

RESOLUTION NO. 2019-05-02-CC

RENEWAL
A RESOLUTION OF THE RUSK COUNTY
COMMISSIONERS COURT ESTABLISHING
GUIDELINES AND CRITERIA GOVERNING
TAX ABATEMENT AGREEMENTS BY THE
COUNTY OF RUSK, TEXAS

WHEREAS, Texas Tax Code Section 312.002 provides that no municipality or county may designate an area as a reinvestment zone, and that no taxing unit may execute a tax abatement agreement under Texas Tax Code chapter 312, unless it first (i) establishes guidelines and criteria for tax abatement agreements and (ii) adopts a resolution stating that the taxing unit elects to become eligible to participate in tax abatement; and

WHEREAS, the County of Rusk, Texas desires to be eligible to participate in tax abatement under certain circumstances.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners Court of Rusk County, Texas that:

ARTICLE I.

Rusk County, Texas elects to be eligible to participate in tax abatement.

ARTICLE II.

The following guidelines and criteria are hereby established and shall hereafter govern tax abatement agreements by the County of Rusk, Texas:

- (1) Improvements proposed as part of a tax abatement agreement for property located within a duly designated reinvestment zone shall be commenced within one (1) year of the date of said agreement.
- (2) All construction proposed as part of any such improvements shall meet applicable County of Rusk, Texas, Codes and Zoning requirements.
- (3) All property included in a tax abatement shall be maintained in accordance with all applicable County of Rusk, Texas, Codes and Zoning requirements during the term of the tax abatement agreement.
- (4) Throughout tax abatement agreement, the owner(s) or persons in possession and control of the improvements located thereon which is included within an area which is the subject of a tax abatement agreement shall pay all lawfully assessed ad valorem taxes levied on such property before the same shall become delinquent.

- (5) In the event that any improvements constructed as part of a tax abatement agreement are damaged or destroyed, regardless of the cause of such destruction or damage, the same shall be restored in a timely manner, within a time frame to be established by the Commissioners Court, but in no event shall such time period exceed one (1) year.
- (6) For property located in a commercial and/or industrial reinvestment zone, and proposed as the subject of a tax abatement agreement, the following criteria shall apply:
 - a. The proposed improvements must have the effect of increasing the value of the real property upon which they are located; and
 - b. The proposed improvements shall have the effect of adding to the available number of jobs and/or retaining existing jobs in the greater Rusk County, Texas area.
- (7) For residential property located in a residential reinvestment zone, and proposed as the subject of a tax abatement agreement, the following criteria shall apply:
 - a. The proposed improvements shall address the blighting or deteriorating influences on the subject property;
 - b. The proposed improvements shall address building safety, unsanitary or unsafe conditions, or property deterioration; and
 - c. Where applicable, the improvements shall address faulty lot layout with respect to size, accessibility, or usefulness.
- (8) All improvements proposed as part of a tax abatement agreement shall further the purposes established by the Legislature of the State of Texas in Chapter 312 of the Texas Tax Code.
- (9) In accordance with Texas Tax Code Section 312.002, these guidelines and criteria shall not limit the discretion of the County to decide whether to enter into a specific tax abatement agreement. Accordingly, the County may enter into a particular tax abatement agreement whenever it determines that it is in the best interest of the County to enter into such agreement and provide such abatement with respect to a particular applicant. In doing so, the County may vary from the provisions of this Tax Abatement Policy Statement in any respect that is not contrary to state law.

ARTICLE III.

This resolution shall be effective from its renewal on May 08, 2017 for the full period authorized by the law.

PASSED, APPROVED AND ADOPTED this 2nd day of May 2019.



JOEL HALE, COUNTY JUDGE



GREG GIBSON, COMM. PCT 3



W.D. "BILL" HALE, COMM. PCT 1



BENNIE WHITWORTH, COMM. PCT. 4

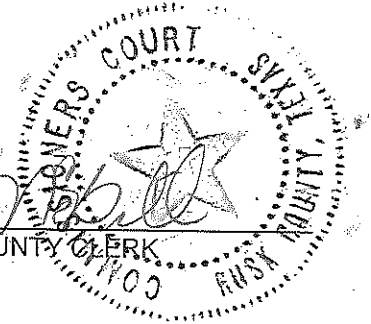


ROBERT KUYKENDALL, COMM. PCT 2

ATTEST:



TRUDY MCGILL, COUNTY CLERK



COUNTY OF RUSK

COMMERCIAL/INDUSTRIAL TAX ABATEMENT
APPLICATION, TERMS AND CONDITION

Name of Company _____

Address _____

(street)

(mailing, if different)

(City)

(State)

(Zip)

Telephone _____

Contact Person _____

I. List kind, number and location of all proposed improvements of the property, both real and personal (attach an additional sheet if necessary):

II. Attach to this application:

(a) a map showing current uses and conditions of real property;

(b) a map showing proposed improvements and uses;

Note – Use a copy of the Rusk County Appraisal District map of your property as the base map for your property. You can get this from their office at 107 North Van Buren, Henderson, for a minimal charge.

