who may be impacted by the project, specifically whether the planned improvements include setbacks, visual screening,

noise level limitations or other accommodations which might be reasonably expected of similar projects.

16. Whether the project obtains all necessary permits from the applicable environmental agencies. Satisfactory evidence of compliance with any applicable state or federal regulations will be required.

Each eligible facility 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.

Construction in Progress. If a qualifying facility has not been placed in service within one year after execution of the abatement Agreement, the applicant may apply for a one-year extension of the term of abatement, to be granted or denied in accordance with the Agreement. Said extension must be applied for prior to the expiration of the one-year anniversary of execution of the abatement Agreement.

Denial of Abatement: Neither a reinvestment zone nor abatement agreement shall be authorized if it is determined that:

1. There would be substantial adverse effect on the provision of government services or tax base;

2. The applicant has insufficient financial capacity to perform the obligations of an abatement agreement;

3. Planned or potential use of the property would constitute a hazard to public health, safety or morals;

4. Violation of other codes or laws; or

5. Any other reason deemed appropriate by the Falls County Commissioners Court.

Taxability: From the execution of the abatement to the end of the agreement period, taxes shall be payable as follows:

1. The value of ineligible property as provided in Section 2 (5) shall be fully taxable; and

2. The base year value of existing eligible property as determined by the Chief Appraiser on January 1 of each year shall be determined, and the terms of the Abatement Agreement, if any, will determine to what extent such property values will be taxable and at what rate during the term of any abatement agreement.

The residual, depreciated value of eligible property shall be fully taxable at the end of the abatement period.

Section 3
Application

1. Any present or potential owner of taxable property in Falls County may request the creation of a reinvestment zone and tax abatement by filing a written application with the County Judge.

2. The application shall consist of a written request for tax abatement, accompanied by:

a. An analysis of the net economic impact such an abatement will have on Falls County, including:

b. Estimated tax revenues annually for the term of the requested abatement, taking into account any requested abatement.

c. A comparison between an abatement of taxes and any requested "payment in lieu of taxes" (PILOT) in terms of benefit to Falls County over the proposed term of the abatement period.

d. A declaration of the depreciation method to be applied to the investment and a statement of the expected residual taxable value of the proposed project at the end of the abatement term requested, and the remaining taxable life expectancy of the proposed project.

e. A declaration that remediation of the property to its former state has been anticipated, and that such remediation will not result in the imposition of recovery costs upon the County or underlying land owners where the project is based upon a leasehold interest.

3. A general description of the proposed use and the general nature and extent of the modernization, expansion or new improvements to be undertaken.

4. A descriptive list and approximate taxable value of the improvements which will be a part of the facility;

5. A property description, including a legal description of the property, which may be satisfied by a list of the property parcel identification number used by the Falls County Appraisal District, the title owner to the parcel so identified, and the acreage within each parcel so identified.

6. A map of the proposed reinvestment zone, showing a detailed map of the reinvestment zone, including any county or state-maintained roads providing access to the land to be improved within the reinvestment zone, together with an inset map of where, within Falls County, the proposed reinvestment zone is located. Any affected jurisdictions with taxing authority over land included in the proposed reinvestment zone should be identified as well. The map should be presented in PDF and JPG formats, suitable for publication in a newspaper of general circulation within the county. The use of color should not interfere with the legibility of the map.

7. 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 the County deems appropriate for evaluating the financial capacity and other factors of the applicant.

8. Certification from the Falls County Appraisal District verifying that no taxes are past due on applicant's property located in the proposed reinvestment zone

9. Disclosure of any environmental permits required or additional environmental impacts.

10. A $1,000.00 non-refundable application fee, payable to Falls County, and delivered with the signed application to the office of the County Judge.

11. In the case of a modernization, a statement of the assessed value of the current facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the Application. The County may require such

financial and other information as deemed appropriate for evaluating the financial capacity and other factors pertaining to the Applicant, to be attached to the Application.

12. All checks in payment of the administrative fee shall be made payable to Falls County. In addition to the application fee, which shall be applied to any fee charged by legal or financial analysis of the application, the applicant shall also agree to pay reasonable consulting and attorney fees as may be incurred by Falls County in the examination of the application as well as the preparation and negotiation of any tax abatement agreement. Such fee reimbursement shall not exceed $10,000.00.

13. Falls County shall give notice as provided by the Property Tax Code, i.e. written notice, to the presiding officer of the governing body of each taxing unit in which property to be included within the proposed reinvestment zone and subject of the tax abatement agreement is located not later than the seventh (7^{th}) day before the public hearing and publication in a newspaper of general circulation within such taxing Affected Jurisdiction not later than the thirtieth (30^{th}) day before the public hearing. Before acting upon the Application, Falls County shall, through public hearing, afford the Applicant, the designated representative of any governing body referenced hereinabove, and members of the public the opportunity to appear and provide testimony as to whether the abatement should or should not be granted.

