

**CITY OF ARLINGTON, TEXAS**  
**Policy Statement for Tax Abatement**

**I.**

**General Purpose and Objectives**

- A. The City of Arlington is committed to the promotion of high quality development in all parts of the City and to an ongoing improvement in the quality of life for its citizens. Insofar as these objectives are generally served by the enhancement and expansion of the local economy, the City of Arlington will, on a case-by-case basis, give consideration to providing tax abatement as stimulation for economic development in Arlington. It is the policy of the City of Arlington that said consideration will be provided in accordance with the guidelines and criteria outlined in this document. Nothing herein shall imply or suggest that the City of Arlington is under any obligation to provide tax abatement to any applicant. All applicants shall be considered on a case-by-case basis, and the decision to approve or deny tax abatement shall be at the discretion of the City Council. Tax abatement agreements are made with the owners of real property to exempt from taxation a portion of the value of the real property or of tangible personal property, or both. The duration of an abatement may be for a period of time determined appropriate by the City Council, based on the economic life of the improvements and consistent with the provisions of this policy, but in no case for more than 10 years in accordance with state law. Special terms and conditions may be set in the agreement governing each specific tax abatement.
- B. The City Council has designated certain areas of the City as Tax Increment Reinvestment Zones ("TIRZ"). This Policy does apply to property located in a TIRZ. However, a person or entity seeking tax abatement on property owned in a TIRZ should be advised that state law requires a TIRZ's board of directors and the governing bodies of all taxing jurisdictions contributing tax increment revenue to a TIRZ to approve a City tax abatement agreement on property located in that TIRZ before the agreement can take effect. Property located in a TIRZ improvement project financed by bonds or other obligations will not be eligible for tax abatement under this policy.

**II.**

**Definitions**

- A. "Abatement" means the full or partial exemption of ad valorem taxes for eligible properties in a reinvestment zone designated as

such for economic development purposes. Abatement may be granted for either the real property improvements or business personal property but not both unless otherwise allowed in this policy.

- B. "Act of God" means an act occasioned exclusively by violence of nature and in no sense attributable to human action.
- C. "Agreement" means a contractual agreement between a property owner and a taxing authority for the purpose of tax abatement. In no event shall the duration of an abatement term exceed ten (10) years.
- D. "Base Year Value" means the taxable value of the applicant's real property and business personal property, including inventory and supplies, located in a designated reinvestment zone on January 1 of the year of the execution of the agreement as determined by Tarrant Appraisal District.
- E. "Added Taxable Value" means the value above the base year value of real property improvements and business personal property as appraised by the Tarrant Appraisal District. The abatement may be granted for either the real property improvements or business personal property but not both unless in accordance with Article III of this policy the project meets the required criteria and thereby fits within a Level described as "Negotiable"; in which case, abatement of both real and personal property value is a permissible negotiated term within the discretion of the City Council.
- F. "CDBG Eligible Area" means any census tract in which fifty-one percent (51%) or more of the residents in that census tract have low to moderate incomes, as defined by the United States Department of Housing and Urban Development.
- G. "Class A Office Building" is a high quality, well designed office building with excellent location and access using superior materials, workmanship, and finish that can compete for the most prestigious tenants. The minimum size of a Class A Office Building shall be 20,000 square feet per floor or a building total of 60,000 square feet except for Downtown Arlington. The minimum size of a Class A Office Building in Downtown Arlington shall be 7,500 square feet per floor or a building total of 20,000 square feet.
- H. "Class A Medical Office Building" is a Class A Office Building featuring additional capabilities required to serve as functional

workspace for the performance of medical service delivery or medical research.

- I. "Economic Life" means the number of years a property qualifies for depreciation under the Internal Revenue Service Code (Section 168) Modified Accelerated Cost Recovery System.
- J. "Expansion" means the addition of buildings, structures, fixed machinery, or equipment for the purpose of increasing production capacity or revenues.
- K. "Facility" means property improvements completed or in the process of construction which together comprise an integral whole.
- L. "Full Service Hotel" is a well designed building offered as temporary lodging with excellent location and access using superior materials, workmanship and finish. Full Service Hotels will feature a distinctive lodging and dining experience and will house, be co-located with or located in proximity to convention facilities capable of handling a minimum of 1,000 people. The quality of the facility will meet or exceed the minimum standards required to qualify as a four star or four diamond hotel.
- M. "Job" means a permanent, full-time employment position that has provided or will result in employment of at least 1,820 hours per position in a year. Part-time positions shall not be included in this definition.
- N. "Modernization" means the replacement and upgrading of existing facilities which increase the productive input or output, updates the technology, or substantially lowers the unit cost of operation, and extends the economic life of the facility. Modernization may result from the construction, alteration, or installation of buildings, structures, fixed machinery, or equipment. It shall not be for the purpose of renovation, reconditioning, refurbishing, repairing, or completion of deferred maintenance, except in enterprise zones.
- O. "New facility" means a property previously undeveloped which is placed into service by means other than expansion or modernization.
- P. "Reconstruction" means to replace or rebuild a portion or all of a facility that has been damaged by Act of God when the damage from the Act of God has resulted in at least a 60% reduction in value of the facility as compared to the value immediately prior to the Act of God as finally determined by Tarrant Appraisal District.

The facility owner shall have the burden to prove the required decrease in value to the satisfaction of the City Manager or his designee prior to consideration by the City Council of a tax abatement application for a Reconstruction project.

- Q. "Reinvestment Zone" is an area designated as such for the purpose of tax abatement as authorized by Subchapter B, Municipal Tax Abatement, Title 3, Local Taxation, Vernon's Texas Codes Annotated.
- R. "Supply and Service Expenses" are discretionary expenses incurred during the normal maintenance and operation activities of a business.
- S. "Target Industry" is an industry identified as a target industry in the City's Policy Statement for Tax Abatement and Exhibits thereto, as amended from time to time.
- T. "Value," when used in this Policy, shall mean value as determined by an appraisal prepared by Tarrant Appraisal District, unless otherwise specified. If a facility is damaged by an Act of God and an appraisal of the damaged facility is not available from Tarrant Appraisal District when needed in order to comply with the duty established in Section II.K. of this Tax Abatement Policy, "decrease in value" may be determined by an independent appraiser agreed upon by the City and either the owner of a facility or applicant for a tax abatement. The term "value added" means increase in appraised value.

### III.

#### Abatement Authorized

- A. Eligible Facilities: Tax abatement may be granted for new facilities, expansion, modernization or reconstruction of existing facilities. The economic life of a facility, and/or eligible property must exceed the duration of the abatement.
- B. Eligible Property: An applicant may apply for abatement on either the real property improvements or business personal property eligible for abatement in accordance with this agreement, whichever is higher, unless otherwise negotiated in accordance with this Policy. Tax abatement may not be granted for both real property improvements and business personal property, for a particular project specified on the tax abatement application, unless the abatement fits within a Level with a percentage listed negotiable in this Article III. Inventory and supplies are not eligible for tax abatement.

- C. Business personal property tax abatement shall be limited to owner-occupied properties.
- D. While the subject Policy applies to property located within a Tax Increment Reinvestment Zone ("TIRZ"), only projects that fit within a Level designating the percentage abatement as "negotiable," shall be eligible for tax abatement.
- E. A project that fits within the "Hospitality and Tourism" industry cluster (see **Exhibit "A"** of this Policy), shall be eligible for tax abatement only upon a finding by the City Council that the project will make a unique or unequalled contribution to the economy, development, redevelopment, tourism or employment opportunities in the City of Arlington.
- F. Except as otherwise provided in this subsection D., if the retail sale of merchandise is the primary use and purpose of a project, tax abatement may be granted for the project only upon a finding by the City Council that the project will make a unique or unequalled contribution to the economy, development, redevelopment, tourism or employment opportunities within the City of Arlington. In Downtown Arlington, tax abatement may be granted for retail development if the City Council determines that the project for which abatement is sought is consistent with and in furtherance of the "Downtown Arlington Unified Master Plan" as adopted by Resolution 04-520 and as may be subsequently amended.
- G. **Criteria and Abatement Guidelines:** Tax abatement may be granted for eligible facilities on all or a portion of the increased taxable value of eligible property over the Base Year Value. The percentage of taxes abated and the duration of the abatement, or any other limitation or condition included in this Policy and not required by state or federal law, may vary from these guidelines based on a determination by the City Council that granting tax abatement for a particular project is consistent with the economic development objectives of the City of Arlington.

Any person, organization or corporation may request tax abatement by filing an Application for Incentives as described in Section IV. Consideration will be given to requests from applicants for the confidentiality of proprietary information, consistent with state law.

The City Council has adopted these tax abatement guidelines for designated areas of the City:

1. Downtown Arlington Guidelines (As defined in **Exhibit "B"**)

Projects in Downtown Arlington may be granted abatement in accordance with the guidelines shown below for either the real property improvements or business personal property, but not both, unless negotiated under the guidelines of Section III.G.12.

<b>Level</b>	<b>Added Taxable Value*</b>	<b>Maximum Abatement %</b>	<b>Maximum Term</b>
Level I	\$50,000	50% Real or BPP	2 Years
Level II	\$100,000	65% Real or BPP	4 Years
Level III	\$250,000	80% Real or BPP	6 years

*\*Added Taxable Value may be met by including the appraised value of real property improvements and business personal property as determined by the Tarrant Appraisal District's Official Tax Rolls, but the abatement may be granted only on either the real property improvements or business personal property (BPP).*

2. Great Southwest Industrial District Guidelines (As defined in **Exhibit "C"**)

Projects in the Great Southwest Industrial District, area may be granted abatement in accordance with the guidelines shown below for either the real property improvements or business personal property, but not both, unless negotiated under the guidelines of Section III.G.12.

<b>Level</b>	<b>Added Taxable Value*</b>	<b>Job Guidelines **</b>	<b>Maximum Abatement %</b>	<b>Term</b>
Level I	\$500,000	25-49	25% Real or BPP	5 Years
Level II	\$2,500,000	50-100	35% Real or BPP	5 Years
Level III	\$10,000,000	101-250	50% Real or BPP	7 Years
Level IV	\$15,000,000	251-499	65% Real or BPP	7 Years
Level V	\$30,000,000	500+	Negotiable, not to exceed 90%	Up to 10 Years

*\*Added Taxable Value may be met by including the appraised value of real property improvements and business personal property as determined by the Tarrant*

*Appraisal District's Official Tax Rolls, but the abatement may be granted only on either the real property improvements or business personal property (BPP).  
 \*\*Job Guidelines apply only to owner-occupied properties.*

3. I-20 Corridor Guidelines (As defined in **Exhibit "D"**)

Projects in the I-20 Corridor, eligible facilities may be granted abatement in accordance with the guidelines shown below, if the eligible facilities are classified as a Target Industry; or, in the alternative, the Added Taxable Value in the eligible facilities must exceed Thirty Million Dollars (\$30,000,000.00). Abatement may be granted for either the real property improvements or business personal property but not both unless negotiated under the guidelines of Section III.G.12.

