The City of Liberty
City Council

Regular Meeting

~ Agenda ~

1829 Sam Houston
Liberty, TX 77575
www.cityofliberty.org

Dianne Tidwell
City Secretary
(936) 336-3684

Tuesday, August 9, 2016 | **6:00 PM** | **City Council Chambers**

The City Council of Liberty, Texas reserves the right to meet in closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551 of the Texas Government Code.

I. CALL TO ORDER

Attendee Name	Present	Absent	Late	Arrived
Mayor Carl Pickett	☐	☐	☐	
Mayor Pro Tem Diane Huddleston	☐	☐	☐	
Councilperson Dennis Beasley	☐	☐	☐	
Councilperson Louie Potetz	☐	☐	☐	
Councilperson Libby Simonson	☐	☐	☐	
Councilperson David Arnold	☐	☐	☐	
Councilperson Paul Glazener	☐	☐	☐	

II. INVOCATION

III. PLEDGE OF ALLEGIANCE

IV. ACKNOWLEDGEMENT OF GUESTS AND VISITORS / PUBLIC COMMENT

Public Comment is reserved for members of the public who would like to address the City Council regarding agenda and non-agenda items. Please be aware that, under Texas Law, the Council may not deliberate or take any action during Citizen's comments for items not on the agenda. In some situations, City Staff may be able to respond to the public comment with a factual statement or clarification. The City Council may have the item placed on a future agenda for action or refer the item to Management and Staff for study or conclusion.

V. PRESENTATIONS / REPORTS

A. Information Item (ID # 3575)

Project Updates - City Mgr. G. Broz

B. Information Item (ID # 3576)

Sam Rayburn Municipal Power Agency - Mayor Pickett

VI. CONSENT AGENDA

All consent items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests, and if such a request is made, the item will be removed from the Consent Agenda and considered in a normal sequence on the agenda.

A. Minutes Approval

1. Tuesday, July 12, 2016

2. Wednesday, July 13, 2016

VII. REGULAR AGENDA

A. Regular Session

1. Council Action 2016-67

Ms. Gwen Lunceford to address the Council regarding the Order of Abatement for the structure located at 109 Mimosa Street, and take any action deemed necessary.

2. Council Action 2016-68

Consider setting the date, time and location for a Public Hearing on the proposed budget for Fiscal Year 2016-2017.

3. Council Action 2016-70

Consider approval of the proposed tax rate for Fiscal Year 2016-2017.

4. Council Action (ID # 3580)

Consider setting the date, time and location for public hearings on the proposed tax rate for Fiscal Year 2016-2017.

5. Work Session (ID # 3581)

Discussion of the proposed 2016-2017 Fiscal Year Budget.

6. Council Action 2016-71

Consider a bid for Tax Resale Property described as a mobile home, Fisher, Block 0-49, Lot 7 8 (Confederate Street).

- Tax Resale Property-Fisher-Confederate (PDF)
- IMG_0988 (JPG)
- IMG_0989 (JPG)
- IMG_0990 (JPG)
- IMG_0991 (JPG)

7. Council Action 2016-72

Consider a bid for Tax Resale Property described as 0.6439 Acres, Richardson, Lot 26, Lot 7 8 (Church St.).

- Tax Resale Property-Richardson (PDF)
- IMG_0983 (JPG)
- IMG_0984 (JPG)
- IMG_0985 (JPG)

- IMG_0986 (JPG)
- IMG_0987 (JPG)

8. Council Action 2016-69

Consider award of proposal for Solid Waste Collection and Disposal Services.

9. Resolution 2016-5

Consider approval of a Resolution electing to participate in the Tax Abatement Program under Texas Tax Code Chapter 312.

10. Resolution 2016-6

Consider a Resolution adopting Guidelines and Criteria for Tax Abatement.

- Tax Abatement Guidelines 2016-OLD (DOC)
- Tax Abatement Guidelines and Criteria-NEW (DOCX)

11. Council Action 2016-73

Discussion of current wastewater repair projects, and take any action deemed necessary.

VIII. ADJOURNMENT

A. Motion To: Adjourn

I certify that the attached Notice of Meeting was posted on the bulletin board and in the Message Centers located on the east and west sides of the City Hall Administration Building, located at 1829 Sam Houston on the 5th day of August, 2016 at 4:00 p.m. This notice will remain so posted continuously for at least 72 hours preceding the scheduled time of said meeting in accordance with Chapter 551 of the Texas Government Code.

Dianne Tidwell

Dianne Tidwell, City Secretary

NOTICE

In compliance with the Americans with Disabilities Act, the City of Liberty will provide reasonable accommodation for persons attending and/or participating in this Council Meeting. To better serve you, requests must be made at least 24 hours prior to the meeting. Contact the City at (936) 336-3684 or by Fax at (936) 336-9846. The building is wheelchair accessible, with parking available, on the west side of the building.

I certify that the attached Notice and Agenda of items to be considered by the City Council was removed by me from the bulletin board at the City Hall on the ________ day of ____________________, 2016.

The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 08/09/16 06:00 PM

Department: Administration
Category: Reports

INFORMATION ITEM (ID # 3575)

DOC ID: 3575

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The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 08/09/16 06:00 PM

Department: Administration
Category: Reports

INFORMATION ITEM (ID # 3576)

DOC ID: 3576

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The City of Liberty
City Council
Regular Meeting
~ Minutes ~

1829 Sam Houston
Liberty, TX 77575
www.cityofliberty.org

Dianne Tidwell
City Secretary
(936) 336-3684

Tuesday, July 12, 2016 | **6:00 PM** | **City Council Chambers**

The City Council of Liberty, Texas reserves the right to meet in closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551 of the Texas Government Code.

I. CALL TO ORDER

The meeting was called to order on July 12, 2016 at the City Council Chambers, 1829 Sam Houston Liberty, TX at 6:00 PM by Mayor Carl Pickett.

Attendee Name	Title	Status	Arrived
Carl Pickett	Mayor	Present	
Diane Huddleston	Mayor Pro Tem	Present	
Dennis Beasley	Councilperson	Present	
Louie Potetz	Councilperson	Present	
Libby Simonson	Councilperson	Present	
David Arnold	Councilperson	Present	
Paul Glazener	Councilperson	Present	
Gary Broz	City Manager	Present	
Dianne Tidwell	City Secretary	Present	
Brandon Davis	City Attorney	Present	

II. INVOCATION

The Invocation was passed on.

III. PLEDGE OF ALLEGIANCE

The Pledge to the American and Texas flags was led by Police Chief Tom Claunch.

IV. ACKNOWLEDGEMENT OF GUESTS AND VISITORS / PUBLIC COMMENT

Mayor Pickett welcomed guests and visitors, opening the floor for public comment to those individuals wishing to address the Council. There were no comments from the audience.

Mayor Pickett commented on the July 1st Fireworks Display held at the Liberty Municipal Park and thanked the employees for putting together the annual event. The Mayor also reminded the Council of the upcoming Texas Municipal League Annual Conference to be held in Austin, October 4-7, 2016.

Council Member Huddleston reported on the recent June 18th Recycling Event and its success.

V. PRESENTATIONS / REPORTS

A. Information Item (ID # 3549)

Project Updates - City Mgr. G. Broz

COMMENTS - Current Meeting:

City Manager Gary Broz reported on current City projects to include water leaks, electric upgrades, annexation, budget work sessions and that sales tax revenues are down 5% from the current budgeted amount. Mr. Broz also spoke in regard to other entity sponsored projects to include the TxDOT overylay project on Hwy. 90 and the Methodist Church UM ARMY is in town doing minor repairs on homes.

VI. CONSENT AGENDA

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Dennis Beasley, Councilperson
SECONDER:	Paul Glazener, Councilperson
AYES:	Pickett, Huddleston, Beasley, Potetz, Simonson, Arnold, Glazener

A. Minutes Approval

1. Tuesday, June 14, 2016

VII. REGULAR AGENDA

A. Regular Session

1. Council Action 2016-55

Consider a contract with Public Management, Inc. For consulting services in regard to the 2016 Texas Community Development Block Grant Program (TXCDBG).

COMMENTS - Current Meeting:

City Manager Gary Broz reported on a contract with Public Management, Inc. For consulting services to implement completion of the sewer line repair in the Layl Subdivision. This project is in regrd to the City's 2016 Texas Community Development Block Grant Program (TXCDBG). The repairs will be made using the pipe bursting procedure, a highly utilized and highly effective method of pipe repair.

Consultant fee is not to exceed $35,090.00, from grant funds, if awarded. Following brief discussion, a motion was made to approve the contract with Public Management, Inc.

ATTACHMENTS:

- Public Mgmt Contract (PDF)

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Dennis Beasley, Councilperson
SECONDER:	Libby Simonson, Councilperson
AYES:	Pickett, Huddleston, Beasley, Potetz, Simonson, Arnold, Glazener

2. Council Action 2016-56

Presentation by Mr. Mike Weaver, Texas Municipal League, regarding employee health and COBRA benefits, and take any action deemed necessary.

COMMENTS - Current Meeting:

Mr. Mike Weaver, Benefits Service Specialist, Texas Municipal League Intergovernment Employee Benefits Pool was present to discuss, with Council, the Pool and related healthcare benefits. Discussed were City contribution rates, benefits that lower out of pocket expenses for members, to include $5 copay for most generic drugs, no cost for preventive/wellness care, use of in-network providers, and other related topics. Mr. Weaver reviewed the City's Rerate Notice and Benefit Verification Form and COBRA benefits.

After further discussion, a motion was made to approve the contract with TML-IEBP for healthcare and COBRA benefits.

ATTACHMENTS:

- Health Ins Info (PDF)
- COBRA Info (PDF)

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Diane Huddleston, Mayor Pro Tem
SECONDER:	Libby Simonson, Councilperson
AYES:	Pickett, Huddleston, Beasley, Potetz, Simonson, Arnold, Glazener

3. Council Action 2016-57

Presentation by Mr. Anthony Mills, Texas Municipal Retirement System, regarding employee retirement benefits, and take any action deemed necessary.

COMMENTS - Current Meeting:

Mr. Anthony Mills, Senior Regional Manager, for the Texas Municipal Retirement System was present to report on the City's plan provisions and member benefits. Mr. Mills reported on the City's 2017 employer contribution rates, City's 2 to 1 matching ratio, 5 year vesting requirement, and retirement eligibility of 5 years/age 60 or 20 years of service/any age, and other related issues.

There was no action to be taken.

RESULT:	**NO ACTION TAKEN**

4. Public Hearing (ID # 3553)

Public Hearing on the 2015 Drinking Water Quality Report.

COMMENTS - Current Meeting:

At 7:09 p.m., Mayor Pickett opened the Public Hearing on the 2015 Drinking Water Quality Report. Public Works Director Tom Warner stated the City must notify its residents of this consumer confidence report which was done through a mass mailing. Mr. Warner reviewed the technical information on the report and stated that the City had no violations.

Mayor Pickett closed the Public Hearing at 7:13 p.m.

ATTACHMENTS:

- CCR Rpt 2015 (DOCX)

5. Council Action 2016-58

Consider a bid for Tax Resale Property described as Garrett, Block 3, Lot 1 (518 Franklin St.).

COMMENTS - Current Meeting:

City Attorney Brandon Davis reported that an offer of $3000.00 was made for tax resale property located at 518 Franklin Street. Total taxes owed are $22,934.87. If the bid is accepted, $366.77 will be distributed to the City of Liberty.

After brief discussion, a motion was made to accept the bid of $3000.00 for the tax resale property described as Garrett, Block 3, Lot 1.

ATTACHMENTS:

- Tax Resale Property (PDF)
- Tax Resale Map (PDF)
- Tax Property Pic (JPG)

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Libby Simonson, Councilperson
SECONDER:	Dennis Beasley, Councilperson
AYES:	Pickett, Huddleston, Beasley, Potetz, Simonson, Arnold, Glazener

6. Council Action 2016-59

Consider ratifying the Liberty Community Development Corporation's action to approve an expenditure for the Liberty Municipal Airport Drainage Project, and take any action deemed necessary.

COMMENTS - Current Meeting:

City Manager Gary Broz explained that water stands between the runway and taxiway, undermining both, at the Liberty Municipal Airport. Mr. Broz reviewed the proposed drainage project to place a new ditch to the south with the addition of a culvert, and direct the water to drain a different direction. Mr. Broz continued by stating that this is a TxDOT Aviation Capital Improvement 90/10 Project, the total project cost being $656,080. The City's portion is $65,608 with a project completion time of 6-8 months. Mr. Broz reported that this expenditure was previously approved by the Liberty Community Development Corporation (LCDC) on June 21, 2016.

After further discussion of the project details, a motion was made to ratify the LCDC's action to approve the expenditure for the Liberty Municipal Airport Drainage Project.

ATTACHMENTS:

- Airport Drainage Project (PDF)
- Airport Drainage Proj Map (PDF)

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Diane Huddleston, Mayor Pro Tem
SECONDER:	Paul Glazener, Councilperson
AYES:	Pickett, Huddleston, Beasley, Potetz, Simonson, Arnold, Glazener

7. Council Action 2016-60

Discussion of current and future wastewater repair projects, and take any action deemed necessary.

COMMENTS - Current Meeting:

City Manager Gary Broz and Public Works Director Tom Warner reported on additional funding to complete necessary wastewater repairs. The additional expenditure of $93,324.00 is required to complete the pipe bursting project, due to a sinkhole, from Edgewood Street to the Bowie Street Lift Station. This expenditure is an addition to the original contract price for sinkhole repairs to Hwy. 90, Alabama Street and Bowie Street. Mr. Broz stated that this expenditure will be funded by monies from the Cambridge Project.

A motion was made to approve the additional expenditure of $93,324 for wastewater repairs on Bowie Street.

ATTACHMENTS:

- WW Photos (PDF)

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Libby Simonson, Councilperson
SECONDER:	David Arnold, Councilperson
AYES:	Pickett, Huddleston, Beasley, Potetz, Simonson, Arnold, Glazener

8. Council Action 2016-61

Discussion of Plan of Finance with the City's Financial Advisor, Bob Henderson, RBC Capital Markets, and take any action deemed necessary.

COMMENTS - Current Meeting:

Mr. Bob Henderson, RBC Capital Markets, the City's Financial Advisor was present to address Council regarding Long Term Planning & a Preliminary Plan of Finance. This item was placed on the agendar for the purpose of updating the City's original 2010 Plan of Finance. Mr. Henderson reviewed the City's financial background to include operations, fund balances, debt and capital improvement needs ($5.5 million). Discussion was held regarding immediate project/needs, revenue sources, long term improvements, rate impacts, and other related issues. Approximately $34 million is needed for various improvements. Mr. Henderson stated that the City is in much better financial condition than it was in 2010.

After lengthy discussion, a motion was made to move forward with the process to issue Certificates of Obligation not to exceed $7,750,000.00 for water and sewer improvements, Liberty Municipal Library improvements, and possible purchase of equipment deemed appropriate to complete these projects.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Louie Potetz, Councilperson
SECONDER:	Libby Simonson, Councilperson
AYES:	Pickett, Huddleston, Beasley, Potetz, Simonson, Arnold, Glazener

9. Council Action 2016-62

Mayor Blume, City of Hardin, to address the Council regarding wastewater flow overage invoices and related issues, and take any action deemed necessary.

COMMENTS - Current Meeting:

City of Hardin Mayor Stephanie Blume addressed Council regarding wastewater flow overage invoices and the related contract for wastewater service with the City of Liberty. Mayor Blume discussed per day charges, issues with contract wording, meter readings, and other related topics.

There was no action taken.

ATTACHMENTS:

- Hardin Request (PDF)

RESULT:	**NO ACTION TAKEN**

B. Executive Session

Government Code §551.071
Private Consultation with Attorney - Possible Litigation with the City of Hardin - Wastewater.

At 8:25 p.m., Mayor Pickett closed the open meeting and opened the Executive Session as authorized above.

C. Reconvene into Regular Session

At 9:14 p.m., Mayor Pickett closed the Executive Session and reconvened the open meeting.

1. Council Action 2016-63

Consider and take action, if ay, on the items as discussed in the Executive Session.

RESULT:	**NO ACTION TAKEN**

VIII. ADJOURNMENT

A. Motion To: Adjourn

COMMENTS - Current Meeting:

There being no further business before the Council, Mayor Pickett adjourned the meeting at 9:16 p.m.

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Carl Pickett, Mayor

ATTEST:

Dianne Tidwell, City Secretary

The City of Liberty
City Council

Special Called Meeting

~ Minutes ~

1829 Sam Houston
Liberty, TX 77575
www.cityofliberty.org

Dianne Tidwell
City Secretary
(936) 336-3684

Wednesday, July 13, 2016 | **6:00 PM** | **City Council Chambers**

The City Council of Liberty, Texas reserves the right to meet in closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551 of the Texas Government Code.

I. CALL TO ORDER

The meeting was called to order on July 13, 2016 at the City Council Chambers, 1829 Sam Houston Liberty, TX at 6:01 PM by Mayor Carl Pickett.

Attendee Name	Title	Status	Arrived
Carl Pickett	Mayor	Present	
Diane Huddleston	Mayor Pro Tem	Present	
Dennis Beasley	Councilperson	Present	
Louie Potetz	Councilperson	Present	
Libby Simonson	Councilperson	Present	
David Arnold	Councilperson	Present	
Paul Glazener	Councilperson	Present	
Gary Broz	City Manager	Present	

II. ACKNOWLEDGEMENT OF GUESTS AND VISITORS / PUBLIC COMMENT

Public Comment is reserved for members of the public who would like to address the City Council regarding agenda and non-agenda items. Please be aware that, under Texas Law, the Council may not deliberate or take any action during Citizen's comments for items not on the agenda. In some situations, City Staff may be able to respond to the public comment with a factual statement or clarification. The City Council may have the item placed on a future agenda for action or refer the item to Management and Staff for study or conclusion.

Mayor Pickett welcomed guests and visitors, opening the floor for public comment to those individuals wishing to address the Council. There were no comments from the audience.

III. REGULAR AGENDA

There were no regular agenda items.

IV. WORK SESSION

1. Work Session (ID # 3560)

The Liberty City Council will conduct a Work Session regarding the proposed budget for Fiscal Year 2016-2017.

COMMENTS - Current Meeting:

Discussion was held regarding various portions of the proposed Fiscal Year 2016-2017 budget. Topics of discussion included the tax rate, personnel costs and salary increases, possible revenue sources to keep property taxes consistent with previous years, water and wastewater rate increases, delinquent taxes, transfers, and numerous other related topics.

V. ADJOURNMENT

Motion To: Adjourn

COMMENTS - Current Meeting:

There being no further business before the Council, Mayor Pickett adjourned the meeting at 7:55 p.m.

