

**Executive Summary of
Guidelines and Criteria for Tax Abatements Pursuant to Texas
Tax Code Chapter 312 and for Grants Pursuant to Texas Local
Government Code Chapter 381 (2026)**

I. GENERAL

A. Tax Abatement

There is no requirement in state law that mandates participation in a tax abatement program by counties. However, under Texas law, counties that wish to participate in tax abatement programs are required to establish guidelines and criteria for administering tax abatements. The guidelines and criteria are effective for a period of two years and then must be renewed if the county wishes to continue its tax abatement program. The attached guidelines and criteria are effective for the period January 1, 2026 through December 31, 2026. Guidelines and criteria may be amended or repealed at any time by a vote of three-fourths of the Commissioners' Court. This summary sets forth the basic policy and procedural issues that are detailed in the comprehensive guidelines and criteria that are attached to this summary.

B. 381 Grant

To stimulate business and commercial activity in a county, the Commissioners' Court of the County may develop and administer a program: (1) for state or local economic development; (2) for small or disadvantaged business development; (3) to stimulate, encourage, and develop business location and commercial activity in the county; (4) to promote or advertise the county and its vicinity or conduct a solicitation program to attract conventions, visitors, and businesses; (5) to improve the extent to which women and minority businesses are awarded county contracts; (6) to support comprehensive literacy programs for the benefit of the county residents; or (7) for the encouragement, promotion, improvement, and application of the arts. Under Texas law, counties that wish to participate in 381 Agreements are required to establish a for doing so. The attached guidelines and criteria for such a program are effective for the period January 1, 2026 through December 31, 2026. This summary sets forth the basic policy and procedural issues that are detailed in the guidelines and criteria.

II. REQUIREMENTS AND CONDITIONS

A. Tax Abatement

- i. The Commissioners Court may not designate an area as a reinvestment zone unless it finds that the designation would contribute to the retention or expansion of primary employment or would attract major investment that will contribute to the economic development of the county.

- ii. The Commissioners Court may not enter into a tax abatement agreement unless it finds that the terms of the agreement and the property subject to the agreement meet the guidelines and criteria.
- iii. Adoption of the guidelines and criteria does not (1) limit the discretion of the commissioner's court to decide whether to enter into a specific tax abatement agreement or (2) create any property, contract or other legal right in any person to have the Commissioners Court consider or grant a specific application or request for tax abatement.
- iv. The abatement may not be granted if the applicant has insufficient financial capacity or business ability or if the abatement would have a serious adverse effect on existing businesses in competition with the party requesting the abatement or constitute a hazard to public safety, health or morals.
- v. The abatement may not be granted if there would be a substantial adverse effect on the provision of any taxing unit's budget, tax base or service capacity.
- vi. The abatement may not be granted if the application package was submitted after commencement of construction of improvements subject to the abatement.
- vii. Only new buildings and new fixed machinery and equipment with economic lives of at least 15 years are eligible for abatement. Existing items are not eligible for tax abatement. Items such as inventories, vehicles, and moveable personal property are ineligible for abatement. Also, certain types of properties, such as retail business and motels, are not eligible for abatement.
- viii. A minimum investment of \$5,000,000 in eligible property (new buildings and new fixed equipment) is required.
- ix. A minimum of 15 permanent full-time positions, on the average, must be added or retained with at least 50% of the new or retained positions being held by Grimes County residents provided that a sufficient number of qualified Grimes County residents make application. Employee numbers will be considered in conjunction with the total annual payroll that the project is expected to generate and the median annual wage for the area as posted by the Texas Workforce Commission.
- x. The Commissioners Court may not enter into a tax abatement agreement unless the terms of the abatement agreement prohibit the property owner from challenging the market value or the equal and uniform value of the subject property in a lawsuit filed pursuant to Chapter 42 of the Texas Tax Code, an arbitration filed pursuant to Chapter 41A of the Texas Tax Code, or a hearing in front of the State Office of Administrative Hearings pursuant to Chapter 2003, Subchapter Z of the Texas Government Code, during the term of the abatement.