<b>Level</b>	<b>Added Taxable Value*</b>	<b>Jobs Guidelines**</b>	<b>Maximum Abatement %</b>	<b>Maximum Term</b>
Level I	\$2,500,000	25-49	25% Real or BPP	5 Years
Level II	\$5,000,000	50-100	35% Real or BPP	5 Years
Level III	\$10,000,000	101-250	45% Real or BPP	7 Years
Level IV	\$15,000,000	251-499	55% Real or BPP	7 Years
Level V	\$30,000,000	500+	Negotiable, not to exceed 90%	Up to 10 Years

*\*Added Taxable Value may be met by including the appraised value of real property improvements and business personal property as determined by the Tarrant Appraisal District's Official Tax Rolls, but the abatement may be granted only on either the real property improvements or business personal property (BPP).*

*\*\*Job Guidelines apply only to owner-occupied properties.*

4. Guidelines for Abatement in Other Areas of the City

To be considered for tax abatement in other areas of the City, eligible facilities should be classified as a Target Industry and result in a minimum added value of One Million Dollars (\$1,000,000.00) in real property improvements and business personal property (excluding inventory and supplies). If the eligible facilities are not classified as a Target Industry the Added Taxable Value in the eligible facilities must exceed Thirty Million Dollars (\$30,000,000.00). Abatement may be granted for either the

real property improvements or business personal property but not both unless negotiated under the guidelines of Section III.G.12.

Tax abatement agreements in this category, defined as an area other than the above-referenced Downtown Arlington, Great Southwest Industrial District, or I-20 Corridor, may be granted as Level I, II, or III abatements.

Below is a table showing the minimum Added Taxable Value, maximum permissible percentage of taxes abated and the duration of the abatement agreement for each level of tax abatement in this category.

Level	Added Taxable Value*	Job Guidelines**	Maximum Abatement %	Maximum Term
Level I	\$1,000,000	5-49	20% Real or BPP	5 Years
Level II	\$5,000,000	50-100	30% Real or BPP	5 Years
Level III	\$10,000,000	101-250	40% Real or BPP	7 Years
Level IV	\$30,000,000	251+	Negotiable, not to exceed 90%	Up to 10 Years

*\*Added Taxable Value may be met by including the appraised value of real property improvements and business personal property as determined by the Tarrant Appraisal District's Official Tax Rolls, but the abatement may be granted only on either the real property improvements or business personal property (BPP).*

*\*\*Job Guidelines apply only to owner-occupied properties.*

5. Business Expansion Projects for Existing Arlington Businesses  
(As defined in **Exhibit "E"**)

To be eligible for tax abatement under this Policy, a Business Expansion Project must meet the following criteria:

- (i) Be located in a CDBG Eligible Area or Council adopted strategic priority area; and (ii) Have been in business continuously for at least six months prior to the submission of an Application to the City for Tax Abatement, and (iii) the Added Taxable Value in the eligible facilities must exceed \$250,000.

Abatement may be granted for either the real property improvements or business personal property but not both unless negotiated under the guidelines of Section III.G.12.

Below is a table showing the minimum Added Taxable Value, maximum permissible percentage of taxes abated and the duration of the abatement agreement for each level of tax abatement for Business Expansion Projects.

<b>Level</b>	<b>Added Taxable Value*</b>	<b>Job Guidelines</b>	<b>Maximum Abatement %</b>	<b>Term</b>
Level I	\$250,000	25-49	20% Real or BPP	5 Years
Level II	\$500,000	50-100	50% Real or BPP	5 Years
Level III	\$1,000,000	101-200	50% Real or BPP	7 Years
Level IV	\$5,000,000	200+	65% Real or BPP	7 Years

*\*Added Taxable Value may be met by including the appraised value of real property improvements and business personal property as determined by the Tarrant Appraisal District's Official Tax Rolls, but the abatement may be granted only on either the real property improvements or business personal property (BPP).*

*\*\*Job Guidelines apply only to owner-occupied properties.*

6. Bonus Levels

In addition to the percentage of taxes eligible for abatement stated in this Article III, an applicant may be eligible for a bonus percentage for the same duration as the abatement granted. In no event may the abatement (including bonuses) granted to an applicant exceed 90% unless the project fits within a Level designated by this Article as negotiable, in which case the maximum abatement may not exceed an average of 90% over the term of the abatement agreement.

The following chart shows the conditions to be met to qualify annually for a bonus percentage, and the maximum percentage permissible for each condition met.

**Bonus Category and Conditions** **% Bonus Abatement**

Bonus Category: Wages - 10% Real or BPP

The median wage of persons employed at the site of the project in the City of Arlington exceed the City's median wage

Bonus Category: Arlington and/or  
Certified Minority/Women-Owned Contractors,  
Suppliers and Service Providers 10% Real or BPP

Must show Arlington Contractors and/or Certified Minority/Women-Owned Contractors are utilized for a minimum of 30% of the total costs for the project's Construction, Supply and Service Expenses

Bonus Category: Target Industry 10% Real or BPP

Primary NAICS code of the firm must be defined as a Target Industry (see **Exhibit "A"** of this Policy)

**Bonus Terms Defined:**

a. "Median Wage":

- (1) The Median Wage for Arlington will be determined by the Median Earnings for Workers as reported by the most recent release of the American Community Survey available at the time the application is submitted to the City.

To qualify, an applicant's median wage must exceed the figure determined by multiplying the reported Margin of Error for Median Earnings for Workers times 1.20 and adding this figure to the reported estimate of Median Earnings for Workers. If Margin of Error is not reported, the figure that an applicant's median wage must exceed will be determined by taking the difference between the reported High Estimate and Estimate and multiplying the difference by 1.20 and adding this figure to the Estimate.

- (2) A facility attempting to qualify for additional levels of abatement under this provision will determine their median wage by considering the gross annual income of the jobs in the facility when ranked by gross annual income for the most recent full calendar year.

- (3) Demonstrating that the value described in item (2) exceeds the value described in item (1) will satisfy qualification for additional abatement under this provision.
  - b. "Arlington and/or Minority/Women-Owned Certified Contractors" means a contractor certified by a local, state or federal agency as a minority or woman-owned contractor, supplier or service provider, or certified by the applicant to be an Arlington contractor.
  - c. "Target Industry Cluster" is described in **Exhibit "A"** to this Policy, attached and made a part of this Policy for all purposes.
7. The maximum percentage of tax abatement granted in accordance with this policy statement shall not exceed 90% or if a project fits within a Level designating the percentage abatement as "negotiable," the maximum average percentage abatement over the duration of the Agreement cannot exceed 90%.
8. A project that fits within the definition of "Reconstruction" is eligible to be considered for tax abatement without meeting the minimum Added Taxable Value requirements established in this Article III. However, to be considered for tax abatement, the Reconstruction project must result in either a. or b. as follows, whichever is greater:
  - a. Eligible Property that adds value equal to or exceeding 60% of the applicable minimum Added Taxable Value requirement as established in this Article.
  - b. Eligible Property that restores the value of the facility to an amount equal to or exceeding the value of the facility immediately prior to the Act of God as such value is established by the most recent appraisal of the facility by Tarrant Appraisal District conducted prior to the damage caused by the Act of God.
9. In cases where the Added Taxable Value guidelines are met for a particular Level but the minimum number of Jobs requirement is not met, the company may qualify for the percentage abatement authorized or the next lower Level.
10. In cases where the Added Taxable Value requirements are met for Level 1 but the minimum number of Jobs requirement is not

met, the company may qualify by demonstrating qualification for the Wages Bonus Level. In these cases, the Wages Bonus Level only qualifies a company for a Level 1 abatement, the company does not receive additional abatement for qualifying for the Wages Bonus Level.

11. In cases where the Jobs requirement are met for a particular Level but the minimum amount of Added Taxable Value is not met, the company may qualify for the percentage abatement authorized by the next lower level, provided the company can demonstrate meeting the Added Taxable Value required for Level 1 and the wage levels specified in III.G.6.a.2. In these cases, the wage criteria is an additional qualification requirement, the company does not receive additional abatement for qualifying for the Wages Bonus Level.
12. Notwithstanding the guidelines above, the City Council may grant tax abatement if the City Council finds that the abatement is in the public interest because it will facilitate at least one of the following objectives:
  - a. Increase or preserve tax base
  - b. Finance or improve public infrastructure
  - c. Provide quality employment opportunities in the City, or upgrade the skills of existing employees so as to support their advancement to higher-paying jobs
  - d. Provide or help acquire or construct public facilities
  - e. Contribute to the redevelopment or renewal of distressed areas
  - f. Contribute to the diversity and quality of Arlington's business community

H. Additional Criteria: The following additional criteria will be considered in determining the maximum value of tax abatement:

1. Degree to which the project meets the objectives of the City's and Chamber's Economic Development Strategic Plan and other goals of the City's Comprehensive Plan.
2. Degree to which the project makes a substantial contribution to redevelopment efforts or special area plans by enhancing either functional or visual characteristics, e.g. historical

structures and facades, traffic circulations, parking, materials and urban design.

3. Number and types of jobs to be created or retained as a result of the project.
4. Sales taxes, hotel taxes or other incomes that would be generated by the project to the benefit of local taxing authorities.
5. Offsite infrastructure investment to be made by applicant as a result of the project.
6. Degree to which the project minimizes investment by the taxing authorities in order to serve the project.

#### IV.

#### Procedural Guidelines

A. Any person, organization or corporation may request tax abatement by filing a written application with the City Manager of the City of Arlington. Consideration will be given to requests from applicants for the confidentiality of proprietary information, consistent with state law.

1. An Application for Incentives form must be completed and signed by an officer of the company with corporate signature authority. The Application must be submitted to the City of Arlington City Manager's Office prior to application for a building permit or issuance of a certificate of occupancy, whichever occurs first, for the project to which the incentive application pertains. The legal entity requesting the tax abatement must be properly formed prior to making an application.