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____
Carl Pickett, Mayor

ATTEST:

____
Dianne Tidwell, City Secretary

The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 08/09/16 06:00 PM

Department: Administration
Category: Demolition

COUNCIL ACTION 2016-67

DOC ID: 3577

.

The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 08/09/16 06:00 PM

Department: Administration
Category: Budget Issues

COUNCIL ACTION 2016-68

DOC ID: 3578

EXPLANATION:
The governing body of a municipality is required to hold a public hearing on the proposed budget. The hearing must be at least fifteen days after the date the proposed budget is filed with the City Secretary and prior to the date that the Council passes the tax levy ordinance. The budget must be passed before the tax levy ordinance can be passed. Texas LGC §102.006. Any person may attend and/or participate in the hearing.

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The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 08/09/16 06:00 PM

Department: Administration
Category: Tax Rate

COUNCIL ACTION 2016-70

DOC ID: 3579

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The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 08/09/16 06:00 PM

Department: Administration
Category: Tax Rate

COUNCIL ACTION (ID # 3580)

DOC ID: 3580 A

EXPLANATION:
Tax payers must be provided the opportunity to express their views regarding the proposed tax rate. A public hearing on a tax rate may not be held before the 7th day after the date the notice of public hearing is given. The 2nd public hearing may not be held earlier than the 3rd day after the date of the 1st hearing. Management recommends holding the public hearings on August 23rd and August 30th.

Adoption of the tax rate ordinance will take place on September 13, 2016.

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The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 08/09/16 06:00 PM

Department: Administration
Category: Budget

WORK SESSION (ID # 3581)

DOC ID: 3581

.

The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 08/09/16 06:00 PM

Department: Administration
Category: Property Sale

COUNCIL ACTION 2016-71

DOC ID: 3582

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We have an offer on the following property:

Account numbers 004300-000033-005 (PID # 48212)

BEING described as Fisher, Block O-49, Lot 7 8 MH Label #TEX0008936, and being further identified in the Tax Rolls of Liberty County as Account # 004300-000033-005.

Offeror:	Name:	Aubrey L Williams
	Address:	5010 McKnight Rd.
		Pearland, Texas 77584
	Phone #:	832-419-8729

Tax owed:	Liberty ISD	$ 2,603.75	=	48.14 %
	City of Liberty	$ 1,253.99	=	23.18 %
	County	$ 1,551.18	=	28.68 %
Total taxes owed:		$ 5,408.92		

Offer:	$ 2,000.00
Less court costs TX11101066	$ 626.00
Deed Filing Fee	$ 24.00
Amount to be distributed:	$ 1,350.00

Amount to be received by Liberty ISD	$ 649.89
Amount to be received by the City of Liberty	$ 312.93
Amount to be received by County	$ 387.18
	$ 1,350.00

Total per cent recovered by	24.96 %
Total Base Tax	$ 2,533.54
Per cent of base amount recovered	53.29 %
CAD value (PID #48212)	$ 22,660.00
Percent of CAD value recovered	5.96 %

Liberty County Strike Off Property

RESALE BIDDERS INFORMATION FORM

BUYER INFORMATION

Name: AUBREY L. WILLIAMS

Address: 5010 MCKNIGHT Rd.
FEARLAND TX 77584

Phone Number: 832-419-8729

PROPERTY INFORMATION

Suit # TX 11101066

Account # 004300-000033-005

Legal Description: FISHER, BLOCK 0-49, LOT 7.8 M
H LABEL # TEX 0008936

PROPOSED BID INFORMATION

Amount of Bid: $2000.00

A publication fee of $250.00, $24.00 for fee to file the deed and the amount of Court Costs will be deducted from this figure first and then the remaining amount is the figure to be distributed to the taxing authorities.

**** The acceptance of this proposed bid sheet does not warranty nor guarantee that the proposed bid will be approved by the taxing entities****

Return completed form to

David Taylor
Fielder, Gunter & Davis
1517 Trinity St
Liberty, TX 77575
Phone (936) 776-6985

LIBERTY COUNTY
TAX ASSESSOR - COLLECTOR
RICHARD L BROWN

P.O. BOX 1810
LIBERTY, TX 77575
(936) 336-4633

ACCOUNT: 004300-000033-005

2015+ Tax Statement

Statement Date:	02/26/2016	**Property Location:**	0000615 CONFEDERATE
Owner:	CITY OF LIBERTY TRUSTEE	**Acres:**	0
Mailing Address:	1829 SAM HOUSTON ST LIBERTY TX 77575	**Legal Description:**	FISHER, BLOCK O-49, LOT 7 8, M H LABEL# TEX0008936

Exemptions:

LAND VALUE	IMPROVEMENT VAL	NON-HOMESITE VAL	APPRAISED VALUE		
8,440	9,390	4,830	22,660		

Taxing Entities	Exemption Amount	Taxable Value	Tax Rate Per $100	Base Tax
CITY OF LIBERTY	22,660	0	0.590000	0.0(
LIBERTY COUNTY	22,660	0	0.578800	0.0(
LIBERTY CO HD #1	22,660	0	0.090000	0.0(
NAVIGATION SOUTH	22,660	0	0.017800	0.0(
LIBERTY ISD	22,660	0	1.394300	0.0(
WATER DISTRICT #5	22,660	0	0.059700	0.0(
LAWSUIT: TX11101066			TOTAL BASE TAX	0.0(

PRIOR YEARS	5,379.8(
Total Amount Due	5,379.80

IF THE PROPERTY DESCRIBED IN THIS DOCUMENT IS YOUR RESIDENCE HOMESTEAD, YOU SHOULD CONTACT THE LIBERTY COUNTY TAX OFFICE REGARDING A RIGHT YOU MAY HAVE TO ENTER INTO AN INSTALLMENT AGREEMENT DIRECTLY WITH THE LIBERTY COUNTY TAX OFFICE FOR THE PAYMENT OF THESE TAXES.

*LAWSUIT HAS BEEN FILED ON DELINQUENT TAXES. CALL (936) 336-4633 FOR ADDITIONAL AMOUNT DUE.
*ADDITIONAL COUNTY SALES TAX REDUCED YOUR COUNTY AD VALOREM TAX BY $0.00.

↓ Detach ↓

Detach and return this portion with your check payable to:

Liberty County
P.O. Box 1810
Liberty, TX 77575
(936) 336-4633

2015 +Tax Statement
02/26/2016

Property Account Number
004300-000033-005

Total Amount Due **$5,379.80**

Delinquent Date: 02/01/2016

NOTE: LAWSUIT FILED AGAINST DELINQUENT TAXES. CALL (936) 336-4633.

OWNER: CITY OF LIBERTY TRUSTEE
PIDN: 48212
FID:
TX11101066

CITY OF LIBERTY TRUSTEE
1829 SAM HOUSTON ST
LIBERTY TX 77575

IF PAID IN	AMOUNT DUE
MAR	5,408.92
APR	5,438.09
MAY	5,467.16
JUN	5,496.24
JUL	5,525.49
AUG	5,554.59

Attachment: Tax Resale Property-Fisher-Confederate (CA-2016-71 : Tax Resale Property-Fisher-Confederate St.)

Server: LIBERTYTAX

Database: LIBERTYCOUNTY

User: TAXOFCBACK09152\Owner

Form: Account Status

Date: 2/26/2016 8:28:00 AM

Account: 004300-000033-005 | AD #: 48212 | I | N

Legal: FISHER, BLOCK 0-49, LOT 7 8, M H LABEL# TEX0008936

Owner: CITY OF LIBERTY TRUSTEE
1829 SAM HOUSTON ST
LIBERTY, TX 77575

Stat: J

Sup:

Refresh

A Val: 22,660 | S Def: | Deed: | Acres: 0.000000 | Frozen Information: No Frozens | Fiduciaries: 0 found

L Val: 8,440 | E Def: | Vol: 0 | Sq Ft: 0 | Exemptions: MISC

I Val: 14,220 | Ag Def: 0 | Page: 0 | Inst: 0 | Roll: R | NonBilled: 0 Found

Loc: 0000615 CONFEDERATE | Map#: | 02/26/2016 | Today | Override P&I | Paid: 02/01/2013

Receivables | Detail | Audit | Owner ID: 2025532 | Owner %: 100

Current/Due | Prior Years | All | Select... | MH | Values | Year, Unit, Type

Year	Status	Rec. Bal.	Pen. Due	Int. Due	Col. Pen	Total Due	Paid	Refund
TOTAL		2,533.54	304.03	1,840.51	701.72	5,379.80	6,813.62	.00
2015		.00	.00	.00	.00	.00	.00	.00
2014		.00	.00	.00	.00	.00	.00	.00
2013		.00	.00	.00	.00	.00	.00	.00
2012		.00	.00	.00	.00	.00	496.61	.00
2011	J	574.34	68.92	281.43	138.70	1,063.39	.00	.00
2010	J	580.06	69.61	353.84	150.54	1,154.05	.00	.00
2009	J	416.35	49.96	303.94	115.54	885.79	.00	.00
2008	J	415.53	49.87	353.21	122.78	941.39	.00	.00
2007	J	403.60	48.43	391.50	126.54	970.07	.00	.00
2006	J	143.66	17.24	156.59	47.62	365.11	653.19	.00
2005	J	.00	.00	.00	.00	.00	1,048.44	.00
2004		.00	.00	.00	.00	.00	447.43	.00
2003		.00	.00	.00	.00	.00	734.32	.00
2002		.00	.00	.00	.00	.00	727.20	.00
2001		.00	.00	.00	.00	.00	599.31	.00
2000		.00	.00	.00	.00	.00	529.06	.00
1999		.00	.00	.00	.00	.00	528.72	.00
[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Attachment: Tax Resale Property-Fisher-Confederate (CA-2016-71 : Tax Resale Property-Fisher-Confederate St.)

DEED UNDER ORDER OF SALE IN TAX SUITS
****

2012015190 2 PGS

NOTICE OF CONFIDENTIALITY RIGHTS IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFER AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS· YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER
(Language pursuant Section 11 008 of the Texas Property Code)

Date:	**November 6, 2012**
Grantor:	Sheriff Henry Patterson, Liberty County, Texas
Grantee(s):	**City of Liberty, Trustee, for itself and for Liberty County and Liberty Independent School District**
Consideration/High Bid:	**Taxes, penalties, interest and cost owing.**
Land and Premises:	Lots 7 and 8, Fisher Subdivision of Outer Block 49, Town of Liberty, more fully described in Vol 1521, Page 694 of the Deed Records of Liberty County, Texas, (Account No 004300-000033-005)
LCAD number:	#004300-000033-005
Sheriff:	Sheriff Henry Patterson, Liberty County, Texas
Order of Sale in Tax Suit:	That order of sale issued on September 21, 2012 out of the Judicial District Courts of Liberty County, Texas, pursuant to a judgment and decree of sale in **Cause No. TX11101066** City of Liberty et al vs Dexter Redmon aka Dexter Redman et al rendered on July 30, 2012
Newspaper:	Liberty Vindicator Dates of publications October 11, 2012, October 18, 2012, and October 25, 2012
Levy Date:	**September 25, 2012**
Defendant(s):	**Dexter Redmon aka Dexter Redman et al**
Date of Sale:	**November 6, 2012**, being the first Tuesday of the month therein

By virtue of that certain **Order of Sale** described above and further directed and delivered to me as Sheriff on the above stated **Levy Date**, commanding me to seize and sell the land and premises described in the **Order of Sale**, I did advertise for sale the said land and premises described in the **Order of Sale**, by having a notice of the sale published in the English language once a week for three consecutive weeks preceding the **Date of Sale** in the above-described **Newspaper**, a newspaper published in Liberty County, Texas, the first publication appearing not less than twenty days immediately preceding the day of the sale, containing a statement of the authority by virtue of which the sale is to be made, time and place of sale; also a brief description of the property to be sold by stating the number of acres and the original survey; if the property was located in a platted subdivision or addition the name by which the land is generally known with reference to that subdivision or addition, or by adopting the description of the land as contained in the judgment Also, a copy of the Notice of Sale was mailed to the last known address of the above named **Defendant(s)**.

On the **Date of Sale** stated above, between the hours of ten o'clock a m. and four o'clock p m , I offered the above described land and premises at public venue in the County of Liberty, State of Texas, at the door of the Court House of said Liberty County, Texas, and said land and premises were struck off to the taxing units, for the sum stated above

Accordingly, and in consideration that no monies were received nor exchanged, I hereby convey to the Grantee(s) all of the right title and interest owned by the **Defendants** in the property described above

Attachment: Tax Resale Property-Fisher-Confederate (CA-2016-71 : Tax Resale Property-Fisher-Confederate St.)

This deed is given expressly subject to the right of Defendant's to redeem the land and premises within the time and in the manner provided by law.

THIS instrument was prepared from information furnished by the parties to this suit and no examination has been made and no opinion has been given by the office preparing this instrument as to the title or the description of the property involved except as herein above stated

IN TESTIMONY WHEREOF, I have hereunto set my hand, this 14th day of November, 2012.

Sheriff Henry Patterson
Liberty County, Texas

THE STATE OF TEXAS §
§
COUNTY OF LIBERTY §

BEFORE ME, the undersigned Notary Public in and for the State of Texas, on this day personally appeared Sheriff Henry Patterson, Liberty County, Texas, known to be to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same as Sheriff Henry Patterson, Liberty County, Texas, for the purposes and consideration, and in the capacity therein expressed

GIVEN under my hand and seal of office, this 14th day of November, 2012.

NOTARY PUBLIC, State of Texas

PATRICIA D GARPNE
My Commission Expires
August 13, 2014

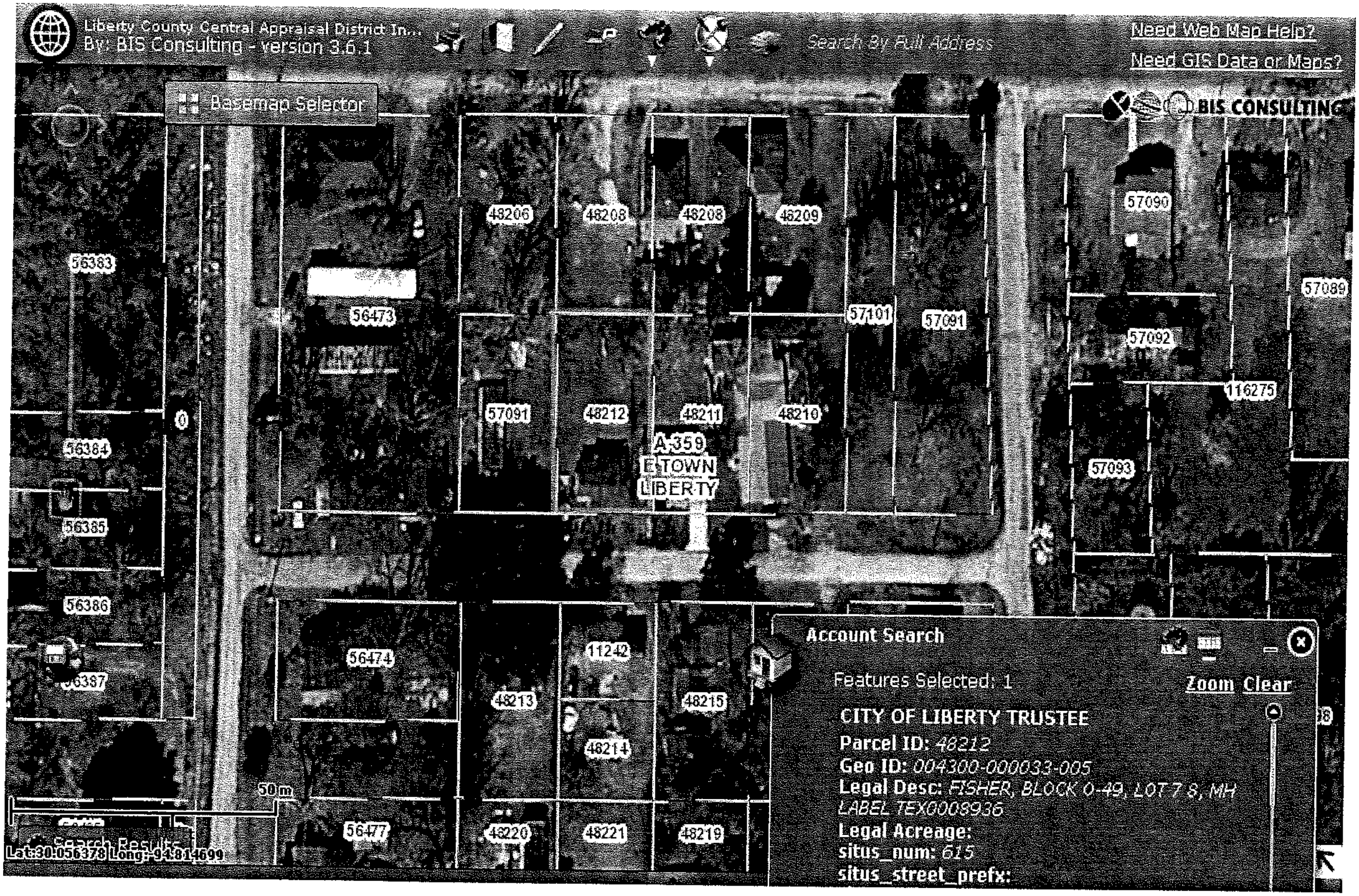
OFFICIAL RECORDS
LIBERTY COUNTY
PAULETTE WILLIAMS
COUNTY CLERK
RECORDING FEE $0 00
2012015190
11/30/2012 01 58 PM 2 PGS
BMCCOLLOUG,DC Receipt #017523

STATE OF TEXAS }
COUNTY OF LIBERTY }
I hereby certify that this instrument was FILED in the number sequence on the date and at the time stamped hereon by me, and was duly RECORDED in the volume and page of the OFFICIAL PUBLIC RECORDS of Liberty County Texas as Stamped hereon by me on

NOV 30 2012

COUNTY CLERK
LIBERTY COUNTY, TEXAS

Return To:
Fielder, Randolph and Gunter
Mr. Mike Fielder
P O. Box 1265
Dayton, TX 77535
Cause No TX11101066



Attachment: Tax Resale Property-Fisher-Confederate (CA-2016-71 : Tax Resale Property-Fisher-

The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 08/09/16 06:00 PM

Department: Administration
Category: Property Sale

COUNCIL ACTION 2016-72

DOC ID: 3583

.

We have an offer on the following property:

Account numbers 007230-000018-005 (PID # 65177)

BEING 0.6439 Acres, described as Richardson, Lot 26, Section 1, and being further identified in the Tax Rolls of Liberty County as Account # 007230-000018-005.