14. If a city within Falls County designates a reinvestment zone within its corporate limits and enters into or proposes to enter into an abatement agreement with a present or potential owner of taxable property, such present or potential owner of taxable property may request tax abatement by Falls County, and shall follow the same application process described in Section 3, et seq, hereof. No other notice or hearing shall be required except compliance with the Open Meetings Act, unless the Commissioners Court deems them necessary in a particular case.

15. Variance. Although a variance is not favored, exceptional circumstances may support a request for variance from the provisions of Section II, in which case such request for a variance may be made in an application or other written form to the Commissioners Court. Such request shall include all the items listed in Section 3(B) and may include a complete description of the circumstances which prompt the applicant to request a variance. The approval process for a variance request shall be identical to that for a standard application and may be supplemented by such additional requirements as may be deemed necessary by the Commissioners Court. To the full extent permitted by applicable law, the Commissioners Court shall have

the authority to enter into an abatement agreement with terms and conditions that vary from the terms and conditions in these Guidelines, but only so long as the Commissioners Court determines that such variances are in the best interests of Falls County. Any terms or conditions contained in an abatement Agreement approved by the Commissioners Court that vary from the terms and conditions in these Guidelines shall automatically be deemed to have been granted an approved variance by the Commissioners Court, shall be binding and enforceable as agreed to in the abatement Agreement, and shall control in the event of any inconsistency or conflict with these Guidelines. A variance granted to any applicant shall not be deemed a variance for any subsequent applicant.

16. Confidentiality Required. Information that is provided to the County 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 Tax Abatement is sought may be deemed as confidential and not subject to public disclosure only if specifically identified by the Applicant, and segregated from the remaining portions of the Application. Once the Tax Abatement Agreement is executed, all attachments to the Abatement Agreement shall become public. All information in the custody of a taxing unit after the Agreement is executed is Public Record, and not confidential.

Section 4
Agreement

The Commissioners Court of Falls County, after review, shall approve or deny an application for tax abatement, and if granted, shall execute an agreement with the Applicant or Owner of the facility and/or Leasehold interest, which shall:

1. Include a list of the kind, number, and location of all proposed improvements to the property and if this is not defined at the time of the agreement, then to be supplemented after construction of the facilities;

2. Provide for reasonable access to and authorize inspection of the property by the affected jurisdiction to ensure compliance with the agreement

3. Limit the use of the property consistent with the affected jurisdiction's developmental goals as stated in Section 2 of the Falls County Tax Abatement Guidelines and Criteria;

4. Provide for recapturing property tax revenues that are lost if the applicant/owner fails to make improvements as provided by the agreement;

5. Include a summary of each term agreed upon with the property owner and require the applicant/owner of the facility to annually certify compliance with the terms of the agreement to each taxing unit and any leasehold agreement with land owners; and

6. Allow the affected jurisdiction to cancel the agreement after notice of default and opportunity to cure if the applicant or owner fails to comply with the terms of the agreement.

a. The owner of the facility and/or Lessee shall also agree to the following:

i. A specified number of permanent full-time jobs at facility shall be created, and the owner and Lessee shall make reasonable efforts to employ persons who are residents of Falls County in such jobs provided, however, that there shall be no obligation to employ residents who are not:

a. equally or more qualified than nonresident applicants;

b. available for employment on terms and / or salaries comparable to those required by nonresident applicants; or

c. able to become qualified with 72 hours training provided by Owner.

b. Each person employed in such job shall perform a portion, if not all, of their work in Falls County.

7. Applicant shall agree that it and its contractors, if any, will use reasonably commercial efforts to maximize its use of goods and services available through Falls County businesses in the construction, operation, and maintenance of the improvements and the project; provided, however, that there shall be no requirement to use goods and services provided by Falls County residents that are not:

a. of similar quality to those provided by nonresidents; or

b. made available on terms and conditions (including pricing) comparable to those offered by nonresidents. Comparable price shall be defined as less than or equal to 105% of the nonresident price for equivalent quality, conditions and terms.

8. Applicant or its construction contractor, if any, shall designate a coordinator of local services who will act as liaison between any individuals, businesses, and contractors residing or doing business in Falls County who are interested in obtaining information about providing goods or services related to the construction of the project.

9. Additionally, Applicant or its construction contractor, if any, shall advertise in local newspapers in Falls County for local contractors to perform work on the construction of the project.