Section V outlines the process for consideration of an abatement request. In order to have an incentive agreement considered and executed in the same year application is made, a completed application should be submitted to the City of Arlington City Manager's Office by October 15th.

2. Applicant shall prepare a descriptive list of the improvements for which abatement is requested. This list shall include the class life of the improvements based on the Internal Revenue Service Code (Section 168) Modified Accelerated Cost Recovery System.

3. Applicant shall prepare a plat or map showing the precise location of the property, location of proposed improvements, all roadways within five hundred feet (500') of the site, and all existing land uses and zoning within five hundred feet (500') of the site.
  4. Applicant shall address all criteria outlined in Section III, Item E in letter format. In the case of a modernization or expansion, applicant shall also include a statement of the facility's current property value, stated separately for real property improvements and business personal property.
  5. Applicant shall prepare a time schedule for undertaking and completing the planned improvements.
  6. Applicant shall provide a tax certificate verifying that no taxes are past due on applicant's property located within the proposed reinvestment zone.
  7. Applicant shall disclose all insurance matters dealing with a loss of existing facilities, including, but not limited to: proceeds from any insured loss, denial of any claim, or such information as required by the City. Such disclosure shall be provided by the insurer through the applicant. The City Council shall consider such information in determining whether tax abatement is advisable to induce reconstruction of damaged property.
- B. Upon receipt of a completed application, the City Manager, or his/her designee, shall distribute copies of the application to the appropriate City departments for internal review and comments. The City Manager may request additional information as needed to determine applicant's eligibility for tax abatement according to this Policy.

#### V.

#### **Consideration of Application and Authorization of Agreement**

- A. An applicant's request may be first considered by a Council Committee designated to consider such matters. However, the City Council of the City of Arlington shall have final decision-making authority on a tax abatement request. When either the City Council or the Committee considers a tax abatement request, it shall consider the feasibility and impact of the proposed tax abatement by making an estimate of the economic effect of the abatement of taxes and the benefit to the property to be covered by the abatement and to the taxing authorities involved.

The application shall require such financial and other information as may be deemed appropriate for evaluating the financial capacity of the applicant. This analysis may include an economic feasibility study which requires data such as:

- A detailed list of estimated improvement costs
  - A description of the methods of financing
  - All estimated costs and the time when related costs or monetary obligations are to be incurred
  - Historical financial statements and statements of revenues
  - Expenses, net income and cash flow for the first five years of the project which have been audited, reviewed or compiled by a certified public accountant
- B. Not later than the seventh day before the date of the hearing, the City Manager or his designee shall give notice of the hearing in accordance with Tex. Tax Code Ann. Sec. 312.201(d), as amended from time to time.
- C. The City Council of the City of Arlington may hold the public hearing and determine whether the project is feasible and practical and would be of benefit to the land included in the zone and to the municipality after the expiration of an agreement.
- D. The City Council of the City of Arlington may consider adoption of an ordinance designating the area described in the legal description of the proposed project as a commercial/industrial reinvestment zone.
- E. The City Council may consider adoption of a resolution approving the execution of an agreement between the City and the applicant governing the provision of the tax abatement within the reinvestment zone.
- F. Not later than the seventh day before the date on which the City of Arlington enters into a tax abatement agreement, the City Manager or his designee shall deliver written notice to the presiding officer of the governing body of each other taxing entity in which the property to be subject to the agreement is located. The notice shall include a copy of the proposed agreement. This notice is required by Tex. Tax Code Ann. Sec. 312.2041, as amended from time to time. If the Tax Code is amended to require different notice, State law shall prevail until such time as an amendment to this sub-section F. occurs.

- G. The governing bodies of the appropriate taxing authorities may consider ratification of and participation in the tax abatement agreement between the City of Arlington and the applicant.
- H. Any tax abatement agreement will address various issues, including, but not limited to, the following:
  - 1. General description of the project;
  - 2. The percent of value to be abated each year;
  - 3. Method for calculating the value of the abatement including the base year value;
  - 4. Duration of the abatement, including commencement date and termination date;
  - 5. Legal description of the property;
  - 6. Kind, number, location and timetable of planned improvements;
  - 7. Specific terms and conditions to be met by applicant;
  - 8. The proposed use of the facility and nature of construction; and
  - 9. Contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, recapture, administration and assignment.
  - 10. Operating or capital leases, if any.

**VI.**  
**Denial of Abatement**

- A. All eligible applications for tax abatement shall be considered on a case-by-case basis and except for the instances set forth in Paragraph VI.B. herein, the decision to approve or deny tax abatement shall be made at the discretion of the City Council in accordance with the City of Arlington Policy Statement for Tax Abatement.
- B. Provided, however, neither a reinvestment zone nor abatement agreement may be authorized if it is determined that:
  - 1. There would be an adverse impact on the provision of government service or tax base;

2. The applicant has insufficient financial capacity to complete the project;
  3. Planned or potential use of the property would constitute a hazard to public safety or health; or
  4. Violation of other codes or laws exists.
- C. Nothing herein shall imply or suggest that the City of Arlington is under any obligation or duty to provide tax abatement to any eligible applicant, or that any applicant has an entitlement to tax abatement except as may be determined on a case by case basis by the City Council.

**VII.**  
**Taxability**

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

- A. The value of ineligible property shall be fully taxable;
- B. The base year value property shall be fully taxable;
- C. The additional value of eligible property shall be taxed in the manner and for the period provided for in the abatement agreement; and
- D. The additional value of eligible property shall be fully taxable at the end of the abatement period, and in subsequent tax years.

**VIII.**  
**Recapture**

- A. Should a project granted tax abatement cease to operate; or should the terms of the agreement not be satisfied, including projected Added Taxable Value or the creation of the number of new jobs; or should the ad valorem taxes on any property owed to the City of Arlington become delinquent; then in any such event the tax abatement agreement shall be subject to cancellation or modification as provided in the tax abatement agreement, and all or a portion of the abated taxes shall be subject to recapture. The amount of abated taxes to be recaptured shall be at the sole discretion of the City Council.

- B. Each tax abatement agreement shall contain a provision indicating that the tax abatement agreement does not affect the lien for taxes against the property established by Section 32.01 of the Tax Code of the State of Texas. The tax abatement agreement shall state that the tax lien shall secure the payment of all taxes, penalties and interest ultimately imposed on the property, including any taxes abated and subject to recapture in accordance with the tax abatement agreement.
- C. If, after receiving an incentive or a "public subsidy" as defined in Government Code § 2264.001(3), the business or a branch, division, or department of the business, is convicted of a violation of knowingly employing an undocumented worker under 8 U.S.C. § 1324a(f), the business shall repay the amount of the incentive or the public subsidy with interest, at the rate and according to the other terms provided by an agreement required under Government Code § 2264.053, not later than the 120th day after the date the City notifies the business of the violation.

## **IX.**

### **Administration**

- A. Access to Facility: The agreement shall stipulate that employees and/or designated representatives of the taxing authorities will have access to the facility during the term of the agreement to inspect the facility during the term of the agreement to determine if the terms and conditions of the agreement are being met. All inspections shall be conducted in a manner as to not unreasonably interfere with the construction and/or operation of the facility; provided however, the City may conduct "spot" inspections requiring no advance notification to applicant. All inspections will be made with one or more representatives of the company or individual, and in accordance with its safety standards.
- B. Reports, Audits and Inspections: Owners of facilities and/or other eligible property for which tax abatement is granted shall annually certify to City that they are in compliance with the terms of the agreement. In addition, owners shall provide reports and records reasonably necessary to support each year of the agreement. Such reports and records shall include information supporting job creation and retention requirements, information on property purchases, and status reports on the project's progress. Upon completion of a project that, in accordance with Article III of this Policy, meets the required criteria and thereby fits within a Level described as "Negotiable," property owners shall provide City with a final report describing all property for which tax abatement is granted. This final report shall be accompanied

by the opinion of an independent certified public accountant as to its accuracy and completeness. City periodically evaluate each facility receiving abatement to ensure compliance with the agreement and report possible violations of the agreement. City shall have the right to audit the books and records related to the eligible property and supporting the eligible property reports.

- C. Transfer or Assignment: A contract for tax abatement may be transferred or assigned by the original applicant to a new owner upon the approval of the City Council of the City of Arlington.

(Revised 10/30/12)

Exhibit "A"

## Target Industries Sectors Eligible for Tax Abatement

### Advanced Materials and Manufacturing

**NAICS  
CODE**

**Description**

<b><u>NAICS CODE</u></b>	<b><u>Description</u></b>
<b>326</b>	<b>Plastics and Rubber Products Manufacturing</b>
3261	Plastics Product Manufacturing
32611	Plastics Packaging Materials and Unlaminated Film and Sheet Manufacturing
326111	Plastics Bag Manufacturing
326112	Plastics Packaging Film and Sheet (including Laminated) Manufacturing
326113	Unlaminated Plastics Film and Sheet (except Packaging) Manufacturing
32612	Plastics Pipe, Pipe Fitting, and Unlaminated Profile Shape Manufacturing
326121	Unlaminated Plastics Profile Shape Manufacturing
326122	Plastics Pipe and Pipe Fitting Manufacturing
32613	Laminated Plastics Plate, Sheet (except Packaging), and Shape Manufacturing
32614	Polystyrene Foam Product Manufacturing
32615	Urethane and Other Foam Product (except Polystyrene) Manufacturing
32616	Plastics Bottle Manufacturing
32619	Other Plastics Product Manufacturing
326191	Plastics Plumbing Fixture Manufacturing
326192	Resilient Floor Covering Manufacturing
326199	All Other Plastics Product Manufacturing
3262	Rubber Product Manufacturing
32621	Tire Manufacturing
326211	Tire Manufacturing (except Retreading)
326212	Tire Retreading
32622	Rubber and Plastics Hoses and Belting Manufacturing
32629	Other Rubber Product Manufacturing
326291	Rubber Product Manufacturing for Mechanical Use
326299	All Other Rubber Product Manufacturing
<b>332</b>	<b>Fabricated Metal Product Manufacturing</b>
3321	Forging and Stamping
332111	Iron and Steel Forging
332112	Nonferrous Forging
332114	Custom Roll Forming
332115	Crown and Closure Manufacturing
332116	Metal Stamping
332117	Powder Metallurgy Part Manufacturing
3322	Cutlery and Handtool Manufacturing
332211	Cutlery and Flatware (except Precious) Manufacturing
332212	Hand and Edge Tool Manufacturing
332213	Saw Blade and Handsaw Manufacturing
332214	Kitchen Utensil, Pot, and Pan Manufacturing
3323	Architectural and Structural Metals Manufacturing
33231	Plate Work and Fabricated Structural Product Manufacturing
332311	Prefabricated Metal Building and Component Manufacturing
332312	Fabricated Structural Metal Manufacturing
332313	Plate Work Manufacturing
33232	Ornamental and Architectural Metal Products Manufacturing
332321	Metal Window and Door Manufacturing
332322	Sheet Metal Work Manufacturing