Offeror:	Name:	Kristian Vining
	Address:	118 Church St.
		Liberty, Tx 77575
	Phone #:	936-346-9384

Tax owed:	Liberty ISD	$ 8,707.82	=	53.99 %
	City of Liberty	$ 3,301.01	=	20.46 %
	County	$ 4,121.07	=	25.55 %
Total taxes owed:		$16,129.90		

Offer:	$ 3,250.00
Less court costs TX13101620	$ 0.00
Deed Filing Fee:	$ 24.00
Amount to be distributed:	$ 3,226.00

Amount to be received by Liberty ISD	$ 1,741.72
Amount to be received by City of Liberty	$ 660.04
Amount to be received by County	$ 824.24
	$ 3,226.00

Total per cent recovered by	20.0 %
Total Base Tax	$ 5,023.10
Per cent of base amount recovered	64.22 %
CAD value (PID # 65177)	$ 6,190.00
Percent of CAD value recovered	52.12 %

Strike Off Property

RESALE BIDDERS INFORMATION FORM

BUYER INFORMATION

Name: Kristian Vining

Address: 118 Church St. Liberty TX 77575

Phone Number: 936-346-9384

PROPERTY INFORMATION

Suit # TX1310162 0

Account # 007230-000018-005

Legal Description: Richardson, Lot 26 Sec 1, Acres .6439

PROPOSED BID INFORMATION

Amount of Bid $ ~~2500.00~~ $3,250.00 DW

Kristian Vining
Signature of Buyer

6/8/16
Date

** The acceptance of this proposed bid sheet does **not** warranty nor guarantee that the proposed bid will be approved by the taxing entities.

PLEASE PRINT CLEARLY

Return to Tax O
Please attached a copy of the recorded Sheriff's Deed.

LIBERTY COUNTY
TAX ASSESSOR - COLLECTOR
RICHARD L BROWN

P.O. BOX 1810
LIBERTY, TX 77575
(936) 336-4633

ACCOUNT: 007230-000018-005

2015+ Tax Statement

Statement Date:	06/10/2016
Owner:	DUFF BILLY JOE JR & LAURA
Mailing Address:	106 DUFF ST LIBERTY TX 77575

Property Location:	0000120 CHURCH ST
Acres:	0.6439
Legal Description:	RICHARDSON, LOT 26 SEC 1, ACRE S .6439

Exemptions:

NON-HOMESITE VAL	APPRAISED VALUE
6,190	6,190

Taxing Entities	Exemption Amount	Taxable Value	Tax Rate Per $100	Base Tax
CITY OF LIBERTY	0	6,190	0.590000	36.52
LIBERTY COUNTY	0	6,190	0.578800	35.83
LIBERTY CO HD #1	0	6,190	0.090000	5.57
NAVIGATION SOUTH	0	6,190	0.017800	1.10
LIBERTY ISD	0	6,190	1.394300	86.31
WATER DISTRICT #5	0	6,190	0.059700	3.70
			TOTAL BASE TAX	169.03

LAWSUIT: CV71588 CV69496GLI71588 TX13101620

PENALTY & INTEREST	25.37
PRIOR YEARS	15,935.50
Total Amount Due	16,129.90

IF THE PROPERTY DESCRIBED IN THIS DOCUMENT IS YOUR RESIDENCE HOMESTEAD, YOU SHOULD CONTACT THE LIBERTY COUNTY TAX OFFICE REGARDING A RIGHT YOU MAY HAVE TO ENTER INTO AN INSTALLMENT AGREEMENT DIRECTLY WITH THE LIBERTY COUNTY TAX OFFICE FOR THE PAYMENT OF THESE TAXES.

*LAWSUIT HAS BEEN FILED ON DELINQUENT TAXES. CALL (936) 336-4633 FOR ADDITIONAL AMOUNT DUE.
*ADDITIONAL COUNTY SALES TAX REDUCED YOUR COUNTY AD VALOREM TAX BY $5.15.

↓ Detach ↓

Detach and return this portion with your check payable to:

Liberty County
P.O. Box 1810
Liberty, TX 77575
(936) 336-4633

Property Account Number
007230-000018-005

2015 +Tax Statement
06/10/2016

Total Amount Due **$16,129.90**

Delinquent Date: 02/01/2016

NOTE: LAWSUIT FILED AGAINST DELINQUENT TAXES. CALL (936) 336-4633.

OWNER: DUFF BILLY JOE JR & LAURA
PIDN: 65177
FID:
CV71588 CV69496GLI71588 TX13101620

DUFF BILLY JOE JR & LAURA
106 DUFF ST
LIBERTY TX 77575

IF PAID IN	AMOUNT DUE
JUL	16,220.68
AUG	16,278.45
SEP	16,336.16
OCT	16,393.88
NOV	16,451.63
DEC	

Server: LIBERTYTAX

Database: LIBERTYCOUNTY

User: TAXOFCBACK09152\Owner

Form: Account Status

Date: 6/14/2016 8:28:54 AM

Account: 007230-000018-005
AD #: 65177
Legal: RICHARDSON, LOT 26 SEC 1, ACRE S .6439
Owner: DUFF BILLY JOE JR & LAURA
106 DUFF ST
LIBERTY, TX 77575
Stat: SJ
Sup:
Refresh

A Val: 6,190
L Val: 6,190
I Val: 0
Loc: 0000120 CHURCH ST
S Def:
E Def:
Ag Def: 0
Deed:
Vol: 0
Page: 0
Map#:
Acres: 0.643900
Sq Ft: 0
Inst: 0
Roll: R
06/14/2016
Today
Frozen Information: No Frozens
Fiduciaries: 0 found
Exemptions: 0 found
NonBilled: 0 Found
Override P&I
Paid: 08/14/2007

Receivables | Detail | Audit |
Owner ID: 2007839
Owner %: 100

Current/Due   Prior Years   All   Select...

Values   Year, Unit, Type

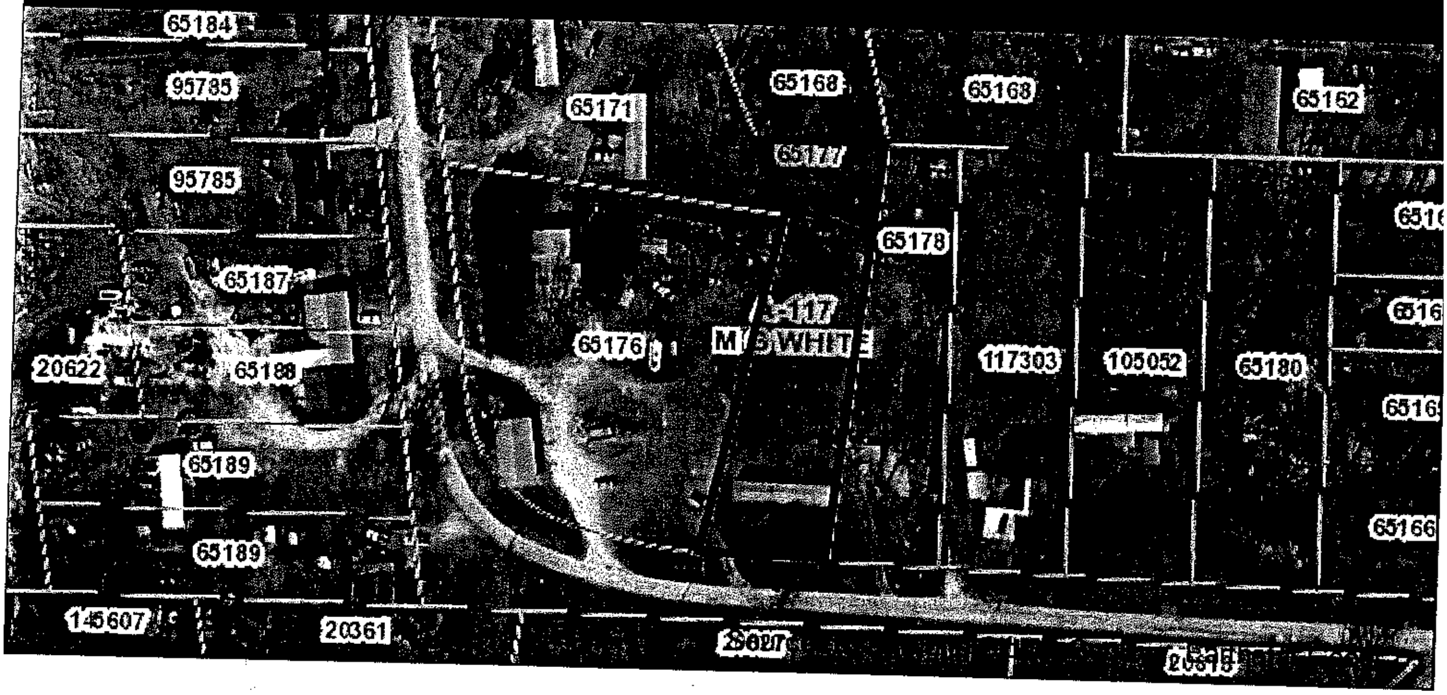
Year	Status	Rec. Bal.	Pen. Due	Int. Due	Col. Pen	Total Due	Paid	Refund
TOTAL		5,023.10	599.38	8,428.86	2,078.56	16,129.90	500.00	.00
2015		169.03	16.90	8.47	.00	194.40	.00	.00
2014	S	155.06	18.60	26.37	30.01	230.04	.00	.00
2013	J	155.06	18.60	44.97	32.79	251.42	.00	.00
2012	J	153.80	18.45	63.05	35.30	270.60	.00	.00
2011	J	153.63	18.43	81.43	38.03	291.52	.00	.00
2010	J	155.16	18.62	100.86	41.20	315.84	.00	.00
2009	J	74.23	8.91	57.15	21.05	161.34	.00	.00
2008	J	324.41	38.94	288.73	97.81	749.89	.00	.00
2007	J	320.90	38.51	324.13	102.53	786.07	.00	.00
2006	J	362.23	43.47	409.31	122.25	937.26	.00	.00
2005	J	389.44	46.73	486.81	138.46	1,061.44	.00	.00
2004	J	378.41	45.42	518.42	141.33	1,083.58	.00	.00
2003	J	.00	.00	.00	.00	.00	53.44	.00
2002	J	.00	.00	.00	.00	.00	55.21	.00
2001	J	.00	.00	.00	.00	.00	53.96	.00
2000	J	.00	.00	.00	.00	.00	56.97	.00
1999	J	.00	.00	.00	.00	.00	60.55	.00

Attachment: Tax Resale Property-Richardson (CA-2016-72 : Tax Resale Property-Richardson)

Liberty CAD eSearch

Property ID: 65177 For Year 2016

Map



Property Details

Account	
Property ID:	65177
Legal Description:	RICHARDSON, LOT 26 SEC 1, ACRES .6439
Geographic ID:	007230-000018-005
Agent Code:	
Type:	Real
Location	
Address:	120 CHURCH ST TX
Map ID:	29 C, 906
Neighborhood CD:	LISD01
Owner	
Owner ID:	2007839
Name:	DUFF BILLY JOE JR & LAURA
Mailing Address:	106 DUFF ST LIBERTY, TX 77575
% Ownership:	100.0%
Exemptions:	For privacy reasons not all exemptions are shown online.

Property Values

Improvement Homesite Value:	$0
Improvement Non-Homesite Value:	$0
Land Homesite Value:	$0
Land Non-Homesite Value:	$6,190
Agricultural Market Valuation:	$0
Market Value:	$6,190
Ag Use Value:	$0
Appraised Value:	$6,190
HS Cap:	$0
Assessed Value:	$6,190

VALUES DISPLAYED ARE 2016 PRELIMINARY VALUES and are subject to change prior to Certification

DISCLAIMER Information provided for research purposes only. Legal descriptions and acreage amounts are for appraisal district use only and should be verified prior to using for legal purpose and or documents. Please contact the Appraisal District to verify all information for accuracy.

Property Taxing Jurisdiction

Entity	Description	Tax Rate	Market Value	Taxable Value	Estimated Tax	Freeze Ceiling
CAD	APPRAISAL DIST	0.000000	$6,190	$6,190	$0.00	
CLI	CITY OF LIBERTY	0.590000	$6,190	$6,190	$36.52	
GLI	LIBERTY COUNTY	0.578800	$6,190	$6,190	$35.83	
HD1	HOSPITAL DISTRICT 1	0.090000	$6,190	$6,190	$5.57	
NAVS	NAVIGATION-SOUTH	0.017800	$6,190	$6,190	$1.10	
PR1	PRECINCT 1	0.000000	$6,190	$6,190	$0.00	
SLI	LIBERTY ISD	1.394300	$6,190	$6,190	$86.31	
WD5	WATER DISTRICT 5	0.059700	$6,190	$6,190	$3.70	

Total Tax Rate: 2.730600 **Estimated Taxes With Exemptions:** $169.02 **Estimated Taxes Without Exemptions:** $169.02

Property Improvement - Building

Property Land

Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
SI	SITE IMPROVEMENTS	0	0.00	0.00	0.00	$2,000	$(
IL	INTERIOR LOT	0.6439	28,048.28	0.00	0.00	$4,190	$(

Property Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2016	$0	$6,190	$0	$6,190	$0	$6,190
2015	$0	$6,190	$0	$6,190	$0	$6,190
2014	$0	$6,190	$0	$6,190	$0	$6,190
2013	$0	$6,190	$0	$6,190	$0	$6,190
2012	$0	$6,190	$0	$6,190	$0	$6,190
2011	$0	$6,190	$0	$6,190	$0	$6,190
2010	$0	$6,190	$0	$6,190	$0	$6,190
2009	$0	$2,960	$0	$2,960	$0	$2,960

Property Deed History

Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Number
3/27/2008	GD	GIFT DEED	DUFF MARY & BILLY DUFF	DUFF BILLY JOE JR & LAURA	2008	005577	
	OT	OTHER	COUGHLIN GEORGE H & RENA	DUFF MARY & BILLY DUFF	1084	35	0

VALUES DISPLAYED ARE 2016 PRELIMINARY VALUES and are subject to change prior to Certification

Map Title

June 14, 2016

Disclaimer: This product is for informational purposes only and has not been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of boundaries

- Parcels
- Abstracts

1:1,132

0 0.0075 0.015 0.03 mi

0 0.015 0.03 0.06 km

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, sw

This product and relative ...

Liberty County Appraisal District & ...

7.A.7.a

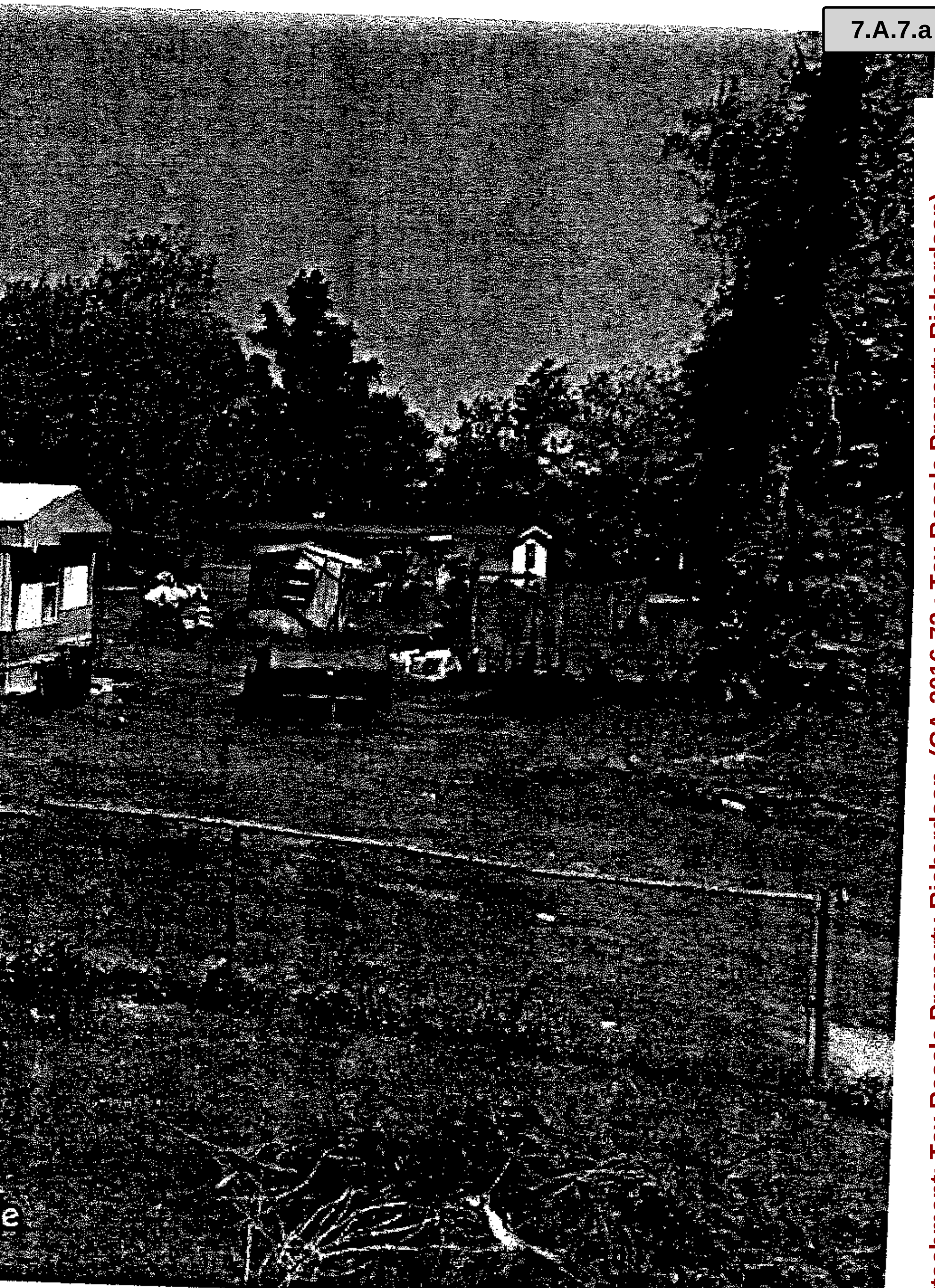


Image capture: May 2013 © 2016 Google

Attachment: Tax Resale Property-Richardson (CA-2016-72 : Tax Resale Property-Richardson)

The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 08/09/16 06:00 PM

Department: Administration
Category: Solid Waste Issues

COUNCIL ACTION 2016-69

DOC ID: 3584

.

