

CITY OF IRVING, TEXAS

GUIDELINES AND CRITERIA FOR TAX ABATEMENT AGREEMENTS

I. General Purpose and Objectives

The City of Irving is committed to the promotion of high-quality development in all parts of the City, and to the ongoing improvement in the quality of life for its citizens. Insofar as these objectives are generally served by the enhancement of the tax base and expansion of the local economy, the City of Irving will, on a case-by-case basis, give consideration to providing tax abatement, pursuant to Chapter 312 of the Texas Tax Code, as amended, as an incentive for economic development in Irving. It is the policy of the City of Irving that consideration will be provided in accordance with the guidelines, criteria and procedures outlined in this document. Nothing herein shall imply or suggest that the City of Irving is under any obligation to provide tax abatement to any applicant. All applicants shall be considered on a case-by-case basis.

II. Criteria

A request for tax abatement shall be submitted to the Irving Economic Development Partnership (IEDP) for review and recommendation to the City Council. The applicant will address the following criteria and provide any other relevant information in a format prescribed by the application materials provided by the IEDP. In responding to the following questions, the applicant should indicate the appropriate time frames in which the proposed events and/or resulting impacts will occur, where applicable. The applicant should endeavor to provide the most accurate estimates possible based upon available information, as these will be used to determine the minimum eligibility requirements of the tax abatement agreement, if approved. The applicant may be asked to describe the methodologies utilized to respond to the questions and to supply supporting documentation. The IEDP application forms may include additional questions deemed necessary by the City.

1. Employment Impact

How many new jobs will be created in Irving? How many existing jobs will be retained in Irving? What percentage of new employees will come (a) from outside the City of Irving and (b) from outside the State of Texas? What types of jobs will be created? Are these full or part-time positions? What will be the total projected annual payroll of the newly created jobs? What will be the average annual salary per employee?

2. Proposed Improvements

Identify and describe the kind, number, and location of all proposed improvements to the property and discuss the development schedule of the proposed improvements.
Include

a legal description of the Property. What infrastructure construction will be required to serve the proposed project and what is its estimated cost?

3. Fiscal Impact

How much real and personal property value will be added to the tax roll? What will be the payroll of the employees located in the structure within the City of Irving? How much direct municipal sales tax will be generated? How will this proposed project affect existing business and/or other facilities in the City of Irving? What will the cost to the City of Irving be to provide municipal services to the proposed project?

4. Community Impact

What will be the impact on the City of Irving? What involvement will your business have, or continue to have with not-for-profit organizations in Irving, (including school districts)? What will be the M/WBE participation goal, if any, be for the project? The criteria outlined in this section will be used by the City Council to determine whether or not it is in the best interest of the City of Irving to recommend that incentives be offered to a particular applicant. Specific considerations will include the degree to which the individual project furthers the goals and objectives of the community, as well as the relative impact of the project on the community.

Information provided by the applicant in this Section will be used by the City Council to determine whether it is in the best interest of the City of Irving and other affected taxing entities to grant the tax abatement. Specific minimum qualification requirements will be identified in the tax abatement agreement.

III. Procedural Guidelines

Any person, partnership, organization, corporation, or other entity requesting that the City of Irving consider providing tax abatement to encourage location, expansion, or retention of operations within the city limits is required to comply with the following procedural guidelines. If the applicant is not the legal owner of the real property, a three-way contact between that applicant, the legal owner and the City of Irving would be required. Nothing within these guidelines shall imply or suggest that Irving is under any obligation to provide tax abatement in any amount or value to any applicant.

Application Steps

1. Applicant shall submit a complete application on forms provided by the IEDP and pay a filing fee of \$1,500.00 to cover publication, notice costs and staff time to review and process. The application shall address all criteria questions outlined in Section II above.
2. An applicant for Real Property tax abatement shall prepare a survey map showing the precise location of the property, all roadways within five hundred (500) feet of the site,

all existing land uses and zoning within five hundred (500) feet of the site and the kind, number, and location of all proposed improvements. A complete legal description of the real property (metes and bounds) shall be provided.

3. The City may request that the applicant provide substantiation of the economic feasibility of the overall project to assist in determining the long-term benefit to the City.
4. The applicant shall complete all forms and provide information detailed in this policy and submit them to the Irving Economic Development Partnership (IEDP).
5. All information in the application package detailed above will be reviewed for completeness and accuracy. Additional information may be requested as needed.
6. The application will be distributed to the appropriate City departments for internal review and comments. Additional information may be requested as needed.
7. Copies of the application package and staff comments may be provided to the City Council.

Consideration of the Application

1. The City Council will consider the tax abatement request at meetings conducted pursuant to the Open Meetings Act. Additional information may be requested as needed.
2. The City Council may consider a resolution calling a public hearing to consider establishment of a reinvestment zone. Notice of a hearing will be published according to the rules outlined in Chapter 312 of the Texas Tax Code.
3. The City Council may hold the public hearing and determine whether the project is "feasible and practical and would be of benefit to the land to be included in the zone and to the municipality" after expiration of the tax abatement agreement.
4. The City Council may consider adoption of an ordinance designating the area described in the legal description of the proposed project as a commercial/industrial tax abatement reinvestment zone.
5. The City Council may consider adoption of a resolution which approves the terms and conditions of an agreement between the City and the applicant that governs the tax abatement.

IV. Certification by Owner of Real or Personal Property

During the term of such agreement, the owner will submit a statement annually on or before January 31, for the calendar year just concluded, certifying compliance with the applicable minimum eligibility requirements of the agreement. In the event, the owner does not timely submit the annual certification, there shall be no tax abatement allowed that year. The City shall have the right, if it deems necessary to examine the Owner's appropriate books and records, to

verify information provided by Owner's statement.

V. Previous Tax Abatement Agreements Not Affected

The amendment of the Guideline and Criteria for Tax Abatement Agreements shall not affect any tax abatement previously approved by the City of Irving City Council.