## Target Industries Sectors Eligible for Tax Abatement

332323	Ornamental and Architectural Metal Work Manufacturing
3325	Hardware Manufacturing
3326	Spring and Wire Product Manufacturing
332611	Spring (Heavy Gauge) Manufacturing
332612	Spring (Light Gauge) Manufacturing
332618	Other Fabricated Wire Product Manufacturing
33272	Turned Product and Screw, Nut, and Bolt Manufacturing
332721	Precision Turned Product Manufacturing
332722	Bolt, Nut, Screw, Rivet, and Washer Manufacturing
3328	Coating, Engraving, Heat Treating, and Allied Activities
332811	Metal Heat Treating
332812	Metal Coating, Engraving (except Jewelry and Silverware), and Allied Services to Manufacturers
332813	Electroplating, Plating, Polishing, Anodizing, and Coloring
3329	Other Fabricated Metal Product Manufacturing
33291	Metal Valve Manufacturing
332911	Industrial Valve Manufacturing
332912	Fluid Power Valve and Hose Fitting Manufacturing
332913	Plumbing Fixture Fitting and Trim Manufacturing
332919	Other Metal Valve and Pipe Fitting Manufacturing
332991	Ball and Roller Bearing Manufacturing
332994	Small Arms Manufacturing
332996	Fabricated Pipe and Pipe Fitting Manufacturing
332997	Industrial Pattern Manufacturing
332998	Enameled Iron and Metal Sanitary Ware Manufacturing
332999	All Other Miscellaneous Fabricated Metal Product Manufacturing
<b>333</b>	<b>Machinery Manufacturing</b>
3331	Agriculture, Construction, and Mining Machinery Manufacturing
33311	Agricultural Implement Manufacturing
333111	Farm Machinery and Equipment Manufacturing
333112	Lawn and Garden Tractor and Home Lawn and Garden Equipment Manufacturing
33312	Construction Machinery Manufacturing
33313	Mining and Oil and Gas Field Machinery Manufacturing
333131	Mining Machinery and Equipment Manufacturing
333132	Oil and Gas Field Machinery and Equipment Manufacturing
3332	Industrial Machinery Manufacturing
33321	Sawmill and Woodworking Machinery Manufacturing
33322	Plastics and Rubber Industry Machinery Manufacturing
33329	Other Industrial Machinery Manufacturing
333291	Paper Industry Machinery Manufacturing
333292	Textile Machinery Manufacturing
333293	Printing Machinery and Equipment Manufacturing
333294	Food Product Machinery Manufacturing
333295	Semiconductor Machinery Manufacturing
333298	All Other Industrial Machinery Manufacturing
3333	Commercial and Service Industry Machinery Manufacturing
333311	Automatic Vending Machine Manufacturing
333312	Commercial Laundry, Drycleaning, and Pressing Machine Manufacturing
333313	Office Machinery Manufacturing
333314	Optical Instrument and Lens Manufacturing
333315	Photographic and Photocopying Equipment Manufacturing

## Target Industries Sectors Eligible for Tax Abatement

333319	Other Commercial and Service Industry Machinery Manufacturing
3334	Ventilation, Heating, Air-Conditioning, and Commercial Refrigeration Equipment Manufacturing
333411	Air Purification Equipment Manufacturing
333412	Industrial and Commercial Fan and Blower Manufacturing
333414	Heating Equipment (except Warm Air Furnaces) Manufacturing
333415	Air-Conditioning and Warm Air Heating Equipment and Commercial and Industrial Refrigeration Equipment Manufacturing
3335	Metalworking Machinery Manufacturing
333511	Industrial Mold Manufacturing
333512	Machine Tool (Metal Cutting Types) Manufacturing
333513	Machine Tool (Metal Forming Types) Manufacturing
333514	Special Die and Tool, Die Set, Jig, and Fixture Manufacturing
333515	Cutting Tool and Machine Tool Accessory Manufacturing
333516	Rolling Mill Machinery and Equipment Manufacturing
333518	Other Metalworking Machinery Manufacturing
3336	Engine, Turbine, and Power Transmission Equipment Manufacturing
333611	Turbine and Turbine Generator Set Units Manufacturing
333612	Speed Changer, Industrial High-Speed Drive, and Gear Manufacturing
333613	Mechanical Power Transmission Equipment Manufacturing
333618	Other Engine Equipment Manufacturing
3339	Other General Purpose Machinery Manufacturing
33391	Pump and Compressor Manufacturing
333911	Pump and Pumping Equipment Manufacturing
333912	Air and Gas Compressor Manufacturing
333913	Measuring and Dispensing Pump Manufacturing
33392	Material Handling Equipment Manufacturing
333921	Elevator and Moving Stairway Manufacturing
333922	Conveyor and Conveying Equipment Manufacturing
333923	Overhead Traveling Crane, Hoist, and Monorail System Manufacturing
333924	Industrial Truck, Tractor, Trailer, and Stacker Machinery Manufacturing
33399	All Other General Purpose Machinery Manufacturing
333991	Power-Driven Handtool Manufacturing
333992	Welding and Soldering Equipment Manufacturing
333993	Packaging Machinery Manufacturing
333994	Industrial Process Furnace and Oven Manufacturing
333995	Fluid Power Cylinder and Actuator Manufacturing
333996	Fluid Power Pump and Motor Manufacturing
333997	Scale and Balance (except Laboratory) Manufacturing
333999	All Other Miscellaneous General Purpose Machinery Manufacturing
<b>334</b>	<b>Computer and Electronic Product Manufacturing</b>
3341	Computer and Peripheral Equipment Manufacturing
334111	Electronic Computer Manufacturing
334112	Computer Storage Device Manufacturing
334113	Computer Terminal Manufacturing
334119	Other Computer Peripheral Equipment Manufacturing
3342	Communications Equipment Manufacturing
33421	Telephone Apparatus Manufacturing
33422	Radio and Television Broadcasting and Wireless Communications Equipment Manufa
33429	Other Communications Equipment Manufacturing

## Target Industries Sectors Eligible for Tax Abatement

3343	Audio and Video Equipment Manufacturing
3344	Semiconductor and Other Electronic Component Manufacturing
334411	Electron Tube Manufacturing
334412	Bare Printed Circuit Board Manufacturing
334413	Semiconductor and Related Device Manufacturing
334414	Electronic Capacitor Manufacturing
334415	Electronic Resistor Manufacturing
334416	Electronic Coil, Transformer, and Other Inductor Manufacturing
334417	Electronic Connector Manufacturing
334418	Printed Circuit Assembly (Electronic Assembly) Manufacturing
334419	Other Electronic Component Manufacturing
3345	Navigational, Measuring, Electromedical, and Control Instruments Manufacturing
334510	Electromedical and Electrotherapeutic Apparatus Manufacturing
334511	Search, Detection, Navigation, Guidance, Aeronautical, and Nautical System and
334512	Automatic Environmental Control Manufacturing for Residential, Commercial, and
334513	Instruments and Related Products Manufacturing for Measuring, Displaying, and
334514	Totalizing Fluid Meter and Counting Device Manufacturing
334515	Instrument Manufacturing for Measuring and Testing Electricity and Electrical
334516	Analytical Laboratory Instrument Manufacturing
334517	Irradiation Apparatus Manufacturing
334518	Watch, Clock, and Part Manufacturing
334519	Other Measuring and Controlling Device Manufacturing
3346	Manufacturing and Reproducing Magnetic and Optical Media
334611	Software Reproducing
334612	Prerecorded Compact Disc (except Software), Tape, and Record Reproducing
334613	Magnetic and Optical Recording Media Manufacturing
<b>335</b>	<b>Electrical Equipment and Appliance Manufacturing</b>
3351	Electric Lighting Equipment Manufacturing
33511	Electric Lamp Bulb and Part Manufacturing
33512	Lighting Fixture Manufacturing
335121	Residential Electric Lighting Fixture Manufacturing
335122	Commercial, Industrial, and Institutional Electric Lighting Fixture Manufacturing
335129	Other Lighting Equipment Manufacturing
3352	Household Appliance Manufacturing
33521	Small Electrical Appliance Manufacturing
335211	Electric Housewares and Household Fan Manufacturing
335212	Household Vacuum Cleaner Manufacturing
33522	Major Appliance Manufacturing
335221	Household Cooking Appliance Manufacturing
335222	Household Refrigerator and Home Freezer Manufacturing
335224	Household Laundry Equipment Manufacturing
335228	Other Major Household Appliance Manufacturing
3353	Electrical Equipment Manufacturing
335311	Power, Distribution, and Specialty Transformer Manufacturing
335312	Motor and Generator Manufacturing
335313	Switchgear and Switchboard Apparatus Manufacturing
335314	Relay and Industrial Control Manufacturing
3359	Other Electrical Equipment and Component Manufacturing
33591	Battery Manufacturing
335911	Storage Battery Manufacturing
335912	Primary Battery Manufacturing
33592	Communication and Energy Wire and Cable Manufacturing