The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 08/09/16 06:00 PM

Department: Administration
Category: Tax Abatement

RESOLUTION 2016-5

DOC ID: 3586 A

A RESOLUTION BY THE CITY COUNCIL OF THE
CITY OF LIBERTY, TEXAS, ELECTING TO PARTICIPATE IN THE TAX
ABATEMENT PROGRAM UNDER TEXAS TAX CODE CHAPTER 312

WHEREAS, the City Council of the City of Liberty desires to promote the development/redevelopment of certain contiguous geographic areas within its jurisdiction; and

WHEREAS, the City of Liberty is authorized to enter into Tax Abatement Agreements for commercial/industrial purposes as authorized in Chapter 312 of the Texas Tax Code, “Property Redevelopment and Tax Abatement Act” (The Act); and

WHEREAS, the Act requires the City of Liberty to elect to make itself eligible to engage in a Tax Abatement Program pursuant to Chapter 312 of the Texas Tax Code.

NOW, THEREFORE, BE IT RESOLVED that the City of Liberty does hereby elect to participate in a Tax Abatement Program under Chapter 312 of the Texas Tax Code.

PASSED AND APPROVED this the 9th day of August, 2016.

CITY OF LIBERTY, TEXAS

____
Carl Pickett, Mayor

ATTEST:

____
Dianne Tidwell, City Secretary

The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 08/09/16 06:00 PM

Department: Administration
Category: Tax Abatement

RESOLUTION 2016-6

DOC ID: 3585 A

A RESOLUTION BY THE CITY COUNCIL OF THE
CITY OF LIBERTY, TEXAS, ADOPTING GUIDELINES
AND CRITERIA FOR TAX ABATEMENT

WHEREAS, the City Council of the City of Liberty desires to promote the development/redevelopment of certain contiguous geographic areas within its jurisdiction; and

WHEREAS, the City of Liberty is authorized to enter into Tax Abatement Agreements for commercial/industrial purposes as authorized in Chapter 312 of the Texas Tax Code, “Property Redevelopment and Tax Abatement Act” (The Act); and

WHEREAS, the Act requires the City of Liberty to establish guidelines and create criteria for the designation of Reinvestment Zones and the entering into Tax Abatement Agreements.

NOW, THEREFORE, BE IT RESOLVED that the City of Liberty does hereby adopt the attached guidelines and criteria for tax abatement.

PASSED AND APPROVED this the 9th day of August, 2016.

CITY OF LIBERTY, TEXAS

____
Carl Pickett, Mayor

ATTEST:

____
Dianne Tidwell, City Secretary

GUIDELINES AND CRITERIA

FOR

TAX ABATEMENT

August 9, 2016 – August 9, 2018

<u>Mayor</u>

Carl Pickett

<u>City Council</u>

David Arnold
Dennis Beasley
Diane Huddleston
Louie Potetz
Libby Simonson
Paul Glazener

CITY OF LIBERTY
SCHEDULE OF TAX ABATEMENT EVENTS

STEP 1 Request for information on Tax Abatement.

STEP 2 Application for Abatement received by City.

STEP 3 Discussions with applicant about application. Gathering data to meet City of Liberty Tax Abatement Guidelines and Criteria to qualify for tax abatement. Written response on findings to Applicant.

STEP 4 Notification of Public Hearing on designation of a Reinvestment Zone for the purpose of tax abatement:

A. to all taxing entities no later than seven days prior to meeting;

B. publication and posting no later than seven days prior to meeting.

STEP 5 Public hearing on designation of a Reinvestment Zone for the purpose of tax abatement.

STEP 6 Adoption of Ordinance designating an area a Reinvestment Zone.

STEP 7 Notice of City's intent to consider entering into a Tax Abatement Agreement sent to all taxing entities no later than seven days prior to City Council meeting. Taxing entities must be sent a copy of proposed abatement agreement with notification.

STEP 8 City Council considers Resolution authorizing the Tax Abatement Agreement and authorizes the Mayor to execute the agreement.

STEP 9 Applicant begins construction and/or acquisition of property described in abatement.

STEP 10 Completion of improvements:

A. City inspects the project improvements for compliance with agreement;

B. City receives accounting statement and/or list of capital expenditures on improvements for compliance with agreement;

C. City issues Certification of Completion/Compliance.

Attachment: Tax Abatement Guidelines 2016-OLD (RES-2016-6 : Tax Abatement Guidelines & Criteria)

STEP 11 Certificate of Completion/Compliance filed with Tax Collector and Chief Appraiser.

STEP 12 Prior to April 1 of the year following the Agreement; the City sends to the Texas Department of Commerce and to the State Property Tax Board a copy of the following:

A. Reinvestment Zone Designation including general description, size, and type of property it includes;

B. Tax Abatement Agreement Including parties involved, property description and improvements or repairs to be made the portion of property to be exempted and the term of agreement.

C. Annual report on each Reinvestment Zone.

STEP 13 Prior to May 1 of the year following the agreement, (and each year thereafter) the company files form titled "Application for Abatement" with the Liberty County Central Appraisal District, P. O. Box 10016, Liberty, TX 77575.

STEP 14 At expiration of agreement or a termination due to noncompliance, the City will issue a Termination of Agreement to company with copies to all taxing entities, Tax Collector and Chief Appraiser, the Texas Department of Commerce and the State Property Tax Board.

CITY OF LIBERTY

GUIDELINES AND CRITERIA

FOR TAX ABATEMENT

<u>LIST OF EXHIBITS</u>

A. Tax Abatement Schedule

B. Resolution adopting Guidelines and Criteria for Tax Abatement

C. Ordinance designating Reinvestment Zone

- C-1 Metes and Bounds description of Reinvestment Zone
- C-2 Drawing (Plat) of Reinvestment Zone
- C-3 Tax Abatement Schedule

D. Resolution authorizing Tax Abatement Agreement

E. Sample Tax Abatement Agreement

- E-1 Tax Abatement Schedule
- E-2 List of proposed improvements and/or personal property, limited to manufacturing equipment.
- E-3 Certificate of Compliance
- E-4 Map showing existing uses and conditions to company's property within the Zone
- E-5 Map showing proposed improvements to company's property within the Zone

F. Section 312.204 of the Property Redevelopment and Tax Abatement Act

G. Commercial/Industrial Tax Abatement Application

CITY OF LIBERTY
GUIDELINES AND CRITERIA
FOR
TAX ABATEMENT

INTRODUCTION

The City of Liberty has implemented a Tax Abatement Program under the provisions of Property Redevelopment and Tax Abatement Act found in Chapter 312 of the Texas Tax Code. The City has adopted this uniform policy and these Guidelines and Criteria for Tax Abatement for businesses with qualifying real and personal property willing to execute tax abatement agreements with the City. The goal of tax abatement is to provide long term, significant impact on this community and to utilize area contractors and work force to the maximum extent feasible by developing, redeveloping and improving real property.

Tax Abatement will be negotiated with the property owner within a Reinvestment Zone. Tax Abatement is available to property owners according to the schedule outlined in Exhibit A or other schedule as developed within a Reinvestment Zone. The agreement between the City and the Business will exempt from taxation all or part of the increase in value of the real property over its value in the year in which the agreement is executed. It can also exempt from taxation tangible personal property limited to manufacturing equipment.

It is the intent of these Guidelines and Criteria to outline the policy of the City toward tax abatement to determine the eligibility criteria of the industry and to outline the process for designating a Reinvestment Zone. These Guidelines and Criteria further outline the terms of the Tax Abatement Agreement with the business and the process for seeking tax abatements from the other taxing entities.

These general Guidelines and Criteria are not intended to be restrictive in any way, and are designed to be used as a guide to any business, industry or individual interested in Tax Abatement. The Guidelines and Criteria have been approved by the City Council as evidenced by the adoption of Resolution dated July 8, 2014, (which is attached to this document as Exhibit B).

These guidelines and criteria should not be construed as implying or suggesting that the City of Liberty is under any obligation to provide tax abatement or other incentive to any applicant. All applications shall be considered on a case by case basis.

POLICY

It is the policy of the City of Liberty to use tax abatement as an effective tool for economic development. Tax Abatement will be used to exempt owners of property within the Reinvestment Zone from paying taxes on improvements on that property according to the schedule outlined in Exhibit A.

ELIGIBILITY PROCEDURES AND GUIDELINES

Procedures

Prior to beginning any demolition, rehabilitation, reconstruction or construction, purchase or any improvement to be included in a tax abatement agreement, the owner and/or developer shall first submit to the City, in writing, a request for tax abatement. The City will then determine the eligibility of the business and the proposed improvements and upon determination of eligibility, the City shall respond to such in writing. As outlined in the Tax Abatement Agreement (discussed in detail later in this document), the business is required to meet all codes and ordinances and acquire all permits required prior to any construction. Contact should be made early in the project with the City's Building Inspector.

Guidelines

The following guidelines will apply to all categories of redevelopment:

The proposed property to be affected must be designated by the City of Liberty as a reinvestment zone by ordinance pursuant to Chapter 312 of the Texas Tax Code or designated as an Enterprise Zone by the State of Texas.

The property owner must enter into an agreement with the City of Liberty which satisfies the guidelines and criteria adopted by the City of Liberty.

The minimum capital costs of the project shall be the following:

The value of any real property improvements must equal $10,000.00 minimum.

New development cost must equal $50,000.00 minimum

Personal Property is limited to manufacturing equipment and cost must equal $200,000.00 minimum.

The information furnished with a request to the City is confidential and not subject to public disclosure until the tax abatement agreement is executed.

A portion of the value of the real property, or of tangible personal property, located on the real property or both may be part of the tax abatement agreement.

Abatement for real property will be based on the increase in market value of the real property from the development, redevelopment, and/or improvement specified in the abatement contract.

Abatement for tangible personal property will be the market value of the personal property located on the real property, other than inventory or supplies. Personal property located on the real property before the period covered by the agreement will not be considered for tax abatement. Personal property may be considered as part of the overall abatement agreement or by separate agreement. Personal property is limited to manufacturing equipment and must equal a minimum of $200,000.

In the evaluation of abatement contracts, the City of Liberty will consider the burden on existing basic services that the development, redevelopment, or improvement proposed by the abatement applicant will have.

The following general guidelines will apply in these categories:

New Construction. Any new building should be of quality design and construction. New construction should complement and blend with existing structure. Proper landscaping and lighting is encouraged in order to enhance the overall quality of life for the City. New construction should also provide key pedestrian linkages through construction or repair of sidewalks as appropriate.

General Redevelopment. Any redevelopment activity should take full advantage of the unique architectural characteristics of the area. Redevelopment should be of high quality in order to create an image needed to further attract development. The buildings to be rehabilitated must meet all City codes as a minimum standard. Normal maintenance cost alone should not be considered eligible for tax abatement.

Historical Areas. Any construction in a Reinvestment Zone in a historical area should be accomplished in a manner that will preserve, where possible, the original character and architectural integrity. Each building should have, where possible, the original wood, brick, metal or stone exteriors retained. When refinishing the exterior walls, new exterior finishes should have colors and textures, which will blend with the original. Consideration should be given to the removal of artificial facades constructed on building. Signs should be subdued and of a scale and character which will blend with and complement the surrounding environment.

Exterior Building Repairs. In a reconstruction project, the business should make every effort to remove all miscellaneous and/or abandoned electrical, plumbing, drainage and other mechanical equipment from the building exterior. New mechanical systems and utility services should be installed in such a way that it will not detract from the building appearance. The contractor should leave all openings in tact where possible and avoid cement blocking or boarding up of windows or doors. Lighting and landscaping of signing should be carefully used to create a pleasant and secure environment throughout the area.

Land Use. The land use in a business district should promote and encourage uses, which generate large numbers of people, create a stimulating atmosphere and provide a sense of security. It should encourage quality office development which will provide daytime customers for support service, such as retail shops and restaurants and encourage development which would generate outdoor activity such as sidewalk cafes, street vendors, sidewalk art sales, concerts, etc.

Personal Property. Personal property limited to manufacturing equipment may be eligible for tax abatement. Any personal property of this nature should be identified in Exhibit E-2 of the Tax Abatement Agreement. The taxable situs of any personal property abated in an agreement must be within the taxing jurisdiction of the City of Liberty for the term of the abatement unless such property is sold. Should the situs of the personal property change, the property owner shall notify the appraisal district.

REINVESTMENT ZONE

General. There are two types of zones that may be created for tax abatement. They are Residential Reinvestment Zones and Commercial/Industrial Reinvestment Zones. Each Zone must have one of these designations.

There are seven criteria under which either of Reinvestment Zones may be designated. An area may meet any one of these seven in order to qualify. They are as follows:

Criteria for Designation.

An area must (as provided in Chapter 312 of Texas Tax Code):

(1) substantially impair or arrest the sound growth of a city or town, retard the provision of housing accommodations, or constitute an economic or social liability and be a menace to the public health, safety, morals, or welfare in its present condition and use by reason of the presence of a substantial number of substandard, slum, deteriorated, or deteriorating structures; predominance of defective or inadequate sidewalk or street layout; faulty lot layout in relation to size, accessibility, or usefulness; unsanitary or unsafe conditions; deterioration of site or other improvements; tax or special assessment delinquency exceeding the fair value of the land; defective or unusual conditions of title; the existence of conditions that endanger life or property by fire or other cause; or any combination of these factors or conditions; or

(2) be predominately open and, because of obsolete platting or deterioration of structures of site improvements, or other factors, substantially impair or arrest the sound growth of the City; or

(3) be in a federally assisted new community located within a home-rule city or in an area immediately adjacent to the federally assisted new community; or

(4) be located wholly within an area which meets the requirements for federal assistance under Section 119 of the Housing and community Development Act of 1974; or

(5) encompass signs, billboards, and other outdoor advertising structures designated by the City Council for relocation, reconstruction, or removal for the purpose of enhancing the physical environment of the City, which the Legislature hereby declares to be a public purpose; or

(6) be designated a local or state-federal enterprise zone under the Texas Enterprise Zone Act; or

(7) Be reasonably likely, as the result of the designation, to contribute to the retention or expansion of primary employment or to attract major investment in the Zone that would be a benefit to the property and contribute to the economic development of the City.

Process for Designation.

A public hearing must be held prior to the adoption of the Ordinance. A notice of public hearing must be published in the newspaper not less than seven days before the date of the hearing. Following the public hearing, the Ordinance creating the Reinvestment Zone may be adopted.

A Reinvestment Zone must be created by Ordinance. The Ordinance must describe the boundaries of the Zone by metes and bounds and describe the designation of the Zone as residential or industrial/commercial; such description to be provided by the applicant prior to the designation of the Zone.

A Reinvestment Zone designation expires after five years and may be renewed for an additional five years. However, the term of an existing Tax Abatement Agreement within the Zone is not affected. There is no limit as to the size or number of Reinvestment Zones the City of Liberty may have. All Zones must, however, conform to the comprehensive zoning ordinance of the City. A copy of a proposed Reinvestment Zone Ordinance is attached as Exhibit C.

TAX ABATEMENT AGREEMENT

General

The Tax Abatement Agreement, between the City and the business, is entered into after the creation of a Reinvestment Zone.

Provisions of Agreement

An Agreement must include the following provisions (as provided in Chapter 312.205 (a) of the Texas Tax Code). Provisions must:

(1) list the kind, number and location of all proposed improvements of the property, and

(2) provide for access to an authorize inspection of property by municipal employees to ensure that the improvements or repairs or purchase of personal property were made according to the specifications or conditions of the Agreement, and

(3) limit the uses of the property consistent with the general purposes of encouraging development or redevelopment of the Zone during the period that the property tax exemptions are in effect, and

(4) provide for recapture of property tax revenue lost as a result of the Agreement if the owner of the property fails to make the improvements or repairs or purchases of personal property as provided by the Agreement.

(5) contain each term agreed to by the owner of the property;

(6) require the owner of the property to certify annually to the governing body of each taxing unit that the owner is in compliance with each applicable term of the agreement; and

(7) provide that the governing body of the municipality may cancel or modify the agreement if the property owner fails to comply with the agreement.

An Agreement with the business may also include, at the option of the City, the following provisions (as Provided by Chapter 312.205 (b) of the Texas Tax Code):

(1) Improvements or repairs by the City to streets, sidewalks, and utility services or facilities associated with the property, except that the Agreement may not provide for lower charges or rates than are made for other services or properties of similar character.

(2) An Economic Development Feasibility Study including a detailed list of estimated improvement costs, a description of the methods of financing all estimated costs and the time when the related costs or monetary obligations are to be incurred.

(3) A map showing uses and conditions of real property in the Reinvestment Zone in relation to property descriptions as used by Liberty County Central Appraisal District.

(4) A map showing proposed improvements and uses in the Reinvestment Zone in relation to property descriptions as used by Liberty County Central Appraisal District.

(5) Proposed changes of the zoning ordinance, master plan, map, building codes and City ordinances.

(6) The recapture of all or a portion of property tax revenue lost as a result of the agreement if the owner of the property fails to create all or a portion of the number of new jobs provided by the agreement, if the appraised value of the property subject to the agreement does not attain a value specified in the agreement, or if the owner fails to meet any other performance criteria provided by the agreement, and payment of a penalty or interest, or both, on that recaptured property tax revenue.

Process for the Adoption of the Agreement

Prior to entering into the proposed Agreement, the City must publish notice of consideration of establishing a Reinvestment Zone for the purpose of entering into a Tax Abatement Agreement, and a copy of the notice must be delivered, either by registered or certified mail, or in person, to the appropriate county and school official prior to the meeting at which the Agreement is discussed. The City must also deliver a copy of the proposed Agreement to the presiding officer of Liberty County, Liberty Independent School District, and other taxing authorities with jurisdiction in the Reinvestment Zone along with written notice that the City intends to enter into the Agreement. This proposed Agreement must be delivered, either by registered or certified mail, or in person, seven days prior to the date the City intends to enter into the Agreement.

The City Council may then adopt a Resolution, attached as Exhibit D, authorizing the Tax Abatement Agreement. A copy of a sample Tax Abatement Agreement is attached as Exhibit E.

The Tax Abatement Agreement may be modified or terminated by mutual consent of the parties.

CONCLUSION

The City of Liberty has developed and adopted these Guidelines and Criteria in order to allow any business interested in tax abatement opportunity to understand the requirements and processes.

These Guidelines are subject to and governed by Chapter 312 of the Texas Tax Code and the statutes, rules and regulations of the State of Texas and the United States of America. In case of any conflict between the guidelines and any statute, the statute shall control.

These Guidelines and Criteria are effective for a two year period and may be renewed or amended after that date using the same procedure for adoption as was followed for this adoption. However, any amendment, alteration, or repeal of these Guidelines and Criteria can only become effective upon vote by three-fourths of the members of the City Council.

For reference purposes, Chapter 312.204 of the Texas Tax Code is attached as Exhibit F.

For reference purposes, an Outline of Procedures for Tax Abatement: Establishing Guidelines and Criteria for Designating Reinvestment Zones and for Entering into Tax Abatement Agreement are included as Exhibit G.

For reference purposes, a Commercial/Industrial Tax Abatement Application is included as Exhibit H.