10. Applicant shall agree to maintain a viable presence (as defined below) within the reinvestment zone for a period of time, as set by the Falls County Commissioners Court, not to exceed twenty (20) years from the date that the abatement agreement expires. For purposes hereof, "Maintain a Viable Presence" means (i) the operation of the Eligible Facilities, as the same may from time to time be expanded, upgraded, improved, modified, changed, remodeled, repaired, restored, reconstructed, reconfigured and/or reengineered, and (ii) the retention of not fewer than the number of Qualifying Jobs as defined by Texas Tax Code Section 313.021(3)(E) to be located and performed, in part, within Falls County.

11. On May 1st of each year that the agreement shall be in effect, Applicant shall certify to the County Judge of Falls County, and to the governing body of each taxing unit within the proposed reinvestment zone, that Applicant is in compliance with each applicable term set forth above.

12. Such agreement shall normally be executed within sixty (60) days after the Applicant has forwarded all necessary information and documentation to the Commissioners Court.

Section 5
Recapture

1. In the event that the company or individual:

a. Allows its ad valorem taxes owed Falls County to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest; or

b. Violates any of the terms and conditions of the abatement agreement and fails to cure during the cure period;

c. The agreement them 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.

2. Should the Falls County Commissioners Court determine, in its sole discretion, that the company or individual is in default according to the terms and conditions of its agreement, Falls County shall notify the company or individual 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.

3. In the event that the applicant's facility is completed and begins producing products or services, but subsequently discontinues producing a product or service for any reason for a period of one year during the abatement period, other than because of fire, explosion, or other casualty, accident, or natural disaster, then the agreement shall terminate and so shall the abatement of the taxes for the calendar year during which the applicant's facility no longer produces. The taxes otherwise abated for that calendar year shall be paid to the County within sixty (60) days from the date of termination.

Section 6
Administration

1. The Chief Appraiser of the Falls County Appraisal District will annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year, the company or individual receiving abatement shall furnish the Appraiser with such information as may be necessary for the abatement.

Once value has been established, the Chief Appraiser will notify the Commissioners Court of Falls County of the amount of the assessment.

2. The Agreement shall stipulate that employees and/or designated representatives of Falls County will have access to the Applicant's facilities within the reinvestment zone during the term of the abatement to inspect the facility to determine if the terms and conditions of the Agreement are being met. All inspections will be made only after the giving of reasonable notice and will only be conducted in 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 Applicant, and in accordance with its safety standards.

3. Upon completion of construction, the designated representative of Falls County shall annually evaluate each facility receiving abatement to ensure compliance with the Agreement. A formal report shall be made to the Commissioners Court.

4. Timely Filing. The County shall timely file, with the appropriate person, agency, department, or board of the State of Texas, all information required by the Tax Code.

Section 7
Assignment

1. Abatement may be transferred and assigned by the holder to a new owner or lessee of the same facility only upon the written approval of the Commissioners Court of Falls County. Such approval is subject to the financial capacity of the assignee and provided that all conditions and obligations in the Abatement Agreement are guaranteed by the execution of a new contractual Abatement Agreement with Falls County. No assignment or transfer shall be approved if the parties to the existing agreement, the new owner or new lessee, are liable to any Affected Jurisdiction for outstanding taxes or other obligations.

2. An assignment shall not serve to extend the termination date of the abatement Agreement with the original Applicant, owner or lessee. An assignment may not alter venue provisions of the original agreement

3. Approval of an assignment in conformity with this section shall not be unreasonably withheld.

Section 8
Venue

Any abatement agreement shall be conditioned upon venue for any disputes which may arise under the Abatement Agreement to be retained in courts of appropriate jurisdiction within Falls County, Texas, or appeals to Texas courts of appellate jurisdiction, or the United States District Court having jurisdiction in Falls County, Texas.

Section 9
Sunset Provision

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 vote of the Commissioners Court of Falls County, at which time all reinvestment zones and tax abatement agreements created pursuant to these provisions will be reviewed to determine whether the goals have been achieved. Based on the review, the guidelines and criteria will be modified, renewed, or eliminated.

THESE GUIDELINES ARE HEREBY ADOPTED ON THE 14TH DAY OF MARCH, 2022.

FALLS COUNTY COMMISSIONERS COURT

COUNTY JUDGE

PRECINCT 1 COMMISSIONER

PRECINCT 2 COMMISSIONER

PRECINCT 3 COMMISSIONER

PRECINCT 4 COMMISSIONER

ATTEST:

COUNTY CLERK

Falls County
APPLICATION FOR TAX ABATEMENT

Name of Applicant:

_____Date: / /

Address of Applicant: _____E-mail: _____

City/State/Zip: _____Phone:_____

Name of Representative/Agent:

_____

Representative/Agent E-Mail: _____ Phone: _____

Proposed Name for Reinvestment Zone: _____

1. Please state the approximate current ad valorem tax value of the real property within the proposed reinvestment zone: $_____.