## Target Industries Sectors Eligible for Tax Abatement

335921	Fiber Optic Cable Manufacturing
335929	Other Communication and Energy Wire Manufacturing
33593	Wiring Device Manufacturing
335931	Current-Carrying Wiring Device Manufacturing
335932	Noncurrent-Carrying Wiring Device Manufacturing
33599	All Other Electrical Equipment and Component Manufacturing
335991	Carbon and Graphite Product Manufacturing
335999	All Other Miscellaneous Electrical Equipment and Component Manufacturing
<b>336</b>	<b>Transportation Equipment Manufacturing</b>
3361	Motor Vehicle Manufacturing
33611	Automobile and Light Duty Motor Vehicle Manufacturing
336111	Automobile Manufacturing
336112	Light Truck and Utility Vehicle Manufacturing
33612	Heavy Duty Truck Manufacturing
3362	Motor Vehicle Body and Trailer Manufacturing
336211	Motor Vehicle Body Manufacturing
336212	Truck Trailer Manufacturing
336213	Motor Home Manufacturing
336214	Travel Trailer and Camper Manufacturing
3363	Motor Vehicle Parts Manufacturing
33631	Motor Vehicle Gasoline Engine and Engine Parts Manufacturing
336311	Carburetor, Piston, Piston Ring, and Valve Manufacturing
336312	Gasoline Engine and Engine Parts Manufacturing
33632	Motor Vehicle Electrical and Electronic Equipment Manufacturing
336321	Vehicular Lighting Equipment Manufacturing
336322	Other Motor Vehicle Electrical and Electronic Equipment Manufacturing
33633	Motor Vehicle Steering and Suspension Components (except Spring) Manufacturing
33634	Motor Vehicle Brake System Manufacturing
33635	Motor Vehicle Transmission and Power Train Parts Manufacturing
33636	Motor Vehicle Seating and Interior Trim Manufacturing
33637	Motor Vehicle Metal Stamping
33639	Other Motor Vehicle Parts Manufacturing
336391	Motor Vehicle Air-Conditioning Manufacturing
336399	All Other Motor Vehicle Parts Manufacturing
3364	Aerospace Product and Parts Manufacturing
336411	Aircraft Manufacturing
336412	Aircraft Engine and Engine Parts Manufacturing
336413	Other Aircraft Parts and Auxiliary Equipment Manufacturing
336414	Guided Missile and Space Vehicle Manufacturing
336415	Guided Missile and Space Vehicle Propulsion Unit and Propulsion Unit Parts Manufacturing
336419	Other Guided Missile and Space Vehicle Parts and Auxiliary Equipment Manufacturing
3365	Railroad Rolling Stock Manufacturing
3366	Ship and Boat Building
336611	Ship Building and Repairing
336612	Boat Building
3369	Other Transportation Equipment Manufacturing
336991	Motorcycle, Bicycle, and Parts Manufacturing
336992	Military Armored Vehicle, Tank, and Tank Component Manufacturing
336999	All Other Transportation Equipment Manufacturing
<b>3391</b>	<b>Medical Equipment &amp; Supplies Manufacturing</b>
33911	Medical Equipment and Supplies Manufacturing

## Target Industries Sectors Eligible for Tax Abatement

339111	Laboratory Apparatus and Furniture Manufacturing
339112	Surgical and Medical Instrument Manufacturing
339113	Surgical Appliance and Supplies Manufacturing
339114	Dental Equipment and Supplies Manufacturing
339115	Ophthalmic Goods Manufacturing
339116	Dental Laboratories
<b>3254</b>	<b>Pharmaceutical &amp; Medicine Manufacturing</b>
32541	Pharmaceutical and Medicine Manufacturing
325411	Medicinal and Botanical Manufacturing
325412	Pharmaceutical Preparation Manufacturing
325413	In-Vitro Diagnostic Substance Manufacturing
325414	Biological Product (except Diagnostic) Manufacturing

### Health Care and Life Sciences

<b>621</b>	<b>Ambulatory Health Care Services</b>
<b>6211</b>	<b>Offices of Physicians</b>
<b>6212</b>	<b>Offices of Dentists</b>
<b>6213</b>	<b>Offices of Other Health Practitioners</b>
62131	Offices of Chiropractors
62132	Offices of Optometrists
62133	Offices of Mental Health Practitioners (except Physicians)
62134	Offices of Physical, Occupational and Speech Therapists, and Audiologists
62139	Offices of All Other Health Practitioners
621391	Offices of Podiatrists
621399	Offices of All Other Miscellaneous Health Practitioners
<b>6214</b>	<b>Outpatient Care Centers</b>
62141	Family Planning Centers
62142	Outpatient Mental Health and Substance Abuse Centers
62149	Other Outpatient Care Centers
621491	HMO Medical Centers
621492	Kidney Dialysis Centers
621493	Freestanding Ambulatory Surgical and Emergency Centers
621498	All Other Outpatient Care Centers
<b>6215</b>	<b>Medical &amp; Diagnostic Laboratories</b>
62151	Medical and Diagnostic Laboratories
621511	Medical Laboratories
621512	Diagnostic Imaging Centers
<b>6216</b>	<b>Home Health Care Services</b>
<b>6219</b>	<b>Other Ambulatory Health Care Services</b>
62191	Ambulance Services
62199	All Other Ambulatory Health Care Services
621991	Blood and Organ Banks
621999	All Other Miscellaneous Ambulatory Health Care Services
<b>622</b>	<b>Hospitals</b>
<b>6221</b>	<b>General Medical &amp; Surgical Hospitals</b>
<b>6222</b>	<b>Psychiatric &amp; Substance Abuse Hospitals</b>
<b>6223</b>	<b>Other Hospitals</b>
<b>623</b>	<b>Nursing &amp; Residential Care Facilities</b>

## Target Industries Sectors Eligible for Tax Abatement

- 6231 Nursing Care Facilities**
- 6232 Residential Mental Health Facilities**
  - 62321 Residential Mental Retardation Facilities
  - 62322 Residential Mental Health and Substance Abuse Facilities
- 6233 Community Care Facilities for the Elderly**
- 6239 Other Residential Care Facilities**

### Hospitality and Tourism

- 711 Performing Arts and Spectator Sports**
  - 7111 Performing Arts Companies
    - 71111 Theater Companies and Dinner Theaters
    - 71112 Dance Companies
    - 71113 Musical Groups and Artists
    - 71119 Other Performing Arts Companies
  - 7112 Spectator Sports
    - 711211 Sports Teams and Clubs
    - 711212 Racetracks
    - 711219 Other Spectator Sports
  - 7113 Promoters of Performing Arts, Sports, and Similar Events
    - 71131 Promoters of Performing Arts, Sports, and Similar Events with Facilities
    - 71132 Promoters of Performing Arts, Sports, and Similar Events without Facilities
  - 7114 Agents and Managers for Artists, Athletes, Entertainers, and Other Public Figures
  - 7115 Independent Artists, Writers, and Performers
- 712 Museums, Historical Sites, Zoos, and Parks**
  - 7121 Museums, Historical Sites, and Similar Institutions
    - 71211 Museums
    - 71212 Historical Sites
    - 71213 Zoos and Botanical Gardens
    - 71219 Nature Parks and Other Similar Institutions
- 713 Amusements, Gambling, and Recreation**
  - 7131 Amusement Parks and Arcades
    - 71311 Amusement and Theme Parks
    - 71312 Amusement Arcades
  - 7132 Gambling Industries
    - 71321 Casinos (except Casino Hotels)
    - 71329 Other Gambling Industries
  - 7139 Other Amusement and Recreation Industries
    - 71391 Golf Courses and Country Clubs
    - 71392 Skiing Facilities
    - 71393 Marinas
    - 71394 Fitness and Recreational Sports Centers
    - 71395 Bowling Centers
    - 71399 All Other Amusement and Recreation Industries
- 721 Accommodations\***
  - 7211 Traveler Accommodation
    - 72111 Hotels (except Casino Hotels) and Motels
    - 72112 Casino Hotels
    - 72119 Other Traveler Accommodation
    - 721191 Bed-and-Breakfast Inns

## Target Industries Sectors Eligible for Tax Abatement

- 721199 All Other Traveler Accommodation
  - 7212 RV (Recreational Vehicle) Parks and Recreational Camps
  - 721211 RV (Recreational Vehicle) Parks and Campgrounds
  - 721214 Recreational and Vacation Camps (except Campgrounds)
  - 7213 Rooming and Boarding Houses
- \* Full Service Hotels only - "Full Service Hotel" is a well designed building, constructed with superior materials, workmanship and finish, offered as a temporary lodging facility. The hotel will provide services to its guests outside of lodging such as a distinctive restaurant, concierge service, room service, business services etc. The facility has a strategic focus on attracting convention-related group business and will house, be co-located with, or located in close proximity to convention facilities capable of handling 1,000 people. The quality of the facility will meet or exceed the minimum standards required to qualify as a Mobil Four-Star® or AAA Four-Diamond® hotel.

### **722 Food Services and Drinking Places**

- 7221 Full-Service Restaurants
- 7222 Limited-Service Eating Places
- 722211 Limited-Service Restaurants
- 722212 Cafeterias
- 722213 Snack and Nonalcoholic Beverage Bars
- 7223 Special Food Services
- 72231 Food Service Contractors
- 72232 Caterers
- 72233 Mobile Food Services
- 7224 Drinking Places (Alcoholic Beverages)