III. Attach a metes and bounds description of the property.

TAX ABATEMENT APPLICATION

The County of Rusk Guidelines and Criteria for Tax Abatement establish four levels of tax abatement with the following criteria:

As a minimum, the value of any real or personal property improvements must equal \$100,000 at levels I and II, \$75,000 at level III, and \$50,000 at level IV.

LEVEL I

Creating 25 or more full-time jobs
(\$100,000)

LEVEL II

Creating 15 to 24 full-time jobs
(\$100,000)

LEVEL III

Creating 5 to 14 full-time jobs
(\$75,000)

LEVEL IV

Creating 1 to 4 full-time jobs
(\$50,000)

IV. Company plans to invest \$ _____ in real and/or personal property improvements prior to _____ (date).

V. Company plans to create _____ (number) full-time jobs prior to _____ (date).

VI. The current taxable value of the property of the company is:

Real Estate: _____
Personal Property: _____
Total: _____

VII. The proposed taxable value of the property of the company is:

Real Estate: _____
Personal Property: _____
Total: _____

You will receive a written response to your application for commercial/industrial tax abatement. Should you have any questions, please contact:

JOEL HALE
County Judge
115 N. Main, Suite 104
Rusk County Courthouse
Henderson, TX 75652
903-657-0302

TAX ABATEMENT TERMS AND CONDITIONS

SECTION I: CONDITIONS

- a. All values used shall be established by the Rusk County Appraisal District.
- b. The current taxable value of the property of the Company in the Zone is:

Real Estate	\$	
Personal Property	\$	
Total	\$	
- c. The County of Rusk hereby exempts from ad valorem real and personal property taxation for the term set forth, the value in the Zone in excess of that stated in Section I.b, in accordance with Tax Abatement Terms and Conditions, Section 2: Schedule of Tax Abatement.
- d. The term of the exemption will be for the period of time of _____ years, beginning on January 1, 20_____. After the term expires, the full value of the improvements shall be included on the tax roll and assessed appropriately, and this Agreement shall terminate.
- e. The Company shall, within the term of this Agreement, construct or cause to be constructed upon Company's property in the Zone certain improvements and/or repairs as set forth in Attachment "C" of this Agreement. Such Attachment lists the kind, number and location of all proposed improvements and/or repairs to the property of Company in the Zone.
- f. The Company agrees to build improvements in accordance with all applicable laws, ordinances, codes, rules, requirements or regulations of the County and any subdivision, agency or authority thereof, and prior to commencing shall secure all permits, licenses and authorization required.
- g. Upon completion and inspection by the County of the improvements specified in this Agreement, company and County shall execute a Certificate of Compliance set out in Attachment "G" of this Agreement. A copy of this Agreement shall be sent to the Rusk County Appraisal District.
- h. Should Company fail to make the improvements and/or repairs as provided in this Agreement, then all real and personal property tax revenue lost by the County of Rusk from Company's property in the zone due to this Agreement shall be forthwith paid to the County of Rusk by Company, and this Agreement shall become void.

- j. A map showing proposed improvements and uses to Company's property within the zone is attached and incorporated herein by reference.
- k. The Company agrees to create at least _____ full-time jobs prior to _____.

SECTION 2: SCHEDULE OF TAX ABATEMENT

The County agrees to abate ad valorem taxes on real and personal property improvements of qualified businesses as follows:

Tax abatement on improvements to real and personal property will be granted to qualified businesses creating twenty-five (25) or more full-time jobs according to the following sliding scale:

<u>YEAR</u>	<u>% OF ADDED VALUE TO BE ABATED</u>
1	100%
2	100%
3	100%
4	75%
5	50%
6	25%
7	0%

Tax abatement on improvements to real and personal property will be granted to qualified businesses creating five (5) to twenty-four (24) full-time jobs according to the following sliding scale:

<u>YEAR</u>	<u>% OF ADDED VALUE TO BE ABATED</u>
1	50%
2	50%
3	50%
4	37.5%
5	25%
6	12.5%
7	0%

Tax abatement on improvements to real and personal property will be granted to qualified businesses creating one (1) to four (4) full-time jobs according to the following sliding scale:

<u>YEAR</u>	<u>% OF ADDED VALUE TO BE ABATED</u>
1	50%
2	25%
3	25%
4	25%
5	10%
6	5%
7	0%

Additionally, for qualified businesses creating five (5) to twenty-four (24) full-time jobs, an additional 10% abatement will be granted for each \$100,000 in capital investment or capital improvements up to \$500,000.