EXHIBIT A - Guidelines and Criteria
EXHIBIT C-3 - Ordinance Designating Reinvestment Zone
EXHIBIT E-1 - Tax Abatement Agreement

TAX ABATEMENT SCHEDULE

The tax abatement policy of the City of Liberty reflects a balance between the revenue needs of local government and the desire to provide incentives for the expansion and relocation of industry.

The City agrees to abate ad valorem taxes on real personal property improvements of qualified businesses in Commercial/Industrial Reinvestment Zones as follows:

The value of any real property improvements must equal $10,000.00 minimum.

New development cost must equal $50,000.00 minimum

Personal Property is limited to manufacturing equipment and cost must equal $200,000.00 minimum.

Year	% OF ADDED VALUE TO BE ABATED
1-5	100%
6	75%
7	50%

EXHIBIT B

A RESOLUTION BY THE CITY COUNCIL OF THE
CITY OF LIBERTY, TEXAS, ADOPTING GUIDELINES
AND CRITERIA FOR TAX ABATEMENT.

WHEREAS, the City Council of the City of Liberty desires to promote the development/redevelopment of certain contiguous geographic areas within its jurisdiction; and

WHEREAS, the City of Liberty is authorized to enter into Tax Abatement Agreements for commercial/industrial purposes as authorized in Chapter 312 of the Texas Tax Code, "Property Redevelopment and Tax Abatement Act" (The Act); and

WHEREAS, the Act requires the City of Liberty to establish guidelines and create criteria for the designation of Reinvestment Zones and the entering into Tax Abatement Agreements.

NOW, THEREFORE, BE IT RESOLVED that the City of Liberty does hereby adopt the attached guidelines and criteria for tax abatement.

PASSED AND APPROVED this 9th day of August, 2016.

CITY OF LIBERTY, TEXAS

____
Carl Pickett, Mayor

ATTEST:

____
Dianne Tidwell, City Secretary

EXHIBIT C - Guidelines and Criteria
EXHIBIT E-1 - Tax Abatement Agreement

ORDINANCE NO. ________

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS, DESIGNATING A CERTAIN AREA AS A COMMERCIAL/INDUSTRIAL REINVESTMENT ZONE, CITY OF LIBERTY, TEXAS, PROVIDING FOR THE ESTABLISHMENT OF AGREEMENTS WITHIN THE ZONE, AND OTHER MATTERS RELATING THERETO; PROVIDING FINDINGS OF FACT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE FOR THE COMMENCEMENT OF THE REINVESTMENT ZONE AND THIS ORDINANCE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

WHEREAS, the City Council of the City of Liberty, Texas, (the "City"), desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a Reinvestment Zone, as codified in Chapter 312 of the Texas Tax Code (the "Act"); and

WHEREAS, a hearing before the City Council was set for ________ p.m. on the ______ day of __________________ 20____, such date being at lease seven (7) days after the date of publication of the notice of such public hearing in a newspaper of general circulation in the City of Liberty; and

WHEREAS, the City has called a public hearing and published notice of such public hearing, and has properly notified the proper officials of Liberty County, Liberty Independent School District, and other taxing authorities with jurisdiction in the reinvestment zone as required by the Act; and

WHEREAS, upon such hearing being convened there was presented proper proof and evidence that notices of such hearing had been published and mailed as described above; and

WHEREAS, the City at such hearing invited any interested person, or his attorney, to appear and contend for or against the creation of the Reinvestment Zone. The boundaries of the proposed Reinvestment Zone, whether all or part of the territory, which is described by a metes and bounds description attached hereto as Exhibit C-1 and depicted in the drawing attached hereto as Exhibit C-2, should be included in such proposed Reinvestment Zone; and

WHEREAS, all owners of property located within the proposed Reinvestment Zone and all other taxing units and other interested persons were given the opportunity at such public hearing to protest the creation of the proposed Reinvestment Zone or the inclusion of their property in such Reinvestment Zone; and

WHEREAS, the proponents of the Reinvestment Zone offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the Reinvestment zone; and

WHEREAS, after considering all testimony and evidence offered at the public hearing, the City Council finds that improvements in the Reinvestment Zone will enhance significantly the value of all taxable real property in the Zone, that it will be of general benefit to the City of Liberty and that it will be in the public interest to pass this Ordinance creating a Reinvestment zone;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS:

SECTION 1: That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 2: The City, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

(a) That the public hearing on adoption of the Reinvestment Zone has been properly called, held and conducted and that notice of such hearing has been published as required by law.

(b) That the City has jurisdiction to hold and conduct this public hearing on the creation of the proposed Reinvestment Zone pursuant to the Act; and

(c) That creation of the proposed Zone with boundaries as described herein will result in benefits to the City, its residents and property owners and to the property, residents and property owners in the Reinvestment Zone.

(d) That the Reinvestment Zone, as defined herein in Exhibits C-1 and C-2, meets the criteria for the creation of a Reinvestment Zone as set forth in Chapter 312.202 of the Act in that:

(1) It is a contiguous geographic area located wholly within the corporate limits of the City.

(2) The area will reasonably be likely, as a result of the designation, to contribute to the retention or expansion of primary employment, or to attract major investment in the Zone that would be a benefit to the property and that would contribute to the economic development of the City.

(3) No part of the property in the Reinvestment Zone is owned or leased by a member of the governing body of the City or town or by a member of zoning or planning board or commission of the City.

(4) Improvements in the Reinvestment Zone will enhance significantly the value of all taxable real property in the Reinvestment Zone.

SECTION 3: That the City hereby creates a Reinvestment Zone over the area described by the description attached hereto and depicted in a drawing attached hereto and such Reinvestment Zone shall hereafter be identified as the Commercial/Industrial Reinvestment Zone, Number ______, _________________________, City of Liberty, Texas, (the "Zone").

SECTION 4: That operation of the Zone shall commence on ________________, 20_____, for a period of five years, may be renewed for an additional five years or may terminate sooner by subsequent ordinance.

SECTION 5: That a written agreement as provided in the Act, with the owners of the property located within the Reinvestment Zone is hereby authorized according to the schedule and term outlined in Exhibit C-3, and the written agreement shall provide an exemption from taxation the increased value of the real and/or personal property according to that schedule.

SECTION 6: That if any section, paragraph, clause or provision of this ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 7: That it is hereby officially found, determined, and declared that a sufficient written notice of the date, hour, place and subject of the meeting of the City Council at which this ordinance was adopted was posted at a place convenient and readily accessible at all times to the general public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this ordinance and the subject matter hereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves, and confirms such written notice and the contents and posting thereof.

SECTION 8: That the contents of the notice of public hearing, which hearing was held before the City Council on ____________________, and the publication of said notices, are hereby ratified, approved and confirmed.

PASSED, APPROVED AND ADOPTED on the ______ day of __________________, 20_____.

CITY OF LIBERTY

____
Carl Pickett
Mayor

ATTEST:

____
Dianne Tidwell
City Secretary

EXHIBITS TO ORDINANCE

C-1	Metes and Bounds description of zone
C-2	Map of Zone
C-3	Tax Abatement Schedule

EXHIBIT C-1

METES AND BOUNDS DESCRIPTION OF
REINVESTMENT ZONE

EXHIBIT C-2

DRAWING (PLAT) OF
REINVESTMENT ZONE

EXHIBIT A - Guidelines and Criteria
EXHIBIT C-3 - Ordinance Designating Reinvestment Zone
EXHIBIT E-1 - Tax Abatement Agreement

TAX ABATEMENT SCHEDULE

The tax abatement policy of the City of Liberty reflects a balance between the revenue needs of local government and the desire to provide incentives for the expansion and relocation of industry.

The City agrees to abate ad valorem taxes on real and personal property improvements of qualified businesses in Commercial/Industrial Reinvestment Zone as follows:

The value of any real property improvements must equal $10,000.00 minimum.

New development cost must equal $50,000.00 minimum

Personal Property is limited to manufacturing equipment and cost must equal $200,000.00 minimum.

Year	% OF ADDED VALUE TO BE ABATED
1-5	100%
6	75%
7	50%

EXHIBIT D

RESOLUTION NO. _________

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS, AUTHORIZING AN AGREEMENT FOR COMMERCIAL/INDUSTRIAL TAX ABATEMENT FOR REINVESTMENT ZONE NO. _______.

WHEREAS, the City Council of the City of Liberty did previously approve and adopt Tax Abatement Guidelines and Criteria; and

WHEREAS, the City Council has established a Commercial/Industrial Reinvestment Zone by Ordinance No. ________ for _______________________.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Liberty, Texas, does hereby authorize entering into a Commercial/Industrial Tax Abatement Agreement with __________________, Reinvestment Zone No. ____________.

FURTHER, BE IT RESOLVED that through the adoption of this Resolution, the Mayor of the City of Liberty, Carl Pickett, is authorized to execute the commercial/Industrial Tax Abatement Agreement as attached hereto.

PASSED, APPROVED AND ADOPTED this _______ day of __________________, 20____.

CITY OF LIBERTY, TEXAS

____
Carl Pickett
Mayor

ATTEST:

____
Dianne Tidwell
City Secretary

EXHIBIT E
SAMPLE TAX ABATEMENT AGREEMENT

STATE OF TEXAS

COUNTY OF LIBERTY

This instrument is an Abatement Agreement executed by and between the City of Liberty, Texas, and ______company________. Its terms and conditions are supported by good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged.

RECITALS

1. The Texas Property Redevelopment and Tax Abatement Act and all amendments thereto ("Law") provide that the governing body of an incorporated City (such as the City of Liberty) has the power to create one or more Reinvestment Zones for the abatement of ad valorem taxes assessed against real and/or personal property provided that certain conditions as detailed in the law are met.

2. ______________________ ("Company") owns real property ("Real Property") and/or personal property ("Personal Property") located within the taxing jurisdiction of the City of Liberty ("City").

3. The City has designated by ordinance the real property as Reinvestment Zone No. ____ ("Zone") eligible for the abatement of ad valorem taxes assessed against the real property or certain tangible personal property located thereon. The Ordinance creating the Zone is included as Exhibits C with Exhibits C-1 and C-2 describing and depicting the Zone. By virtue of the City following the requirements of the Law in creating the Zone, the City and Company now exercise their rights to enter into this instrument, the terms and conditions of which are detailed below and, with the Exhibits, constitute the full and complete agreement ("Agreement") between the City and Company concerning the abatement of ad valorem taxes assessed against the real property and personal property within the Zone and otherwise payable to the City.

TERMS AND CONDITIONS

1. The first year of Tax Abatement under this Agreement shall be the year following the year in which it is executed unless otherwise noted. All valuations are determined by the Liberty County Central Appraisal District as of January 1st of each year.

2. The percentage of abatement on properties covered are described in Exhibit E attached hereto and made a part hereof.

3. Company will construct within the Zone improvements and/or purchase certain tangible personal property, limited to manufacturing equipment, for use in the Zone, and prior to completion or purchase by ______________ ("Completion Period") spend a minimum of $____________ in construction cost and/or a minimum of $_____________ in personal property costs.

4. A list of the kind, number and location of al proposed improvements constituting the Facilities are attached to this Agreement as Exhibit E-5. Employees and/or designated representatives of the City will have access to the Zone during the term of this Agreement to inspect the Facilities to determine if the terms and conditions of the Agreement are being met. All inspections will be made during normal business hours and will only be conducted in such a manner as to not unreasonably interfere with the construction and/or operation of the Facilities. All inspections will be made with one or more representatives of Company, and in accordance with its safety standards.

5. The use of the real property and/or personal property is limited to those uses consistent with the general purpose of encouraging development or redevelopment of the Zone during the period that the Property Tax Abatements are in effect. Company will declare the real property to be the tax situs of the personal property and will render both the real property and the personal property with Liberty County Central Appraisal District during each year this agreement is in effect.

6. In the event that company (a) allows its ad valorem taxes owed the City to become delinquent and fails to timely and properly follow the legal procedures for their protests and/or contests; or fails to cure during the Cure Period (as hereafter provided), or (b) violates any of the terms and conditions of this Agreement by failing to make the improvements and repairs or renditions as provided by this Agreement, this Agreement then may be terminated by the City, and all taxes otherwise abated by virtue of this Agreement will be recaptured and paid to the City by Company within sixty (60) days of the termination. As an alternative, the City may in its discretion, not declare the Agreement terminated, but it must certify to Liberty County Central Appraisal District that the company has failed to qualify for an abatement for that tax year.

7. In the event that the Facilities are completed and Company begins operations, but subsequently discontinues operations for any reason excepting fire, explosion or other casualty or accident or natural disaster for a period of one year during the abatement period, then this Agreement shall terminate and so shall the abatement of the taxes for the calendar year during which the Facility no

longer operates. The taxes otherwise abated for that calendar year shall be paid to City within sixty (60) days from the date of the termination.

8. Company must annually, on or before February 15th of each year, certify to the City Council that it is in compliance with the terms of this Agreement as of January 1st of that year.

9. Should the City determine that company is in default in the terms and conditions of this Contract, then the City shall notify Company at the address stated below of such claimed default, and if such is not cured within sixty (60) days from the date of such notice ("Cure Period"), this Agreement may be terminated by the City. Any notice of default shall be in writing and shall be given by personal delivery or by certified mail, return receipt requested. In the event the notice is effected by personal delivery, the date and hour of actual delivery shall be the time and date of such notice to Company. Absent a postal strike or other stoppage of the mails, in the event of delivery of notice by registered or certified United States mail, the date and hour following 48 hours after the date and hour at which the sealed envelope containing the notice is deposited in the United States mail, properly addressed, and with postage prepaid, shall be the time and date of such notice to Company.

10. This Agreement is made subject to all conditions, prohibitions, obligations, acts of default, termination, reimbursement and recapture contained in Section 312.204 of the Property Redevelopment and Tax Abatement Act, a copy of which is marked Exhibit F attached hereto and made a part hereof.

11. All notices required or contemplated by this Agreement shall be addressed as follows:

If to Company, then to ____
____.

If to the City, then to 1829 Sam Houston, Liberty, Texas, 77575, Attention: Mayor of the City of Liberty, Texas.

12. The terms and conditions of this Agreement are binding upon the successors and assigns of both parties hereto. This Agreement cannot be assigned by company unless permission is first granted by the City, in its sole discretion.

13. This Agreement was approved by the affirmative vote of a majority of the members of the governing body of the City Council of the City of Liberty at a regularly scheduled meeting on the ________ day of ______________________, 20____, and Carl Pickett, Mayor, was authorized to sign on behalf of the City of Liberty, Texas.

14. This Agreement was authorized by Company, and _____________ of Company was authorized to sign on its behalf.

15. This Agreement is performable in Liberty County, Texas.

16. All values used shall be established by Liberty County Central Appraisal District.

17. The current taxable value of the property of Company in the Zone is:

Real property	$___________________
Personal Property	$___________________
Total Base Value	$___________________

NOTE: Values will be confirmed by Liberty County Central Appraisal District prior to execution of Agreement.

18. The City of Liberty 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 (2) above, in accordance with Tax Abatement Agreement Exhibit E-1, Tax Abatement Schedule.

19. The term of the exemption will be for a period of six (6) years, beginning 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.

20. 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 Exhibit E-2 of this Agreement and/or purchase or cause to be purchased certain tangible personal property as set forth in Exhibit E-2 of this agreement. Such Exhibit lists the kind, number and location of all proposed improvements and/or repairs to the property of Company in the Zone. Make, model and serial number of tangible personal property should be listed when known. However, it is the intent of the City to abate taxes on all improvements and additions in excess of the base value, regardless of whether itemized on Exhibit E-2.

21. The company agrees to build improvements in accordance with all applicable laws, ordinances, codes, rules, requirements or regulations of the City and any subdivision, agency, or authority thereof, and prior to commencing shall secure all permits, licenses and authorization required.

22. Upon completion and inspection by the City of the improvements specified in this Agreement, Company and City shall execute a Certificate of Compliance set out in Exhibit E-3 of this Agreement. A copy of this shall be sent to each taxing entity involved, the company and to the Liberty County Central Appraisal District.

23. Should company fail to make the improvements and/or repairs and/or personal property purchases as provided in this Agreement, then all real and personal property tax revenue lost by the City of Liberty from Company's property in the Zone due to this Agreement shall be forthwith paid to the City of Liberty by Company, and this Agreement shall become void.

24. A map showing existing uses and conditions of company's property within the Zone is attached as Exhibit E-4 and incorporated herein by reference.

25. A map showing proposed improvements and uses to Company's property within the Zone is attached as Exhibit E-5 and incorporated herein by reference.

WITNESS OUR HANDS, this _________ day of _________________, 20____.

CITY OF LIBERTY, TEXAS

____
Carl Pickett
Mayor

ATTEST:

____
Dianne Tidwell
City Secretary

"Company"

By ____________________________

Title ____________________________

THE STATE OF TEXAS

COUNTY OF LIBERTY

Before me, the undersigned authority, on this day personally appeared ______________________, __________________, ____________________, a corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity herein stated and as the act and deed of said Corporation.

Given under my hand and seal of office on this the ________ day of ____________, 20____.

____

Notary Public in and For the
State of Texas

THE STATE OF TEXAS

COUNTY OF LIBERTY

Before me the undersigned authority, on this day personally appeared _____________________, Mayor of the City of Liberty, a Corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to met that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said Corporation.

Given under my hand and seal of office on this the _______ day of _____________, 20____.

____

Notary Public in and for the
State of Texas

EXHIBIT A - Guidelines and Criteria
EXHIBIT C-3 - Ordinance Designating Reinvestment Zone
EXHIBIT E-1 - Tax Abatement Agreement

TAX ABATEMENT SCHEDULE

The tax abatement policy of the City of Liberty reflects a balance between the revenue needs of local government and the desire to provide incentives for the expansion and relocation of industry.

The City agrees to abate ad valorem taxes on real and personal property improvements of qualified businesses in Commercial/Industrial Reinvestment Zones as follows:

The value of any real property improvements must equal $10,000.00 minimum.

New development cost must equal $50,000.00 minimum

Personal Property is limited to manufacturing equipment and cost must equal $200,000.00 minimum.

Year	% OF ADDED VALUE TO BE ABATED
1-5	100%
6	75%
7	50%

TAX ABATEMENT AGREEMENT
EXHIBIT E-2

(List of personal property, limited to manufacturing equipment)

EXHIBIT E-3

CERTIFICATE OF COMPLIANCE

AGREEMENT FOR DEVELOPMENT AND TAX ABATEMENT

WITH ______________________________

IN REINVESTMENT ZONE NO. ________ CITY OF LIBERTY

FOR COMMERCIAL/INDUSTRIAL TAX ABATEMENT

CITY OF LIBERTY, TEXAS

THE STATE OF TEXAS:

COUNTY OF LIBERTY

______________________, (The "Company") hereby certifies that the real and/or personal property improvements on the property, described on Exhibit e-2, as attached hereto, as called for in the above referenced Agreement, have been completed and that all facilities and improvements have been constructed or acquired pursuant to said Agreement.