## Logistics and Trade

### **4811 Scheduled Air Transportation**

### **4812 Nonscheduled Air Transportation**

### **4821 Rail Transportation**

### **4841 General Freight Trucking**

### **4842 Specialized Freight Trucking**

48421 Used Household and Office Goods Moving

48422 Specialized Freight (except Used Goods) Trucking, Local

48423 Specialized Freight (except Used Goods) Trucking, Long-Distance

### **4881 Support Activities for Air Transportation**

### **4882 Support Activities for Rail Transportation**

### **4884 Support Activities for Road Transportation**

48841 Motor Vehicle Towing

48849 Other Support Activities for Road Transportation

### **4885 Freight Transportation Arrangement**

### **4889 Other Support Activities for Transportation**

### **4931 Warehousing and Storage**

### **423 Merchant Wholesalers, Durable Goods**

4231 Motor Vehicle and Motor Vehicle Parts and Supplies Merchant Wholesalers

42311 Automobile and Other Motor Vehicle Merchant Wholesalers

42312 Motor Vehicle Supplies and New Parts Merchant Wholesalers

42313 Tire and Tube Merchant Wholesalers

42314 Motor Vehicle Parts (Used) Merchant Wholesalers

## Target Industries Sectors Eligible for Tax Abatement

4232	Furniture and Home Furnishing Merchant Wholesalers
42321	Furniture Merchant Wholesalers
42322	Home Furnishing Merchant Wholesalers
4233	Lumber and Other Construction Materials Merchant Wholesalers
42331	Lumber, Plywood, Millwork, and Wood Panel Merchant Wholesalers
42332	Brick, Stone, and Related Construction Material Merchant Wholesalers
42333	Roofing, Siding, and Insulation Material Merchant Wholesalers
42339	Other Construction Material Merchant Wholesalers
4234	Professional and Commercial Equipment and Supplies Merchant Wholesalers
42341	Photographic Equipment and Supplies Merchant Wholesalers
42342	Office Equipment Merchant Wholesalers
42343	Computer and Computer Peripheral Equipment and Software Merchant Wholesalers
42344	Other Commercial Equipment Merchant Wholesalers
42345	Medical, Dental, and Hospital Equipment and Supplies Merchant Wholesalers
42346	Ophthalmic Goods Merchant Wholesalers
42349	Other Professional Equipment and Supplies Merchant Wholesalers
4235	Metal and Mineral (except Petroleum) Merchant Wholesalers
42351	Metal Service Centers and Other Metal Merchant Wholesalers
42352	Coal and Other Mineral and Ore Merchant Wholesalers
4236	Electrical and Electronic Goods Merchant Wholesalers
42361	Electrical Apparatus and Equipment, Wiring Supplies, and Related Equipment Merchant Wholesalers
42362	Electrical and Electronic Appliance, Television, and Radio Set Merchant Wholesalers
42369	Other Electronic Parts and Equipment Merchant Wholesalers
4237	Hardware, and Plumbing and Heating Equipment and Supplies Merchant Wholesalers
42371	Hardware Merchant Wholesalers
42372	Plumbing and Heating Equipment and Supplies (Hydronics) Merchant Wholesalers
42373	Warm Air Heating and Air-Conditioning Equipment and Supplies Merchant Wholesalers
42374	Refrigeration Equipment and Supplies Merchant Wholesalers
4238	Machinery, Equipment, and Supplies Merchant Wholesalers
42381	Construction and Mining (except Oil Well) Machinery and Equipment Merchant Wholesalers
42382	Farm and Garden Machinery and Equipment Merchant Wholesalers
42383	Industrial Machinery and Equipment Merchant Wholesalers
42384	Industrial Supplies Merchant Wholesalers
42385	Service Establishment Equipment and Supplies Merchant Wholesalers
42386	Transportation Equipment and Supplies (except Motor Vehicle) Merchant Wholesalers
4239	Miscellaneous Durable Goods Merchant Wholesalers
42391	Sporting and Recreational Goods and Supplies Merchant Wholesalers
42392	Toy and Hobby Goods and Supplies Merchant Wholesalers
42393	Recyclable Material Merchant Wholesalers
42394	Jewelry, Watch, Precious Stone, and Precious Metal Merchant Wholesalers
42399	Other Miscellaneous Durable Goods Merchant Wholesalers
<b>424</b>	<b>Merchant Wholesalers, Nondurable Goods</b>
4241	Paper and Paper Product Merchant Wholesalers
42411	Printing and Writing Paper Merchant Wholesalers
42412	Stationery and Office Supplies Merchant Wholesalers
42413	Industrial and Personal Service Paper Merchant Wholesalers
4242	Drugs and Druggists' Sundries Merchant Wholesalers
4243	Apparel, Piece Goods, and Notions Merchant Wholesalers
42431	Piece Goods, Notions, and Other Dry Goods Merchant Wholesalers
42432	Men's and Boys' Clothing and Furnishings Merchant Wholesalers

## Target Industries Sectors Eligible for Tax Abatement

42433	Women's, Children's, and Infants' Clothing and Accessories Merchant Wholesalers
42434	Footwear Merchant Wholesalers
4244	Grocery and Related Product Wholesalers
42441	General Line Grocery Merchant Wholesalers
42442	Packaged Frozen Food Merchant Wholesalers
42443	Dairy Product (except Dried or Canned) Merchant Wholesalers
42444	Poultry and Poultry Product Merchant Wholesalers
42445	Confectionery Merchant Wholesalers
42446	Fish and Seafood Merchant Wholesalers
42447	Meat and Meat Product Merchant Wholesalers
42448	Fresh Fruit and Vegetable Merchant Wholesalers
42449	Other Grocery and Related Products Merchant Wholesalers
4245	Farm Product Raw Material Merchant Wholesalers
42451	Grain and Field Bean Merchant Wholesalers
42452	Livestock Merchant Wholesalers
42459	Other Farm Product Raw Material Merchant Wholesalers
4246	Chemical and Allied Products Merchant Wholesalers
42461	Plastics Materials and Basic Forms and Shapes Merchant Wholesalers
42469	Other Chemical and Allied Products Merchant Wholesalers
4247	Petroleum and Petroleum Products Merchant Wholesalers
42471	Petroleum Bulk Stations and Terminals
42472	Petroleum and Petroleum Products Merchant Wholesalers (except Bulk Stations and Terminals)
4248	Beer, Wine, and Distilled Alcoholic Beverage Merchant Wholesalers
42481	Beer and Ale Merchant Wholesalers
42482	Wine and Distilled Alcoholic Beverage Merchant Wholesalers
4249	Miscellaneous Nondurable Goods Merchant Wholesalers
42491	Farm Supplies Merchant Wholesalers
42492	Book, Periodical, and Newspaper Merchant Wholesalers
42493	Flower, Nursery Stock, and Florists' Supplies Merchant Wholesalers
42494	Tobacco and Tobacco Product Merchant Wholesalers
42495	Paint, Varnish, and Supplies Merchant Wholesalers
42499	Other Miscellaneous Nondurable Goods Merchant Wholesalers
<b>425</b>	<b>Electronic Markets and Agents and Brokers</b>
4251	Wholesale Electronic Markets and Agents and Brokers
42511	Business to Business Electronic Markets
42512	Wholesale Trade Agents and Brokers

## Professional, Business, and Information Services

<b>5112</b>	<b>Software Publishers</b>
<b>5182</b>	<b>Data Processing and Related Services</b>
<b>5221</b>	<b>Depository Credit Intermediation</b>
<b>5222</b>	<b>Non-depository Credit Intermediation</b>
52221	Credit Card Issuing
52222	Sales Financing
52229	Other Nondepository Credit Intermediation
522291	Consumer Lending
522292	Real Estate Credit
522293	International Trade Financing
522294	Secondary Market Financing

## Target Industries Sectors Eligible for Tax Abatement

522298	All Other Nondepository Credit Intermediation
<b>5223</b>	<b>Activities Related to Credit Intermediation</b>
52231	Mortgage and Nonmortgage Loan Brokers
52232	Financial Transactions Processing, Reserve, and Clearinghouse Activities
52239	Other Activities Related to Credit Intermediation
<b>5231</b>	<b>Securities and Commodity Contracts Brokerages</b>
<b>5239</b>	<b>Other Financial Investment Activities</b>
52391	Miscellaneous Intermediation
52392	Portfolio Management
52393	Investment Advice
52399	All Other Financial Investment Activities
523991	Trust, Fiduciary, and Custody Activities
523999	Miscellaneous Financial Investment Activities
<b>5241</b>	<b>Insurance Carriers</b>
<b>5242</b>	<b>Insurance Agencies, Brokerages and Related</b>
52421	Insurance Agencies and Brokerages
52429	Other Insurance Related Activities
524291	Claims Adjusting
524292	Third Party Administration of Insurance and Pension Funds
524298	All Other Insurance Related Activities
<b>5259</b>	<b>Other Investment Pools and Funds</b>
52591	Open-End Investment Funds
52592	Trusts, Estates, and Agency Accounts
52593	Real Estate Investment Trusts
52599	Other Financial Vehicles
<b>5411</b>	<b>Legal Services</b>
54111	Offices of Lawyers
54112	Offices of Notaries
54119	Other Legal Services
541191	Title Abstract and Settlement Offices
541199	All Other Legal Services
<b>5412</b>	<b>Accounting and Bookkeeping Services</b>
54121	Accounting, Tax Preparation, Bookkeeping, and Payroll Services
541211	Offices of Certified Public Accountants
541213	Tax Preparation Services
541214	Payroll Services
541219	Other Accounting Services
5413	Architectural, Engineering, and Related Services
54131	Architectural Services
541310	Architectural Services
54132	Landscape Architectural Services
541320	Landscape Architectural Services
54133	Engineering Services
541330	Engineering Services
54134	Drafting Services
541340	Drafting Services
54135	Building Inspection Services
541350	Building Inspection Services
54136	Geophysical Surveying and Mapping Services
541360	Geophysical Surveying and Mapping Services
54137	Surveying and Mapping (except Geophysical) Services

## Target Industries Sectors Eligible for Tax Abatement

541370	Surveying and Mapping (except Geophysical) Services
54138	Testing Laboratories
541380	Testing Laboratories
5414	Specialized Design Services
54141	Interior Design Services
541410	Interior Design Services
54142	Industrial Design Services
541420	Industrial Design Services
54143	Graphic Design Services
541430	Graphic Design Services
54149	Other Specialized Design Services
541490	Other Specialized Design Services
<b>5415</b>	<b>Computer Systems Design and Related Services</b>
541511	Custom Computer Programming Services
541512	Computer Systems Design Services
541513	Computer Facilities Management Services
541519	Other Computer Related Services
<b>5416</b>	<b>Management and Technical Consulting Services</b>
54161	Management Consulting Services
541611	Administrative Management and General Management Consulting Services
541612	Human Resources and Executive Search Consulting Services
541613	Marketing Consulting Services
541614	Process, Physical Distribution, and Logistics Consulting Services
541618	Other Management Consulting Services
<b>5417</b>	<b>Scientific Research and Development Services</b>
<b>5418</b>	<b>Advertising and Related Services</b>
54181	Advertising Agencies
54182	Public Relations Agencies
54183	Media Buying Agencies
54184	Media Representatives
54185	Display Advertising
54186	Direct Mail Advertising
54187	Advertising Material Distribution Services
54189	Other Services Related to Advertising
<b>5611</b>	<b>Office Administrative Services</b>
<b>5614</b>	<b>Business Support Services</b>
56141	Document Preparation Services
56142	Telephone Call Centers
561421	Telephone Answering Services
561422	Telemarketing Bureaus
56143	Business Service Centers
561431	Private Mail Centers
561439	Other Business Service Centers (including Copy Shops)
56144	Collection Agencies
56145	Credit Bureaus
56149	Other Business Support Services
561491	Repossession Services
561492	Court Reporting and Stenotype Services
561499	All Other Business Support Services