2. Please attach a map of the proposed Reinvestment Zone, JPG format, with sufficient detail to locate the reinvestment zone in relation to highways or county roads that will access the zone, with sufficient contrast to make publication in a newspaper generally legible at a scale of not more than ¼ page, and contain an "inset" map locating the proposed reinvestment zone within the county.

3. Please provide a list of the properties that will be located within the proposed reinvestment zone, by Parcel ID numbers utilized by the County Appraisal District, the current registered owner of each such parcel, the acreage of each parcel, the appraised value of each parcel, and if applicable, the appraised value less any Agriculture Exemption.

4. Please provide a general description of the nature of the proposed project, the types of infrastructure that will be constructed or installed within the proposed reinvestment zone, and a statement as to what improvements will be subject to the abatement and any exclusions from abatement the applicant expects to construct or

install within the proposed reinvestment zone. Please state the Applicant's best estimate of the taxable value of all such improvements. $_____

5. Please state the number and duration of temporary jobs that will be generated by the proposed project, together with the anticipated temporary payroll for the duration of the construction phase of the project.

6. State the number of permanent jobs that will be created. In relation to job creation, please state the anticipated annual payroll for permanent jobs.

7. Please identify any incentives the applicant will make available to attract and retain permanent residential employees to construct, maintain or operated the resulting facilities within the proposed reinvestment zone, such as housing allowances for location of permanent jobs in Falls County, scholarships, etc.

8. Please state whether or not the Applicant intends to seek a reduction in the initial ad valorem tax basis by deducting any federal tax credits from the cost basis or value of the proposed improvements, and if so, the resulting cost basis or value of the improvements for purposes of county ad valorem taxation in the first year such improvements will be taxable by the county.

9. Please state the estimated tax revenues the county can except to receive during each year of any requested abatement, and the method by which this revenue is calculated.

10. Please state the remaining useful life of the proposed project at the conclusion of the abatement period. Please attach a spreadsheet to your application with this calculation, showing the formula used in the calculation. This spreadsheet should show expected revenues to the County both during the requested abatement period, as well as for each subsequent year after the expiration of the abatement period for the duration of the expected useful life of the facilities constructed or installed within the proposed reinvestment zone.

11. Remediation provisions as required by Section 3(d) of the Guidelines.

12. Please provide a comparison between any proposed abatement of taxes based upon a percentage of abatement and the resulting PILOT (Payment in Lieu of Taxes) that might result from the County approving the requested abatement.

13. Please proved a time schedule for undertaking and completing the planned improvements. This timeline should include an anticipated commencement of construction, commercial operations commencement date, and date of first payment of any PILOT or ad valorem tax payment.

14. Please provide certification from the County Appraisal District that any property owned by the Applicant is current in ad valorem tax obligations.

15. Please attach a non-refundable application fee of $1,000.00 to the completed application.

Date:

_____

Authorized Representative or Agent

IN THE COMMISSIONERS COURT
OF
FALLS COUNTY, TEXAS

RESOLUTION AND ORDER DECLARING
ELIGIBILITY TO PARTICIPATE IN TAX ABATEMENT

WHEREAS, on the 14th of March, 2022, the Commissioners Court of Falls County held a public hearing to receive public comment on proposed Tax Abatement Guidelines and Criteria, attached hereto and made a part hereof for all purposes,

WHEREAS, prior to the public hearing, the commissioners court published notice pursuant to Sec. 312.002(c-1) in a newspaper of general circulation within Falls County of its intention to hold the above-referenced public hearing,

WHEREAS, pursuant to Chapter 312, Texas Tax Code, after receiving any public comment offered, the Commissioners Court of Falls County, Texas has determined and elects that the county become **eligible** to participate in tax abatement, and it is hereby RESOLVED that Falls County may participate in said tax abatement in accordance with the attached Tax Abatement Guidelines and Criteria adopted this same day by order of the Court.

WHEREFORE, PREMISES CONSIDERED, the Commissioners Court of Falls County, Texas does hereby find that it is eligible to participate in tax abatement agreements pursuant to the attached guidelines and criteria which are incorporated herein by reference and are to be filed in the minutes of the Commissioners Court with this Order.

It is further ORDERED by the Commissioners Court that the County Judge is hereby authorized to execute, on behalf of Falls County, Texas, such documents as may be necessary to facilitate and implement this Order.

Dated: Adopted on March 14, 2022.

County Judge, Falls County, Texas

Commissioner, Precinct 1

Commissioner, Precinct 2

Commissioner, Precinct 3

Commissioner, Precinct 4

Attest:

COUNTY COURT OF FALLS COUNTY TEXAS

County Clerk, Falls County, Texas