Signed the ______ day of ______________, 20____.

____

Name, Title

The above described improvements have been accepted by the City of Liberty, Texas, as being in compliance with the above-referenced Agreement, and that pursuant to said Agreement, the exemption from taxation shall commence on _________ and the "base value" for the purposes of determining the taxable value of the Premises shall be the value of the property as established in the said Agreement.

Signed this ____ day of ________________, 20____.

____

Inspector

EXHIBIT E-4

MAP SHOWING EXISTING USES AND
CONDITIONS OF REAL PROPERTY

EXHIBIT E-5

MAP/LIST OF PROPOSED
IMPROVEMENTS AND USES

EXHIBIT F

Sec. 312.204. Municipal Tax Abatement Agreement

(a) The governing body of a municipality eligible to enter into tax abatement agreements under Section 312.002 may agree in writing with the owner of taxable real property that is located in a reinvestment zone, but that is not in an improvement project financed by tax increment bonds, to exempt from taxation a portion of the value of the real property or of tangible personal property located on the real property, or both, for a period not to exceed 10 years, on the condition that the owner of the property make specific improvements or repairs to the property. The governing body of an eligible municipality may agree in writing with the owner of a leasehold interest in tax-exempt real property that is located in a reinvestment zone, but that is not in an improvement project financed by tax increment bonds, to exempt a portion of the value of property subject to ad valorem taxation, including the leasehold interest, improvements, or tangible personal property located on the real property for a period not to exceed ten (10) years, on the condition that the owner of the leasehold interest may specific improvements or repairs to the real property. A tax abatement agreement under this section is subject to the rights of holders of outstanding bonds of the municipality. An agreement exempting taxable real property or leasehold interests or improvements on tax-exempt real property may provide for the exemption of such taxable interests in each year covered by the agreement only to the extent its value for that year exceeds its value for the year in which the agreement is executed. An agreement exempting tangible personal property located on taxable or tax-exempt real property may provide for the exemption of tangible personal property located on the real property in each year covered by the agreement other than tangible personal property that was located on the real property at any time before the period covered by the agreement with the municipality, including inventory and supplies. In a municipality that has a comprehensive zoning ordinance, and improvement, repair, development, or redevelopment taking place under an agreement under this section must conform to the comprehensive zoning ordinance.

(b) The agreements made with the owners of property in a reinvestment zone must contain identical terms for the portion of the value of the property that is to be exempt and the duration of the exemption. For purposes of this subsection, if agreements made with the owners of property in a reinvestment zone before September 1, 1989, exceed 10 years in duration, agreements made with owners of property in the zone on or after that date must have a duration of 10 years.

(c) The property subject to an agreement made under this section may be located in the extraterritorial jurisdiction of the municipality. In that event, the agreement applies to taxes of the municipality if the municipality annexes the property during the period specified in the agreement.

(d) Except as otherwise provided by this subsection, property that is in a reinvestment zone and that is owned or leased by a person who is a member of the governing body of the municipality or a member of a zoning or planning board or commission of the municipality is excluded from property tax abatement or tax increment financing. Property that is subject to a tax abatement agreement in effect when the person becomes a member of the governing body or of the zoning or planning board or commission does not cease to be eligible for property tax abatement under that agreement because of the person's membership on the governing body, board, or commission. Property that is subject to tax increment financing when the person becomes a member of the governing body or of the zoning or planning board or commission does not become ineligible for tax increment financing in the same reinvestment zone because of the person's membership on the governing body, board, or commission.

(e) The governing body of a municipality eligible to enter into tax abatement agreements under Section 312.002 may agree in writing with the owner or lessee of real property that is located in a reinvestment zone to exempt from taxation for a period not to exceed 10 years a portion of the value of the real property or of personal property, or both, located within the zone and owned or leased by a certificated air carrier, on the condition that the certificated air carrier make specific real property improvements or lease for a term of 10 years or more real property improvements located within the reinvestment zone. An agreement may provide for the exemption of the real property in each year covered by the agreement to the extent its value for that year exceeds its value for the year in which the agreement is executed. An agreement may provide for the exemption of the personal property owned or leased by a certificated air carrier located within the reinvestment zone in each year covered by the agreement other than specific personal property that was located within the reinvestment zone at any time before the period covered by the agreement with the municipality.

(f) The agreements made with owners of property in an enterprise zone that is also designated as a reinvestment zone are not required to contain identical terms for the portion of the value of property that is to be exempt and the duration of the agreement.

(g) Notwithstanding the other provisions of this chapter, the governing body of a municipality eligible to enter into tax abatement agreements under Section 312.002 may agree in writing with the owner of real property that is located in a reinvestment zone to exempt from taxation for a period not to exceed five years a portion of the value of the real property or of tangible personal property located on the real property, or both, that is used to provide housing for military personnel employed at a military facility located in or near the municipality. An agreement may provide for the exemption of the real property in each year covered by the agreement only to the extent its value for that year exceeds its value for the year in which the agreement is executed. An agreement may provide for the exemption of tangible personal property located on the real property in each year covered by the agreement other than tangible personal property that was located on the real property at any time before the period covered by the agreement with the municipality and other than inventory or supplies. The governing body of the municipality may adopt guidelines and criteria for tax abatement agreements entered into under this subsection that are different from the guidelines and criteria that apply to tax abatement agreements entered into under another provision of this section. Tax abatement agreements entered into under this subsection are not required to contain identical terms for the portion of the value of the property that is to be exempt or for the duration of the exemption as tax abatement agreements entered into with the owners of property in the reinvestment zone under another provision of this section.

(h) The Texas Department of Economic Development or its successor may recommend that a taxing unit enter into a tax abatement agreement with a person under this chapter. In determining whether to enter into a tax abatement agreement under this section, the governing body of a municipality shall consider any recommendation made by the Texas Department of Economic Development or its successor.

Added by Acts 1987, 70th Leg., ch. 191, § 1, eff. Sept. 1, 1987. Amended by Acts 1989, 71st Leg., ch. 2, § 14.10(a), eff. Aug. 28, 1989; Acts 1989, 71st Leg., ch. 486, § 1, eff. June 14, 1989; Acts 1989, 71st Leg., ch. 1137, § 6, 7, eff. Sept. 1, 1989; Acts 1995, 74th Leg., ch. 985, § 13, eff. Sept. 1, 1995; Acts 2001, 77th Leg., ch. 560, § 1, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 640, § 1, eff. June 13, 2001; Acts 2001, 77th Leg., ch. 765, § 2, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1016, § 1, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1258, § 1, eff. June 15, 2001; Acts 2003, 78th Leg., ch. 149, § 18, eff. May 27, 2003; Acts 2003, 78th Leg., ch. 978, § 5, eff. Sept. 1, 2003; Acts 2005, 79th Leg., ch. 412, § 16, eff. Sept. 1, 2005; Acts 2005, 79th Leg., ch. 728, § 23.001(82), eff. Sept. 1, 2005;

SECTION 312.2041. **Notice of Tax Abatement Agreement to Other Taxing Units**.

(a) Not later than the seventh day before the date on which the municipality enters into an agreement under Section 312.204 or 312.211, the governing body of the municipality or a designated officer or employee of the municipality shall deliver to the presiding officer of the governing body of each other taxing unit in which the property to be subject to the agreement is located a written notice that the municipality intends to enter into the agreement. The notice must include a copy of the proposed agreements.

(b) A notice is presumed delivered when placed in the mail postage paid and properly addressed to the appropriated presiding officer. A notice properly addressed and sent by registered or certified mail for which a return receipt is received by the sender is considered to have been delivered to the addressee.

(c) Failure to deliver the notice does not affect the validity of the agreement.

Added by 1989 Tex. Law, p. 185, ch. 2, sec. 14.11; amended by 1989 Tex. Laws, p. 4685, ch. 1137, Sec. 8; amended by SB 1596, 75th Tex, Leg., 1997, eff. September 1, 1997, and by HB 1239, 75th Tex. Leg., 1997, eff. September 1, 1997.

EXHIBIT G

COMMERCIAL/INDUSTRIAL TAX ABATEMENT APPLICATION

Name of Company ____

Address ____
(Street) (Mailing, if different)

City________ __________________ State _________________ Zip _________________

Phone ____

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.

Use a copy of the Liberty County Central Appraisal District map of your property as the base map for your property. You can get this from their office at 2030 Sam Houston Street, Liberty, Texas. There will be a minimal charge. Liberty County Central Appraisal District now requires that all applications for Tax Abatement use a District map as the base map for all drawings or improvements and Reinvestment Zones.

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

The City of Liberty Guidelines and Criteria for Tax Abatement establishes the following Tax Abatement criteria:

As a minimum, the value of any real property improvements must equal $10,000.00.

Personal Property is limited to manufacturing equipment and must equal $200,000.00 minimum.

The Amount of abatement is as follows:

Year	% OF ADDED VALUE TO BE ABATED
1-5	100%
6	75%
7	50%

IV. Company plans to invest $_______________ in real property improvements and/or invest $_______________ in personal property (manufacturing equipment prior to ___________________ (date).

V. The current taxable value of the property of the Company is:

Real Property ________________________

Personal Property ________________________

Total ________________________

You will receive a written response to your application for Commercial/Industrial Tax Abatement .

Dianne Tidwell
City Secretary
1829 Sam Houston
Liberty, TX 77575

GUIDELINES AND CRITERIA

FOR

TAX ABATEMENT

August 9, 2016 – August 9, 2018

<u>Mayor</u>

Carl Pickett

<u>City Council</u>

David Arnold
Dennis Beasley
Diane Huddleston
Louie Potetz
Libby Simonson
Paul Glazener

CITY OF LIBERTY
SCHEDULE OF TAX ABATEMENT EVENTS

STEP 1 Request for information on Tax Abatement.

STEP 2 Application for Abatement received by City.

STEP 3 Discussions with applicant about application. Gathering data to meet City of Liberty Tax Abatement Guidelines and Criteria to qualify for tax abatement. Written response on findings to Applicant.

STEP 4 Notification of Public Hearing on designation of a Reinvestment Zone for the purpose of tax abatement:

A. to all taxing entities no later than seven days prior to meeting;

B. publication and posting no later than seven days prior to meeting.

STEP 5 Public hearing on designation of a Reinvestment Zone for the purpose of tax abatement.

STEP 6 Adoption of Ordinance designating an area a Reinvestment Zone.

STEP 7 City Council considers Resolution authorizing the Tax Abatement Agreement and authorizes the Mayor to execute the agreement.

STEP 8 Notice of City's intent to enter into a Tax Abatement Agreement sent to all taxing entities at least seven days prior to executing the agreement. Taxing entities must be sent a copy of proposed abatement agreement with notification.

STEP 9 Applicant begins construction and/or acquisition of property described in abatement.

STEP 10 Completion of improvements:

A. City inspects the project improvements for compliance with agreement;

B. City receives accounting statement and/or list of capital expenditures on improvements for compliance with agreement;

C. City issues Certification of Completion/Compliance.

STEP 11 Certificate of Completion/Compliance filed with Tax Collector and Chief Appraiser.

STEP 12 Prior to April 1 of the year following the Agreement; the City sends to the Texas Department of Commerce and to the State Property Tax Board a copy of the following:

A. Reinvestment Zone Designation including general description, size, and type of property it includes;

B. Tax Abatement Agreement Including parties involved, property description and improvements or repairs to be made the portion of property to be exempted and the term of agreement.

C. Annual report on each Reinvestment Zone.

STEP 13 Prior to May 1 of the year following the agreement, (and each year thereafter) the company files form titled "Application for Abatement" with the Liberty County Central Appraisal District, P. O. Box 10016, Liberty, TX 77575.

STEP 14 At expiration of agreement or a termination due to noncompliance, the City will issue a Termination of Agreement to company with copies to all taxing entities, Tax Collector and Chief Appraiser, the Texas Department of Commerce and the State Property Tax Board.

CITY OF LIBERTY

GUIDELINES AND CRITERIA

FOR TAX ABATEMENT

LIST OF EXHIBITS

A. Tax Abatement Schedule

B. Resolution adopting Guidelines and Criteria for Tax Abatement

C. Sample Ordinance designating Reinvestment Zone

- C-1 Metes and Bounds description of Reinvestment Zone
- C-2 Drawing (Plat) of Reinvestment Zone
- C-3 Tax Abatement Schedule

D. Resolution authorizing Tax Abatement Agreement

E. Sample Tax Abatement Agreement

- E-1 Tax Abatement Schedule
- E-2 List of proposed improvements and/or personal property, limited to manufacturing equipment.
- E-3 Certificate of Compliance
- E-4 Map showing existing uses and conditions to company's property within the Zone
- E-5 Map showing proposed improvements to company's property within the Zone

F. Section 312.204 of the Property Redevelopment and Tax Abatement Act

G. Commercial/Industrial Tax Abatement Application

CITY OF LIBERTY
GUIDELINES AND CRITERIA
FOR
TAX ABATEMENT

INTRODUCTION

The City of Liberty has implemented a Tax Abatement Program under the provisions of Property Redevelopment and Tax Abatement Act found in Chapter 312 of the Texas Tax Code. The City has adopted this uniform policy and these Guidelines and Criteria for Tax Abatement for businesses with qualifying real and personal property willing to execute tax abatement agreements with the City. The goal of tax abatement is to provide long term, significant impact on this community and to utilize area contractors and work force to the maximum extent feasible by developing, redeveloping and improving real property.

Tax Abatement will be negotiated with the property owner within a Reinvestment Zone. Tax Abatement is available to property owners according to the schedule outlined in Exhibit A or other schedule as developed within a Reinvestment Zone. The agreement between the City and the Business will exempt from taxation all or part of the increase in value of the real property over its value in the year in which the agreement is executed. It can also exempt from taxation tangible personal property limited to manufacturing equipment.

It is the intent of these Guidelines and Criteria to outline the policy of the City toward tax abatement to determine the eligibility criteria of the industry and to outline the process for designating a Reinvestment Zone. These Guidelines and Criteria further outline the terms of the Tax Abatement Agreement with the business and the process for seeking tax abatements from the other taxing entities.

These general Guidelines and Criteria are not intended to be restrictive in any way, and are designed to be used as a guide to any business, industry or individual interested in Tax Abatement. The Guidelines and Criteria have been approved by the City Council as evidenced by the adoption of Resolution dated August 9, 2016, (which is attached to this document as Exhibit B).

These guidelines and criteria should not be construed as implying or suggesting that the City of Liberty is under any obligation to provide tax abatement or other incentive to any applicant. All applications shall be considered on a case by case basis.

POLICY

It is the policy of the City of Liberty to use tax abatement as an effective tool for economic development. Tax Abatement will be used to exempt owners of property within the Reinvestment Zone from paying taxes on improvements on that property according to the schedule outlined in Exhibit A.

Each tax abatement application will be individually reviewed by the City Council and approved or disapproved based on the merits of the application and the guidelines and criteria set forth herein. Tax abatement awards may vary in their value in accordance with project details such as the number of new jobs to be created, job diversity and the level of capital investment by the company. The issue of value, as it relates to the abatement, will be determined by the City Council on a case-by-case basis with the Council's decision being final and without appeal. An abatement that is valued at 100% for a period of 10 years shall be the maximum abatement value under this program policy.

The City Council, in its sole discretion, shall either approve or disapprove each application for tax abatement and shall set the value of same. The City Manager shall notify the applicant of approval or disapproval. Any disapproved applicant may reapply for tax abatement.

ELIGIBILITY PROCEDURES AND GUIDELINES

Procedures

Prior to beginning any demolition, rehabilitation, reconstruction or construction, purchase or any improvement to be included in a tax abatement agreement, the owner and/or developer shall first submit to the City, in writing, a request for tax abatement. The City will then determine the eligibility of the business and the proposed improvements and upon determination of eligibility, the City shall respond to such in writing. As outlined in the Tax Abatement Agreement (discussed in detail later in this document), the business is required to meet all codes and ordinances and acquire all permits required prior to any construction. Contact should be made early in the project with the City's Building Inspector.

Guidelines

The following guidelines will apply to all categories of redevelopment:

The proposed property to be affected must be designated by the City of Liberty as a reinvestment zone by ordinance pursuant to Chapter 312 of the Texas Tax Code or designated as an Enterprise Zone by the State of Texas. The proposed property must be located in either the City limits or the City's ETJ. Applicants that own property in the City's ETJ must also submit a petition for voluntary annexation to the City along with the tax abatement application.

The property owner must enter into an agreement with the City of Liberty which satisfies the guidelines and criteria adopted by the City of Liberty.

The minimum capital costs of the project shall be the following:

> The value of any real property improvements must equal $10,000.00 minimum.
>
> New development cost must equal $50,000.00 minimum
>
> Personal Property is limited to manufacturing equipment and cost must equal $200,000.00 minimum.

The information furnished with a request to the City is confidential and not subject to public disclosure until the tax abatement agreement is executed.

A portion of the value of the real property, or of tangible personal property, located on the real property or both may be part of the tax abatement agreement.

Abatement for real property will be based on the increase in market value of the real property from the development, redevelopment, and/or improvement specified in the abatement contract.

Abatement for tangible personal property will be the market value of the personal property located on the real property, other than inventory or supplies. Personal property located on the real property before the period covered by the agreement will not be considered for tax abatement. Personal property may be considered as part of the overall abatement agreement or by separate agreement. Personal property is limited to manufacturing equipment and must equal a minimum of $200,000.

In the evaluation of abatement contracts, the City of Liberty will consider the burden on existing basic services that the development, redevelopment, or improvement proposed by the abatement applicant will have.

The following general guidelines will apply in these categories:

<u>New Construction.</u> Any new building should be of quality design and construction. New construction should complement and blend with existing structure. Proper landscaping and lighting is encouraged in order to enhance the overall quality of life for the City. New construction should also provide key pedestrian linkages through construction or repair of sidewalks as appropriate.

<u>General Redevelopment.</u> Any redevelopment activity should take full advantage of the unique architectural characteristics of the area. Redevelopment should be of high quality in order to create an image needed to further attract development. The buildings to be rehabilitated must meet all City codes as a minimum standard. Normal maintenance cost alone should not be considered eligible for tax abatement.

Historical Areas. Any construction in a Reinvestment Zone in a historical area should be accomplished in a manner that will preserve, where possible, the original character and architectural integrity. Each building should have, where possible, the original wood, brick, metal or stone exteriors retained. When refinishing the exterior walls, new exterior finishes should have colors and textures, which will blend with the original. Consideration should be given to the removal of artificial facades constructed on building. Signs should be subdued and of a scale and character which will blend with and complement the surrounding environment.