### Preferred Uses

## **Target Industries Sectors Eligible for Tax Abatement**

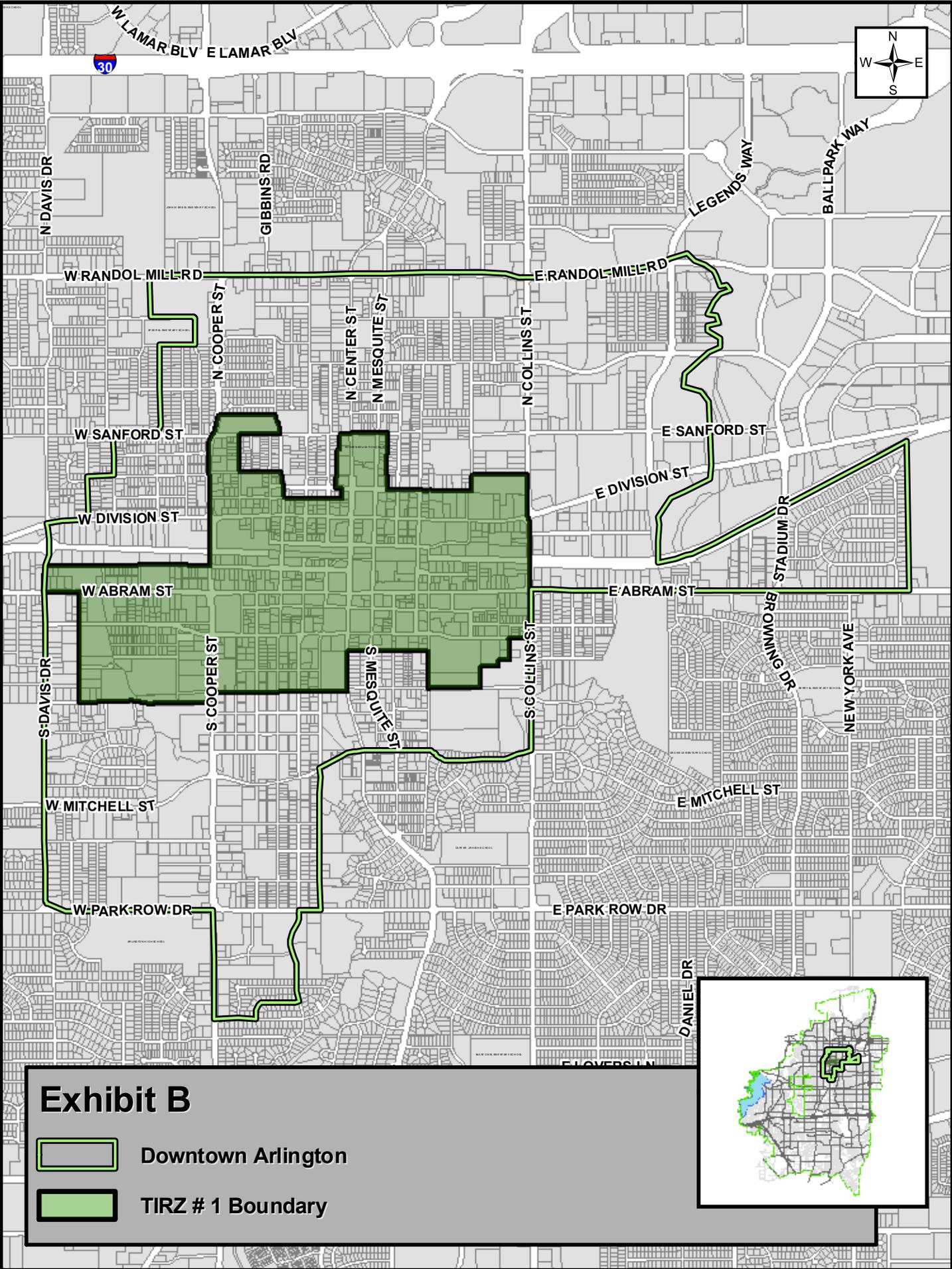
Regional, National, or International Corporate Headquarters with employment of at least 100.

Research & Development facilities with employment of at least 100.

“Class A Office Building” is a high quality, well designed office building(s) with excellent location and access using superior materials, workmanship, and finish that can compete for the most prestigious tenants. The minimum size of a Class A Office Building shall be 20,000 square feet per floor or a building total of 60,000 square feet except for the Downtown – Centre Arlington Enterprise Zone. The minimum size of a Class A Office Building in the Downtown – Centre Arlington Enterprise Zone shall be 7,500 square feet per floor or a building total of 20,000 square feet.

“Class A Medical Office Building” is a Class A Office Building featuring additional capabilities required to serve as functional workspace for the performance of medical service delivery or medical research.

Exhibit "B"

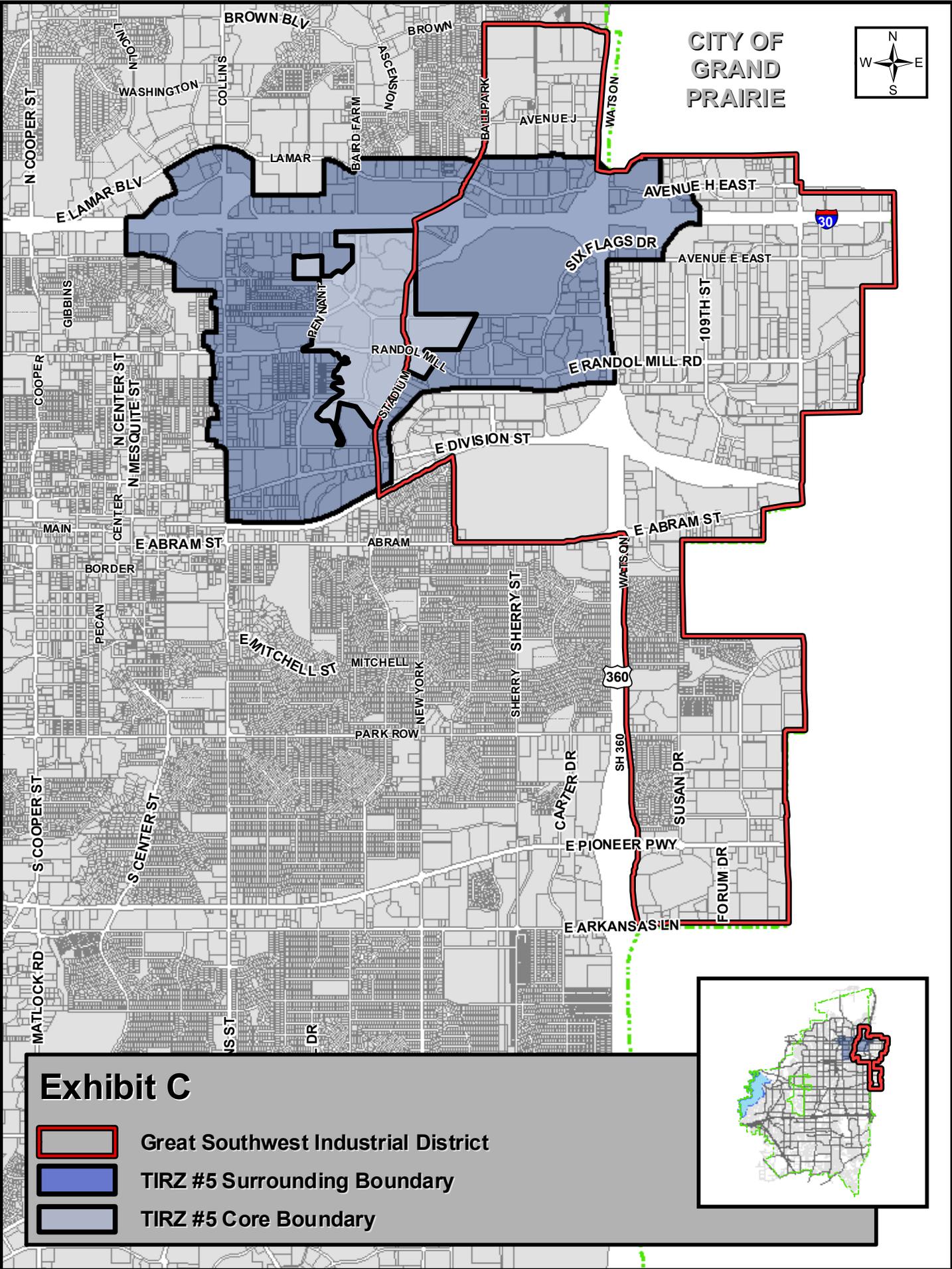


## Exhibit B

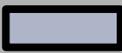
-  Downtown Arlington
-  TIRZ # 1 Boundary

Exhibit "C"

# CITY OF GRAND PRAIRIE



## Exhibit C

-  Great Southwest Industrial District
-  TIRZ #5 Surrounding Boundary
-  TIRZ #5 Core Boundary

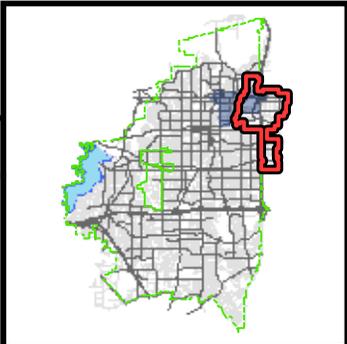


Exhibit "D"

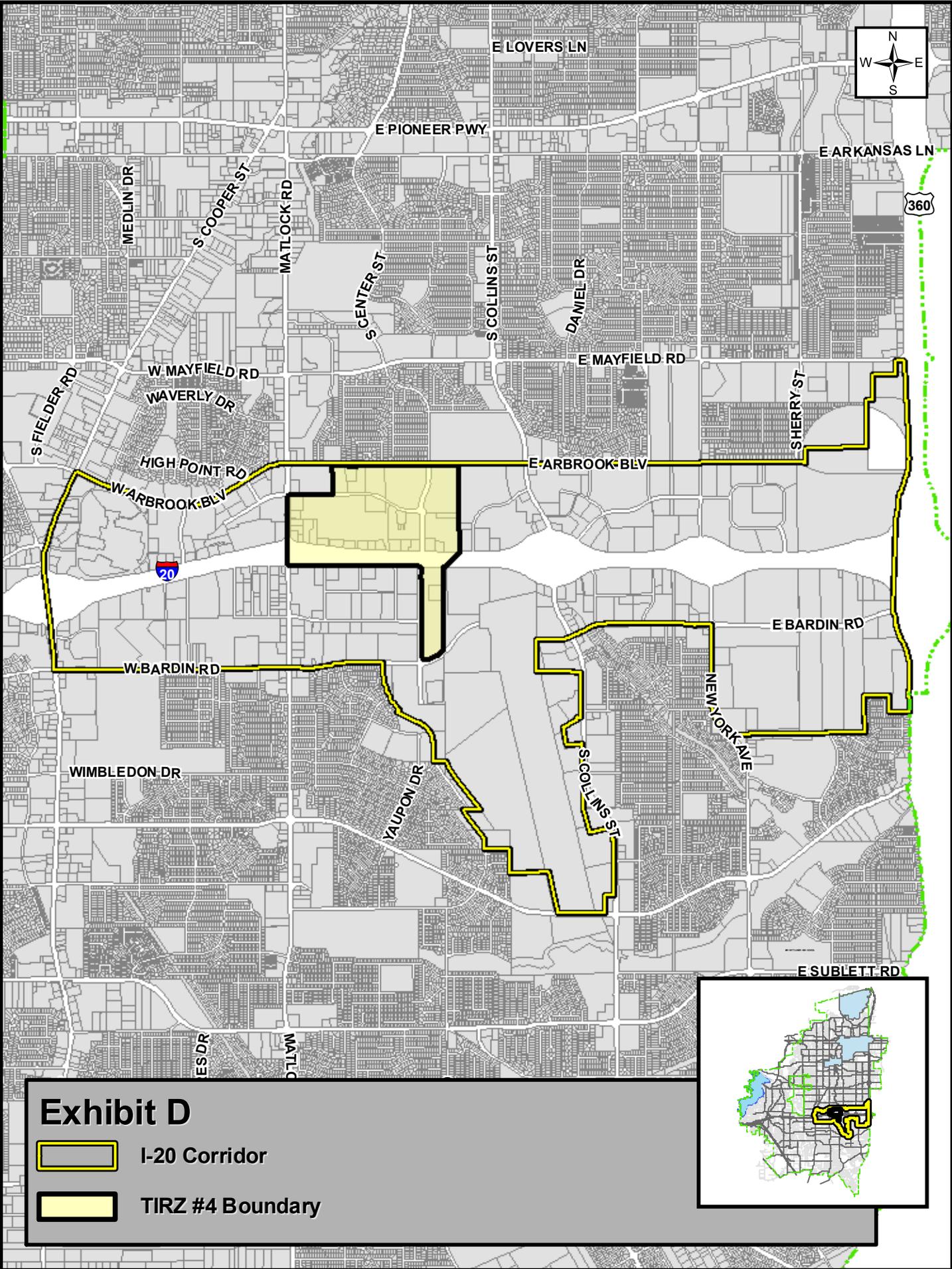
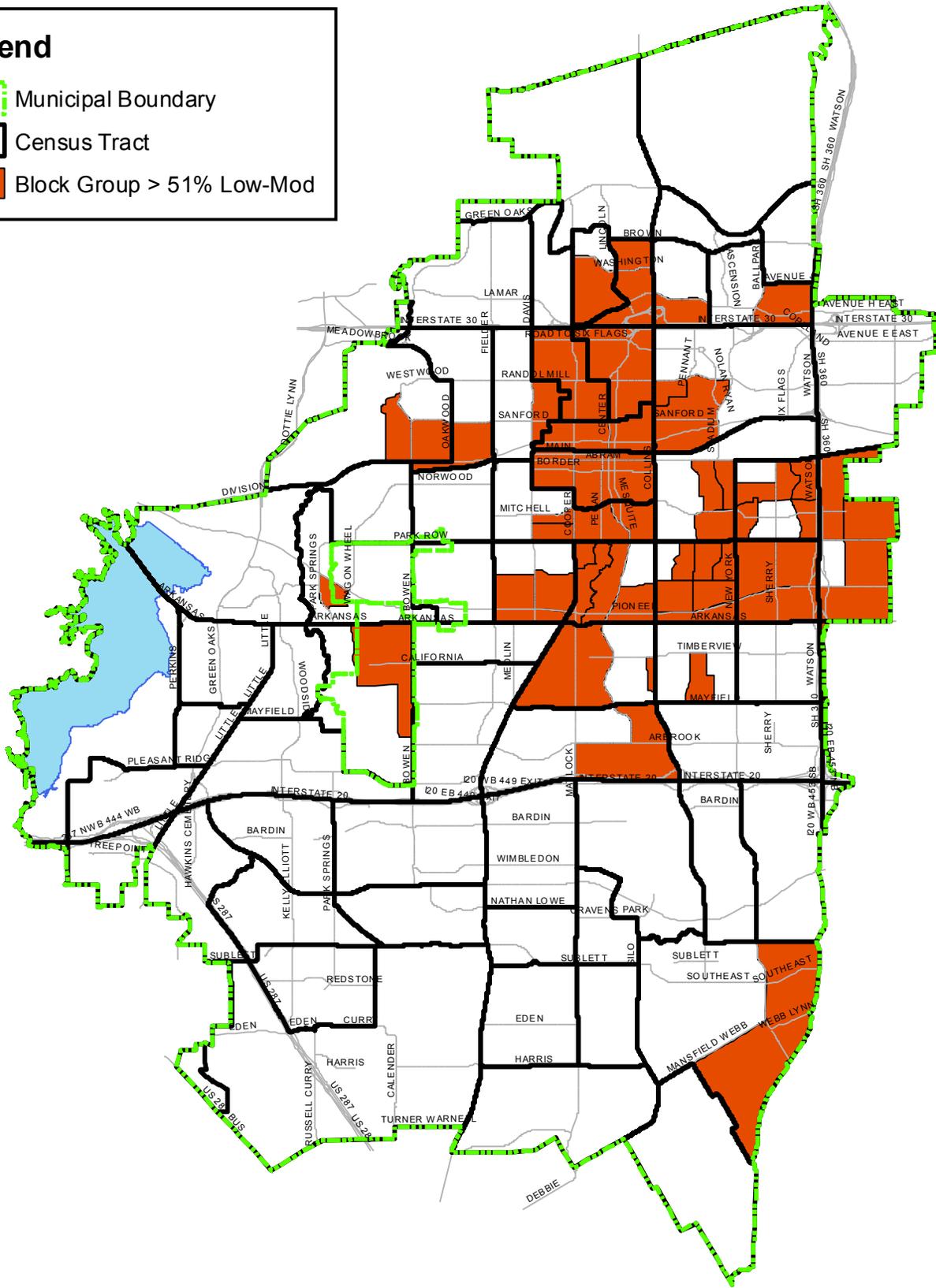


Exhibit "E"

# Legend

-  Municipal Boundary
-  Census Tract
-  Block Group > 51% Low-Mod



## Exhibit E CDBG Eligible Areas



Application for Incentives



## APPLICATION FOR INCENTIVES

### Applicant Information

1. Beneficiary of Incentives \_\_\_\_\_  
Property Owner \_\_\_\_, Business Owner \_\_\_\_, Leaseholder \_\_ (check all that apply)  
Mailing address \_\_\_\_\_  
Telephone \_\_\_\_\_ Fax \_\_\_\_\_  
Cell Phone \_\_\_\_\_ Email \_\_\_\_\_
2. Contact Information \_\_\_\_\_  
Title \_\_\_\_\_  
Mailing address \_\_\_\_\_  
Telephone \_\_\_\_\_ Fax \_\_\_\_\_  
Cell Phone \_\_\_\_\_ Email \_\_\_\_\_  
Relationship to Beneficiary: Same as above \_\_\_\_, Authorized Representative \_\_\_\_
3. Property address \_\_\_\_\_
4. Property legal description (metes & bounds) \_\_\_\_\_  
\_\_\_\_\_
5. Attach a **complete** description of the project including:
  - A. Method of financing
  - B. Primary business activity at this site
  - C. Complete description of all land uses
  - D. Time schedule for completion of improvements
  - E. NAICS Industry Code
  - F. Descriptive list of improvements
    1. Size \_\_\_\_\_ sq. ft.
    2. Cost of construction \$ \_\_\_\_\_
    3. Value of Personal Property
      - a. Inventory \$ \_\_\_\_\_  
What percent is eligible for Freeport Exemption (exported from Texas within 175 days) \_\_\_\_ %
      - b. Equipment, machinery, furnishings, etc. \$ \_\_\_\_\_
  - G. What taxable sales will be generated at this location \$ \_\_\_\_\_ per year
6. These documents **must** be submitted prior to the City staff's review of the application:
  - Property tax statement from the County Tax Office
  - Plat/map of project location
7. Level of abatement requested \_\_\_\_\_% \_\_\_\_\_ Years on \_\_\_\_\_ Real Property or \_\_\_\_\_ Business Personal Property
8. Describe, in detail, all other incentives sought from the City- other economic incentives, fee waivers, fast-track plans review, etc.
9. Estimated taxable value of property improvements: Real \_\_\_\_\_ Personal \_\_\_\_\_  
*Estimated taxable value is the value of the improvements on January 1 of the year after the improvements are made.*



10. Job Creation & Retention:

Number of Full Time Equivalent Jobs	Avg. Annual, Monthly or Hourly Wage	Benefits Provided	# of Positions Created	# of Positions Retained
Executive				
Professional				
Managerial				
Administrative				
General Labor				
Other				
Total				

11. Infrastructure improvements/modifications sought:

12. Will application be made to Tarrant County?  Yes  No

*If yes, please contact Tarrant County Administrator's Office (817-884-2643) for separate application*

13. On an attachment, describe why incentives are necessary for the success of this project and, how the improvements will benefit the property at the conclusion of the incentives (Include any documentation necessary to substantiate your request and if any other locations are under consideration).

14. I am authorized to sign this application for incentives and to certify through my signature below that the business for whom I am authorized to sign, or a branch, division, or department of the business, does not and will not knowingly employ an undocumented worker. If, after receiving an incentive or a "public subsidy" as defined in Government Code § 2264.001(3), the business or a branch, division, or department of the business, is convicted of a violation under 8 U.S.C. § 1324a(f), the business shall repay the amount of the incentive or the public subsidy with interest, at the rate and according to the other terms provided by an agreement required under Government Code § 2264.053, not later than the 120th day after the date the City notifies the business of the violation.

I certify that the information contained herein is true and correct.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title (Must be signed by a corporate officer with signature authority)

\_\_\_\_\_  
Date

This application must be completed and returned for consideration prior to the submission of an application for a building permit or the issuance of a certificate of occupancy, whichever comes first. Upon receipt of this application, the City of Arlington shall require such financial and other information as may be deemed appropriate for evaluating the financial capacity and other factors of the applicant.

An electronic copy of this application is available. For more information, please call (817) 459-6112

Completed requests should be submitted to:

*City Manager's Office  
City of Arlington, M/S 03-0310  
P.O. Box 90231  
Arlington, TX 76004-0231*