Exterior Building Repairs. In a reconstruction project, the business should make every effort to remove all miscellaneous and/or abandoned electrical, plumbing, drainage and other mechanical equipment from the building exterior. New mechanical systems and utility services should be installed in such a way that it will not detract from the building appearance. The contractor should leave all openings in tact where possible and avoid cement blocking or boarding up of windows or doors. Lighting and landscaping of signing should be carefully used to create a pleasant and secure environment throughout the area.

Land Use. The land use in a business district should promote and encourage uses, which generate large numbers of people, create a stimulating atmosphere and provide a sense of security. It should encourage quality office development which will provide daytime customers for support service, such as retail shops and restaurants and encourage development which would generate outdoor activity such as sidewalk cafes, street vendors, sidewalk art sales, concerts, etc.

Personal Property. Personal property, limited to manufacturing equipment, may be eligible for tax abatement. Any personal property of this nature should be identified in the Tax Abatement Agreement. The taxable situs of any personal property abated in an agreement must be within the taxing jurisdiction of the City of Liberty for the term of the abatement unless such property is sold. Should the situs of the personal property change, the property owner shall notify the appraisal district.

DISCRETIONARY CONSIDERATIONS

The following factors, among such other factors as determined necessary by the City Council, shall be considered by the City Council in its discretionary approval or disapproval of each tax abatement application:

(a) Value of land and existing improvements, if any; and/or
(b) Type and value of proposed improvements; and/or
(c) Productive life of proposed improvements; and/or
(d) Number of existing jobs to be retained by proposed improvements; and/or
(e) Number and type of new jobs to be created; and/or
(f) Number of new jobs to be filled by local residents, or by persons projected to reside in the City; and/or
(g) Amount of local sales tax to be generated; and/or

(h) The costs to be incurred by the City to provide facilities or services directly resulting from the new improvements; and/or
(i) The amount of ad valorem taxes to be paid the City during the abatement period considering
  a. The existing values,
  b. The percentage of new value abated,
  c. The abatement period, and
  d. The value after expiration of the abatement period; and/or
(j) The population growth that occurs directly as a result of the improvements; and/or
(k) The values of public improvements if any, to be made by applicant seeking abatement; and/or
(l) To what extent the proposed improvements compete with existing businesses to the detriment of the local economy; and/or
(m) The extent of business opportunities created by the proposed improvements for local businesses; and/or
(n) Impact on attracting other new businesses as a result of the improvements; and/or
(o) Impact the planned improvements may have on other taxing jurisdictions within the City; and/or
(p) Environmental compatibility, and amount, if any, of negative impact on quality of life perceptions; and/or
(q) The ratio of real property value to personal property value being considered for abatement; and/or
(r) Whether the proposed improvements will create adverse conditions for adjacent property owners or other citizens of the City of Liberty.

REINVESTMENT ZONE

General. There are two types of zones that may be created for tax abatement. They are Residential Reinvestment Zones and Commercial/Industrial Reinvestment Zones. Each Zone must have one of these designations.

There are seven criteria under which either of Reinvestment Zones may be designated. An area may meet any one of these seven in order to qualify. They are as follows:

Criteria for Designation.

An area must (as provided in Chapter 312 of Texas Tax Code):

(1) substantially impair or arrest the sound growth of a city or town, retard the provision of housing accommodations, or constitute an economic or social liability and be a menace to the public health, safety, morals, or welfare in its present condition and use by reason of the presence of a substantial number of substandard, slum, deteriorated, or deteriorating structures; predominance of defective or inadequate sidewalk or street layout; faulty lot layout in relation to size, accessibility, or usefulness;

unsanitary or unsafe conditions; deterioration of site or other improvements; tax or special assessment delinquency exceeding the fair value of the land; defective or unusual conditions of title; the existence of conditions that endanger life or property by fire or other cause; or any combination of these factors or conditions; or

(2) be predominately open and, because of obsolete platting or deterioration of structures of site improvements, or other factors, substantially impair or arrest the sound growth of the City; or

(3) be in a federally assisted new community located within a home-rule city or in an area immediately adjacent to the federally assisted new community; or

(4) be located wholly within an area which meets the requirements for federal assistance under Section 119 of the Housing and community Development Act of 1974; or

(5) encompass signs, billboards, and other outdoor advertising structures designated by the City Council for relocation, reconstruction, or removal for the purpose of enhancing the physical environment of the City, which the Legislature hereby declares to be a public purpose; or

(6) be designated a local or state-federal enterprise zone under the Texas Enterprise Zone Act; or

(7) Be reasonably likely, as the result of the designation, to contribute to the retention or expansion of primary employment or to attract major investment in the Zone that would be a benefit to the property and contribute to the economic development of the City.

Process for Designation.

A public hearing must be held prior to the adoption of the Ordinance. A notice of public hearing must be published in the newspaper not less than seven days before the date of the hearing. Following the public hearing, the Ordinance creating the Reinvestment Zone may be adopted.

A Reinvestment Zone must be created by Ordinance. The Ordinance must describe the boundaries of the Zone by metes and bounds and describe the designation of the Zone as residential or industrial/commercial; such description to be provided by the applicant prior to the designation of the Zone.

A Reinvestment Zone designation expires after five years and may be renewed for an additional five years. However, the term of an existing Tax Abatement Agreement within the Zone is not affected. There is no limit as to the size or number of Reinvestment Zones the City of Liberty may have. All Zones must, however, conform to the comprehensive zoning ordinance of the City. A copy of a proposed Reinvestment Zone Ordinance is attached.

TAX ABATEMENT AGREEMENT

General

The Tax Abatement Agreement, between the City and the business, is entered into after the creation of a Reinvestment Zone.

Provisions of Agreement

An Agreement must include the following provisions (as provided in Chapter 312.205 (a) of the Texas Tax Code). Provisions must:

(1) list the kind, number and location of all proposed improvements of the property, and

(2) provide for access to an authorized inspection of property by municipal employees to ensure that the improvements or repairs or purchase of personal property were made according to the specifications or conditions of the Agreement, and

(3) limit the uses of the property consistent with the general purposes of encouraging development or redevelopment of the Zone during the period that the property tax exemptions are in effect, and

(4) provide for recapture of property tax revenue lost as a result of the Agreement if the owner of the property fails to make the improvements or repairs or purchases of personal property as provided by the Agreement.

(5) contain each term agreed to by the owner of the property;

(6) require the owner of the property to certify annually to the governing body of each taxing unit that the owner is in compliance with each applicable term of the agreement; and

(7) provide that the governing body of the municipality may cancel or modify the agreement if the property owner fails to comply with the agreement.

An Agreement with the business may also include, at the option of the City, the following provisions (as Provided by Chapter 312.205 (b) of the Texas Tax Code):

(1) Improvements or repairs by the City to streets, sidewalks, and utility services or facilities associated with the property, except that the Agreement may not provide for lower charges or rates than are made for other services or properties of similar character.

(2) An Economic Development Feasibility Study including a detailed list of estimated improvement costs, a description of the methods of financing all estimated costs and the time when the related costs or monetary obligations are to be incurred.

(3) A map showing uses and conditions of real property in the Reinvestment Zone in relation to property descriptions as used by Liberty County Central Appraisal District.

(4) A map showing proposed improvements and uses in the Reinvestment Zone in relation to property descriptions as used by Liberty County Central Appraisal District.

(5) Proposed changes of the zoning ordinance, master plan, map, building codes and City ordinances.

(6) The recapture of all or a portion of property tax revenue lost as a result of the agreement if the owner of the property fails to create all or a portion of the number of new jobs provided by the agreement, if the appraised value of the property subject to the agreement does not attain a value specified in the agreement, or if the owner fails to meet any other performance criteria provided by the agreement, and payment of a penalty or interest, or both, on that recaptured property tax revenue.

Process for the Adoption of the Agreement

Prior to entering into the proposed Agreement, the City must publish notice of consideration of establishing a Reinvestment Zone for the purpose of entering into a Tax Abatement Agreement, and a copy of the notice must be delivered, either by registered or certified mail, or in person, to the appropriate county and school official prior to the meeting at which the Reinvestment Zone is discussed. The City must also deliver a copy of the proposed Agreement to the presiding officer of Liberty County, Liberty Independent School District, and other taxing authorities with jurisdiction in the Reinvestment Zone along with written notice that the City intends to enter into the Agreement. This proposed Agreement must be delivered, either by registered or certified mail, or in person, seven days prior to the date the City intends to enter into the Agreement.

The City Council may adopt a Resolution, attached as Exhibit D, authorizing the Tax Abatement Agreement. A copy of a sample Tax Abatement Agreement is attached as Exhibit E.

The Tax Abatement Agreement may be modified or terminated by mutual consent of the parties.

CONCLUSION

The City of Liberty has developed and adopted these Guidelines and Criteria in order to allow any business interested in tax abatement opportunity to understand the requirements and processes.

These Guidelines are subject to and governed by Chapter 312 of the Texas Tax Code and the statutes, rules and regulations of the State of Texas and the United States of America. In case of any conflict between the guidelines and any statute, the statute shall control.

These Guidelines and Criteria are effective for a two year period and may be renewed or amended after that date using the same procedure for adoption as was followed for this adoption. However, any amendment, alteration, or repeal of these Guidelines and Criteria can only become effective upon vote by three-fourths of the members of the City Council.

For reference purposes, Chapter 312.204 of the Texas Tax Code is attached.

For reference purposes, an Outline of Procedures for Tax Abatement: Establishing Guidelines and Criteria for Designating Reinvestment Zones and for Entering into Tax Abatement Agreement are included.

For reference purposes, a Commercial/Industrial Tax Abatement Application is included.

EXHIBIT A

TAX ABATEMENT SCHEDULE

The tax abatement policy of the City of Liberty reflects a balance between the revenue needs of local government and the desire to provide incentives for the expansion and relocation of industry.

The City agrees to abate ad valorem taxes on real property and personal property improvements of qualified businesses in Commercial/Industrial Reinvestment Zones as follows:

> The value of any real property improvements must equal $10,000.00 minimum.
>
> New development cost must equal $50,000.00 minimum
>
> Personal Property is limited to manufacturing equipment and cost must equal $200,000.00 minimum.

The tax abatement terms are determined by the City Council on a case by case basis with a maximum term of ten (10) years.

EXHIBIT B

A RESOLUTION BY THE CITY COUNCIL OF THE
CITY OF LIBERTY, TEXAS, ADOPTING GUIDELINES
AND CRITERIA FOR TAX ABATEMENT.

WHEREAS, the City Council of the City of Liberty desires to promote the development/redevelopment of certain contiguous geographic areas within its jurisdiction; and

WHEREAS, the City of Liberty is authorized to enter into Tax Abatement Agreements for commercial/industrial purposes as authorized in Chapter 312 of the Texas Tax Code, "Property Redevelopment and Tax Abatement Act" (The Act); and

WHEREAS, the Act requires the City of Liberty to establish guidelines and create criteria for the designation of Reinvestment Zones and the entering into Tax Abatement Agreements.

NOW, THEREFORE, BE IT RESOLVED that the City of Liberty does hereby adopt the attached guidelines and criteria for tax abatement.

PASSED AND APPROVED this 9th day of August, 2016.

CITY OF LIBERTY, TEXAS

____
Carl Pickett, Mayor

ATTEST:

____
Dianne Tidwell, City Secretary

EXHIBIT C

<u>Sample Ordinance Creating Reinvestment Zone</u>

ORDINANCE NO. ________

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS, DESIGNATING A CERTAIN AREA AS A COMMERCIAL/INDUSTRIAL REINVESTMENT ZONE, CITY OF LIBERTY, TEXAS, PROVIDING FOR THE ESTABLISHMENT OF AGREEMENTS WITHIN THE ZONE, AND OTHER MATTERS RELATING THERETO; PROVIDING FINDINGS OF FACT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE FOR THE COMMENCEMENT OF THE REINVESTMENT ZONE AND THIS ORDINANCE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

WHEREAS, the City Council of the City of Liberty, Texas, (the "City"), desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a Reinvestment Zone, as codified in Chapter 312 of the Texas Tax Code (the "Act"); and

WHEREAS, a hearing before the City Council was set for ________ p.m. on the ______ day of _________________ 20____, such date being at least seven (7) days after the date of publication of the notice of such public hearing in a newspaper of general circulation in the City of Liberty; and

WHEREAS, the City has called a public hearing and published notice of such public hearing, and has properly notified the proper officials of Liberty County, Liberty Independent School District, and other taxing authorities with jurisdiction in the reinvestment zone as required by the Act; and

WHEREAS, upon such hearing being convened there was presented proper proof and evidence that notices of such hearing had been published and mailed as described above; and

WHEREAS, the City at such hearing invited any interested person, or his attorney, to appear and contend for or against the creation of the Reinvestment Zone. The boundaries of the proposed Reinvestment Zone, whether all or part of the territory, which is described by a metes and bounds description attached hereto as Exhibit C-1 and depicted in the drawing attached hereto as Exhibit C-2, should be included in such proposed Reinvestment Zone; and

WHEREAS, all owners of property located within the proposed Reinvestment Zone and all other taxing units and other interested persons were given the opportunity at such public hearing to protest the creation of the proposed Reinvestment Zone or the inclusion of their property in such Reinvestment Zone; and

WHEREAS, the proponents of the Reinvestment Zone offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the Reinvestment zone; and

WHEREAS, after considering all testimony and evidence offered at the public hearing, the City Council finds that improvements in the Reinvestment Zone will enhance significantly the value of all taxable real property in the Zone, that it will be of general benefit to the City of Liberty and that it will be in the public interest to pass this Ordinance creating a Reinvestment zone;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS:

SECTION 1: That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 2: The City, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

(a) That the public hearing on adoption of the Reinvestment Zone has been properly called, held and conducted and that notice of such hearing has been published as required by law.

(b) That the City has jurisdiction to hold and conduct this public hearing on the creation of the proposed Reinvestment Zone pursuant to the Act; and

(c) That creation of the proposed Zone with boundaries as described herein will result in benefits to the City, its residents and property owners and to the property, residents and property owners in the Reinvestment Zone.

(d) That the Reinvestment Zone, as defined herein in Exhibits C-1 and C-2, meets the criteria for the creation of a Reinvestment Zone as set forth in Chapter 312.202 of the Act in that:

(1) It is a contiguous geographic area located wholly within the corporate limits of the City.

(2) The area will reasonably be likely, as a result of the designation, to contribute to the retention or expansion of primary employment, or to attract major investment in the Zone that would be a benefit to the property and that would contribute to the economic development of the City.

(3) No part of the property in the Reinvestment Zone is owned or leased by a member of the governing body of the City or town or by a member of zoning or planning board or commission of the City.

(4) Improvements in the Reinvestment Zone will enhance significantly the value of all taxable real property in the Reinvestment Zone.

SECTION 3: That the City hereby creates a Reinvestment Zone over the area described by the description attached hereto and depicted in a drawing attached hereto and such Reinvestment Zone shall hereafter be identified as the Commercial/Industrial Reinvestment Zone, Number ______, ________________________, City of Liberty, Texas, (the "Zone").

SECTION 4: That operation of the Zone shall commence on ________________, 20_____, for a period of five years, may be renewed for an additional five years or may terminate sooner by subsequent ordinance.

SECTION 5: That a written agreement as provided in the Act, with the owners of the property located within the Reinvestment Zone is hereby authorized according to the schedule and term outlined in Exhibit C-3, and the written agreement shall provide an exemption from taxation the increased value of the real and/or personal property according to that schedule.

SECTION 6: That if any section, paragraph, clause or provision of this ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 7: That it is hereby officially found, determined, and declared that a sufficient written notice of the date, hour, place and subject of the meeting of the City Council at which this ordinance was adopted was posted at a place convenient and readily accessible at all times to the general public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this ordinance and the subject matter hereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves, and confirms such written notice and the contents and posting thereof.

SECTION 8: That the contents of the notice of public hearing, which hearing was held before the City Council on ____________________, and the publication of said notices, are hereby ratified, approved and confirmed.

PASSED, APPROVED AND ADOPTED on the ______ day of __________________, 20_____.

CITY OF LIBERTY

____
Carl Pickett
Mayor

ATTEST:

____
Dianne Tidwell
City Secretary

EXHIBITS TO ORDINANCE

C-1	Metes and Bounds description of zone
C-2	Map of Zone
C-3	Tax Abatement Schedule

EXHIBIT C-1

METES AND BOUNDS DESCRIPTION OF REINVESTMENT ZONE

EXHIBIT C-2

DRAWING (PLAT) OF
REINVESTMENT ZONE

EXHIBIT C-3

TAX ABATEMENT SCHEDULE

The tax abatement policy of the City of Liberty reflects a balance between the revenue needs of local government and the desire to provide incentives for the expansion and relocation of industry.

The City agrees to abate ad valorem taxes on real property and personal property improvements of qualified businesses in Commercial/Industrial Reinvestment Zones as follows:

The value of any real property improvements must equal $10,000.00 minimum.

New development cost must equal $50,000.00 minimum

Personal Property is limited to manufacturing equipment and cost must equal $200,000.00 minimum.

The tax abatement terms are determined by the City Council on a case by case basis with a maximum term of ten (10) years.

EXHIBIT D

Sample Resolution Creating Tax Abatement

RESOLUTION NO. _________

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS, AUTHORIZING AN AGREEMENT FOR COMMERCIAL/INDUSTRIAL TAX ABATEMENT FOR REINVESTMENT ZONE NO. _______.

WHEREAS, the City Council of the City of Liberty did previously approve and adopt Tax Abatement Guidelines and Criteria; and

WHEREAS, the City Council has established a Commercial/Industrial Reinvestment Zone by Ordinance No. ________ for _______________________.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Liberty, Texas, does hereby authorize entering into a Commercial/Industrial Tax Abatement Agreement with ___________________, Reinvestment Zone No. ____________.

FURTHER, BE IT RESOLVED that through the adoption of this Resolution, the Mayor of the City of Liberty, Carl Pickett, is authorized to execute the commercial/Industrial Tax Abatement Agreement as attached hereto.

PASSED, APPROVED AND ADOPTED this _______ day of __________________, 20____.

CITY OF LIBERTY, TEXAS

____
Carl Pickett
Mayor

ATTEST:

____

Dianne Tidwell
City Secretary

EXHIBIT E
SAMPLE TAX ABATEMENT AGREEMENT

STATE OF TEXAS

COUNTY OF LIBERTY

This instrument is an Abatement Agreement executed by and between the City of Liberty, Texas, and ______company_______. Its terms and conditions are supported by good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged.

RECITALS

1. The Texas Property Redevelopment and Tax Abatement Act and all amendments thereto ("Law") provide that the governing body of an incorporated City (such as the City of Liberty) has the power to create one or more Reinvestment Zones for the abatement of ad valorem taxes assessed against real and/or personal property provided that certain conditions as detailed in the law are met.

2. ______________________ ("Company") owns real property ("Real Property") and/or personal property ("Personal Property") located within the taxing jurisdiction of the City of Liberty ("City").

3. The City has designated by ordinance the real property as Reinvestment Zone No. ____ ("Zone") eligible for the abatement of ad valorem taxes assessed against the real property or certain tangible personal property located thereon. The Ordinance creating the Zone is included as Exhibits C with Exhibits C-1 and C-2 describing and depicting the Zone. By virtue of the City following the requirements of the Law in creating the Zone, the City and Company now exercise their rights to enter into this instrument, the terms and conditions of which are detailed below and, with the Exhibits, constitute the full and complete agreement ("Agreement") between the City and Company concerning the abatement of ad valorem taxes assessed against the real property and personal property within the Zone and otherwise payable to the City.

TERMS AND CONDITIONS

1. The first year of Tax Abatement under this Agreement shall be the year following the year in which it is executed unless otherwise noted. All valuations are determined by the Liberty County Central Appraisal District as of January 1st of each year.

2. The percentage of abatement on properties covered are described in Exhibit E attached hereto and made a part hereof.

3. Company will construct within the Zone improvements and/or purchase certain tangible personal property, limited to manufacturing equipment, for use in the Zone, and prior to completion or purchase by _____________ ("Completion Period") spend a minimum of $___________ in construction cost and/or a minimum of $____________ in personal property costs.

4. A list of the kind, number and location of al proposed improvements constituting the Facilities are attached to this Agreement as Exhibit E-5. Employees and/or designated representatives of the City will have access to the Zone during the term of this Agreement to inspect the Facilities to determine if the terms and conditions of the Agreement are being met. All inspections will be made during normal business hours and will only be conducted in such a manner as to not unreasonably interfere with the construction and/or operation of the Facilities. All inspections will be made with one or more representatives of Company, and in accordance with its safety standards.

5. The use of the real property and/or personal property is limited to those uses consistent with the general purpose of encouraging development or redevelopment of the Zone during the period that the Property Tax Abatements are in effect. Company will declare the real property to be the tax situs of the personal property and will render both the real property and the personal property with Liberty County Central Appraisal District during each year this agreement is in effect.

6. In the event that company (a) allows its ad valorem taxes owed the City to become delinquent and fails to timely and properly follow the legal procedures for their protests and/or contests; or fails to cure during the Cure Period (as hereafter provided), or (b) violates any of the terms and conditions of this Agreement by failing to make the improvements and repairs or renditions as provided by this Agreement, this Agreement then may be terminated by the City, and all taxes otherwise abated by virtue of this Agreement will be recaptured and paid to the City by Company within sixty (60) days of the termination. As an alternative, the City may in its discretion, not declare the Agreement terminated, but it must certify to Liberty County Central Appraisal District that the company has failed to qualify for an abatement for that tax year.

7. In the event that the Facilities are completed and Company begins operations, but subsequently discontinues operations for any reason excepting fire, explosion or other casualty or accident or natural disaster for a period of one year during the abatement period, then this Agreement shall terminate and so shall the abatement of the taxes for the calendar year during which the Facility no

longer operates. The taxes otherwise abated for that calendar year shall be paid to City within sixty (60) days from the date of the termination.

8. Company must annually, on or before February 15th of each year, certify to the City Council that it is in compliance with the terms of this Agreement as of January 1st of that year.

9. Should the City determine that company is in default in the terms and conditions of this Contract, then the City shall notify Company at the address stated below of such claimed default, and if such is not cured within sixty (60) days from the date of such notice ("Cure Period"), this Agreement may be terminated by the City. Any notice of default shall be in writing and shall be given by personal delivery or by certified mail, return receipt requested. In the event the notice is effected by personal delivery, the date and hour of actual delivery shall be the time and date of such notice to Company. Absent a postal strike or other stoppage of the mails, in the event of delivery of notice by registered or certified United States mail, the date and hour following 48 hours after the date and hour at which the sealed envelope containing the notice is deposited in the United States mail, properly addressed, and with postage prepaid, shall be the time and date of such notice to Company.

10. This Agreement is made subject to all conditions, prohibitions, obligations, acts of default, termination, reimbursement and recapture contained in Section 312.204 of the Property Redevelopment and Tax Abatement Act, a copy of which is marked Exhibit F attached hereto and made a part hereof.

11. All notices required or contemplated by this Agreement shall be addressed as follows:

If to Company, then to

____

____.

If to the City, then to 1829 Sam Houston, Liberty, Texas, 77575, Attention: Mayor of the City of Liberty, Texas.

12. The terms and conditions of this Agreement are binding upon the successors and assigns of both parties hereto. This Agreement cannot be assigned by company unless permission is first granted by the City, in its sole discretion.

13. This Agreement was approved by the affirmative vote of a majority of the members of the governing body of the City Council of the City of Liberty at a regularly scheduled meeting on the ________ day of _____________________, 20____, and Carl Pickett, Mayor, was authorized to sign on behalf of the City of Liberty, Texas.

14. This Agreement was authorized by Company, and _____________ of Company was authorized to sign on its behalf.

15. This Agreement is performable in Liberty County, Texas.

16. All values used shall be established by Liberty County Central Appraisal District.

17. The current taxable value of the property of Company in the Zone is:

Real property	$___________________
Personal Property	$___________________
Total Base Value	$___________________

NOTE: Values will be confirmed by Liberty County Central Appraisal District prior to execution of Agreement.

18. The City of Liberty 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 (2) above, in accordance with Tax Abatement Agreement Exhibit E-1, Tax Abatement Schedule.

19. The term of the exemption will be for a period of six (6) years, beginning 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.

20. 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 Exhibit E-2 of this Agreement and/or purchase or cause to be purchased certain tangible personal property as set forth in Exhibit E-2 of this agreement. Such Exhibit lists the kind, number and location of all proposed improvements and/or repairs to the property of Company in the Zone. Make, model and serial number of tangible personal property should be listed when known. However, it is the intent of the City to abate taxes on all improvements and additions in excess of the base value, regardless of whether itemized on Exhibit E-2.

21. The company agrees to build improvements in accordance with all applicable laws, ordinances, codes, rules, requirements or regulations of the City and any subdivision, agency, or authority thereof, and prior to commencing shall secure all permits, licenses and authorization required.

22. Upon completion and inspection by the City of the improvements specified in this Agreement, Company and City shall execute a Certificate of Compliance set out in Exhibit E-3 of this Agreement. A copy of this shall be sent to each taxing entity involved, the company and to the Liberty County Central Appraisal District.

23. Should company fail to make the improvements and/or repairs and/or personal property purchases as provided in this Agreement, then all real and personal property tax revenue lost by the City of Liberty from Company's property in the Zone due to this Agreement shall be forthwith paid to the City of Liberty by Company, and this Agreement shall become void.

24. A map showing existing uses and conditions of company's property within the Zone is attached as Exhibit E-4 and incorporated herein by reference.

25. A map showing proposed improvements and uses to Company's property within the Zone is attached as Exhibit E-5 and incorporated herein by reference.

WITNESS OUR HANDS, this _________ day of _________________, 20____.

CITY OF LIBERTY, TEXAS

____
Carl Pickett
Mayor

ATTEST:

____
Dianne Tidwell
City Secretary

"Company"

By
____

Title
____

THE STATE OF TEXAS

COUNTY OF LIBERTY

Before me, the undersigned authority, on this day personally appeared ______________________, ___________________, ____________________, a corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity herein stated and as the act and deed of said Corporation.

Given under my hand and seal of office on this the ________ day of ____________, 20____.

____

Notary Public in and For the
State of Texas

THE STATE OF TEXAS

COUNTY OF LIBERTY

Before me the undersigned authority, on this day personally appeared _____________________, Mayor of the City of Liberty, a Corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to met that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said Corporation.

Given under my hand and seal of office on this the _______ day of _____________, 20____.

____

Notary Public in and for the
State of Texas

EXHIBIT E-1

TAX ABATEMENT SCHEDULE

The tax abatement policy of the City of Liberty reflects a balance between the revenue needs of local government and the desire to provide incentives for the expansion and relocation of industry.

The City agrees to abate ad valorem taxes on real property and personal property improvements of qualified businesses in Commercial/Industrial Reinvestment Zones as follows:

The value of any real property improvements must equal $10,000.00 minimum.

New development cost must equal $50,000.00 minimum

Personal Property is limited to manufacturing equipment and cost must equal $200,000.00 minimum.

The tax abatement terms are determined by the City Council on a case by case basis with a maximum term of ten (10) years.

TAX ABATEMENT AGREEMENT
EXHIBIT E-2

(List of personal property, limited to manufacturing equipment)

EXHIBIT E-3

CERTIFICATE OF COMPLIANCE

AGREEMENT FOR DEVELOPMENT AND TAX ABATEMENT

WITH ______________________________

IN REINVESTMENT ZONE NO. ________ CITY OF LIBERTY

FOR COMMERCIAL/INDUSTRIAL TAX ABATEMENT

CITY OF LIBERTY, TEXAS

THE STATE OF TEXAS:

COUNTY OF LIBERTY

______________________, (The "Company") hereby certifies that the real and/or personal property improvements on the property, described on Exhibit e-2, as attached hereto, as called for in the above referenced Agreement, have been completed and that all facilities and improvements have been constructed or acquired pursuant to said Agreement.

Signed the ______ day of ______________, 20____.

____

Name, Title

The above described improvements have been accepted by the City of Liberty, Texas, as being in compliance with the above-referenced Agreement, and that pursuant to said Agreement, the exemption from taxation shall commence on _________ and the "base value" for the purposes of determining the taxable value of the Premises shall be the value of the property as established in the said Agreement.

Signed this ____ day of ________________, 20____.

____

Inspector

EXHIBIT E-4

MAP SHOWING EXISTING USES AND
CONDITIONS OF REAL PROPERTY

EXHIBIT E-5

MAP/LIST OF PROPOSED
IMPROVEMENTS AND USES

EXHIBIT F

Sec. 312.204. Municipal Tax Abatement Agreement

(a) The governing body of a municipality eligible to enter into tax abatement agreements under Section 312.002 may agree in writing with the owner of taxable real property that is located in a reinvestment zone, but that is not in an improvement project financed by tax increment bonds, to exempt from taxation a portion of the value of the real property or of tangible personal property located on the real property, or both, for a period not to exceed 10 years, on the condition that the owner of the property make specific improvements or repairs to the property. The governing body of an eligible municipality may agree in writing with the owner of a leasehold interest in tax-exempt real property that is located in a reinvestment zone, but that is not in an improvement project financed by tax increment bonds, to exempt a portion of the value of property subject to ad valorem taxation, including the leasehold interest, improvements, or tangible personal property located on the real property for a period not to exceed ten (10) years, on the condition that the owner of the leasehold interest may specific improvements or repairs to the real property. A tax abatement agreement under this section is subject to the rights of holders of outstanding bonds of the municipality. An agreement exempting taxable real property or leasehold interests or improvements on tax-exempt real property may provide for the exemption of such taxable interests in each year covered by the agreement only to the extent its value for that year exceeds its value for the year in which the agreement is executed. An agreement exempting tangible personal property located on taxable or tax-exempt real property may provide for the exemption of tangible personal property located on the real property in each year covered by the agreement other than tangible personal property that was located on the real property at any time before the period covered by the agreement with the municipality, including inventory and supplies. In a municipality that has a comprehensive zoning ordinance, and improvement, repair, development, or redevelopment taking place under an agreement under this section must conform to the comprehensive zoning ordinance.

(b) The agreements made with the owners of property in a reinvestment zone must contain identical terms for the portion of the value of the property that is to be exempt and the duration of the exemption. For purposes of this subsection, if agreements made with the owners of property in a reinvestment zone before September 1, 1989, exceed 10 years in duration, agreements made with owners of property in the zone on or after that date must have a duration of 10 years.

(c) The property subject to an agreement made under this section may be located in the extraterritorial jurisdiction of the municipality. In that event, the agreement applies to taxes of the municipality if the municipality annexes the property during the period specified in the agreement.

(d) Except as otherwise provided by this subsection, property that is in a reinvestment zone and that is owned or leased by a person who is a member of the governing body of the municipality or a member of a zoning or planning board or commission of the municipality is excluded from property tax abatement or tax increment financing. Property that is subject to a tax abatement agreement in effect when the person becomes a member of the governing body or of the zoning or planning board or commission does not cease to be eligible for property tax abatement under that agreement because of the person's membership on the governing body, board, or commission. Property that is subject to tax increment financing when the person becomes a member of the governing body or of the zoning or planning board or commission does not become ineligible for tax increment financing in the same reinvestment zone because of the person's membership on the governing body, board, or commission.

(e) The governing body of a municipality eligible to enter into tax abatement agreements under Section 312.002 may agree in writing with the owner or lessee of real property that is located in a reinvestment zone to exempt from taxation for a period not to exceed 10 years a portion of the value of the real property or of personal property, or both, located within the zone and owned or leased by a certificated air carrier, on the condition that the certificated air carrier make specific real property improvements or lease for a term of 10 years or more real property improvements located within the reinvestment zone. An agreement may provide for the exemption of the real property in each year covered by the agreement to the extent its value for that year exceeds its value for the year in which the agreement is executed. An agreement may provide for the exemption of the personal property owned or leased by a certificated air carrier located within the reinvestment zone in each year covered by the agreement other than specific personal property that was located within the reinvestment zone at any time before the period covered by the agreement with the municipality.

(f) The agreements made with owners of property in an enterprise zone that is also designated as a reinvestment zone are not required to contain identical terms for the portion of the value of property that is to be exempt and the duration of the agreement.

(g) Notwithstanding the other provisions of this chapter, the governing body of a municipality eligible to enter into tax abatement agreements under Section 312.002 may agree in writing with the owner of real property that is located in a reinvestment zone to exempt from taxation for a period not to exceed five years a portion of the value of the real property or of tangible personal property located on the real property, or both, that is used to provide housing for military personnel employed at a military facility located in or near the municipality. An agreement may provide for the exemption of the real property in each year covered by the agreement only to the extent its value for that year exceeds its value for the year in which the agreement is executed. An agreement may provide for the exemption of tangible personal property located on the real property in each year covered by the agreement other than tangible personal property that was located on the real property at any time before the period covered by the agreement with the municipality and other than inventory or supplies. The governing body of the municipality may adopt guidelines and criteria for tax abatement agreements entered into under this subsection that are different from the guidelines and criteria that apply to tax abatement agreements entered into under another provision of this section. Tax abatement agreements entered into under this subsection are not required to contain identical terms for the portion of the value of the property that is to be exempt or for the duration of the exemption as tax abatement agreements entered into with the owners of property in the reinvestment zone under another provision of this section.

(h) The Texas Department of Economic Development or its successor may recommend that a taxing unit enter into a tax abatement agreement with a person under this chapter. In determining whether to enter into a tax abatement agreement under this section, the governing body of a municipality shall consider any recommendation made by the Texas Department of Economic Development or its successor.

Added by Acts 1987, 70th Leg., ch. 191, § 1, eff. Sept. 1, 1987. Amended by Acts 1989, 71st Leg., ch. 2, § 14.10(a), eff. Aug. 28, 1989; Acts 1989, 71st Leg., ch. 486, § 1, eff. June 14, 1989; Acts 1989, 71st Leg., ch. 1137, § 6, 7, eff. Sept. 1, 1989; Acts 1995, 74th Leg., ch. 985, § 13, eff. Sept. 1, 1995; Acts 2001, 77th Leg., ch. 560, § 1, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 640, § 1, eff. June 13, 2001; Acts 2001, 77th Leg., ch. 765, § 2, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1016, § 1, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1258, § 1, eff. June 15, 2001; Acts 2003, 78th Leg., ch. 149, § 18, eff. May 27, 2003; Acts 2003, 78th Leg., ch. 978, § 5, eff. Sept. 1, 2003; Acts 2005, 79th Leg., ch. 412, § 16, eff. Sept. 1, 2005; Acts 2005, 79th Leg., ch. 728, § 23.001(82), eff. Sept. 1, 2005;

SECTION 312.2041. **Notice of Tax Abatement Agreement to Other Taxing Units**.

(a) Not later than the seventh day before the date on which the municipality enters into an agreement under Section 312.204 or 312.211, the governing body of the municipality or a designated officer or employee of the municipality shall deliver to the presiding officer of the governing body of each other taxing unit in which the property to be subject to the agreement is located a written notice that the municipality intends to enter into the agreement. The notice must include a copy of the proposed agreements.

(b) A notice is presumed delivered when placed in the mail postage paid and properly addressed to the appropriated presiding officer. A notice properly addressed and sent by registered or certified mail for which a return receipt is received by the sender is considered to have been delivered to the addressee.

(c) Failure to deliver the notice does not affect the validity of the agreement.

Added by 1989 Tex. Law, p. 185, ch. 2, sec. 14.11; amended by 1989 Tex. Laws, p. 4685, ch. 1137, Sec. 8; amended by SB 1596, 75th Tex, Leg., 1997, eff. September 1, 1997, and by HB 1239, 75th Tex. Leg., 1997, eff. September 1, 1997.

EXHIBIT G

COMMERCIAL/INDUSTRIAL TAX ABATEMENT
APPLICATION

Name of Company ____

Address ____
(Street) (Mailing, if different)

City________ ___________________ State _________________ Zip _________________

Phone ____

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.

Use a copy of the Liberty County Central Appraisal District map of your property as the base map for your property. You can get this from their office at 2030 Sam Houston Street, Liberty, Texas. There will be a minimal charge. Liberty County Central Appraisal District now requires that all applications for Tax Abatement use a District map as the base map for all drawings or improvements and Reinvestment Zones.

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

The tax abatement policy of the City of Liberty reflects a balance between the revenue needs of local government and the desire to provide incentives for the expansion and relocation of industry.

The City agrees to abate ad valorem taxes on real property and personal property improvements of qualified businesses in Commercial/Industrial Reinvestment Zones as follows:

The value of any real property improvements must equal $10,000.00 minimum.

New development cost must equal $50,000.00 minimum

Personal Property is limited to manufacturing equipment and cost must equal $200,000.00 minimum.

The tax abatement terms are determined by the City Council on a case by case basis with a maximum term of ten (10) years.

IV. Company plans to invest $_______________ in real property improvements and/or invest $_______________ in personal property (manufacturing equipment prior to ___________________ (date).

V. The current taxable value of the property of the Company is:

Real Property ________________________

Personal Property ________________________

Total ________________________

You will receive a written response to your application for Commercial/Industrial Tax Abatement .

Dianne Tidwell
City Secretary
1829 Sam Houston
Liberty, TX 77575

The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 08/09/16 06:00 PM

Department: Administration
Category: Wastewater Issues

COUNCIL ACTION 2016-73

DOC ID: 3587

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