B. 381 Grant

- i. Only new buildings and new fixed machinery and equipment with economic lives of at least 15 years (cumulative life per qualified item) are to be considered when determining eligibility for 381 Grants. Existing items are not to be considered when determining eligibility for 381 Grants. Items such as inventories, vehicles, and moveable personal property are not to be considered when determining eligibility for 381 Grants. Also, certain types of properties, such as retail business and motels, are not to be considered when determining eligibility for 381 Grants.
- ii. A minimum investment of \$5,000,000 in eligible property is required.
- iii. A minimum of one (1) permanent full-time position must be added to the entity's employee base. Employee numbers will be considered in conjunction with the total annual payroll that the project is expected to generate and the median annual wage for the area as posted by the Texas Workforce Commission. The business cannot be currently involved in pending litigation which involves a claim against the business for damages.
- iv. The Commissioners Court may not enter into a 381 Grant unless the terms of the 381 Grant prohibit the property owner from challenging the market value or the equal and uniform value of the subject property in a lawsuit filed pursuant to Chapter 42 of the Texas Tax Code, an arbitration filed pursuant to Chapter 41A of the Texas Tax Code, or a hearing in front of the State Office of Administrative Hearings pursuant to Chapter 2003, Subchapter Z of the Texas Government Code, during the term of the 381 Grant.

III. TERM AND VALUE

A. Tax Abatement

- i. The maximum term of abatement permitted by state law is 10 years.
- ii. The term of abatement and the amount of value abated each year of the term may vary depending on the overall nature and character of the proposed project.
- iii. However, the county prefers and encourages abatements of a shorter period, generally five years on the following schedule:

<u>Year</u>	<u>% Range</u>
1	90-100%
2	70- 80%
3	50- 60%
4	30- 40%
5	10- 20%

B. 381 Grant

The maximum term for 381 Grants is three years. The amount of any grant or grants awarded will be left to the discretion of the Commissioners' Court, but in no event shall the total yearly amount of any grant or grants to any one entity exceed the total annual ad valorem taxes paid to Grimes County by such entity in the year preceding the award or awards.

IV. PROCEDURE

A. Tax Abatement

- i. The applicant submits an application package to the Precinct Commissioner, with a copy to the Executive Director of the Navasota Grimes County Chamber of Commerce, requesting designation of a reinvestment zone, approval of an application for tax abatement and approval of an agreement for tax abatement accompanied by a \$1,000 non-refundable application fee.
- ii. An advisory committee reviews the application package and reports the results of its review to the Commissioners Court.
- iii. Notice of a public hearing is published and other taxing units are notified of the hearing.
- iv. The county conducts a public hearing concerning designation of an area as a reinvestment zone and approval of the tax abatement application and abatement agreement.
- v. The county approves or denies the request for reinvestment zone and tax abatement as agenda items at a meeting of the Commissioners Court. If approved, a written agreement between the county and the property owner is executed.
- vi. The project is monitored for compliance during the term of the agreement and is subject to default, cancellation and recapture provisions.

B. 381 Grant

- i. The applicant shall submit an application to the Precinct Commissioner, with a copy to the Executive Director of the Navasota Grimes County Chamber of Commerce, wherein the property in question is located, accompanied by a \$1,000 non-refundable application fee.
- ii. An advisory committee reviews the application package and reports the results of its review to the Commissioners Court.

- iii. Within sixty (60) days of the date the application is submitted to the Precinct Commissioner, the County shall approve or deny the request for a 381 Agreement as an agenda item at a meeting of the Commissioners Court. If approved, a written Agreement between the County and the property owner, consistent with the guidelines and criteria described herein, shall be executed. The project shall be monitored for compliance during the term of the Agreement and shall be subject to default, cancellation, and repayment provisions.
- iv. Upon certification of compliance with the agreement, the County shall make grant payments as provided for in the Agreement, on or before March 1st of each calendar year corresponding to the applicable year that the grant is due.

**Comprehensive
Guidelines and Criteria for Tax Abatements Pursuant to Texas Tax
Code Chapter 312 and for Grants Pursuant to Texas Local
Government Code Chapter 381 (2026)**

I. DEFINITIONS

- A. **Abatement** means partial exemption from ad valorem taxes of certain real property (including fixed-in-place machinery & equipment) in a reinvestment zone designated for economic development purposes.
- B. **Grant** means an award of public money awarded to stimulate business and commercial activity.
- C. **Overlapping Jurisdiction** means any other taxing unit in which the property to be the subject of the abatement or grant is located.
- D. **Agreement** means a contractual agreement between a property owner and/or lessee and an eligible jurisdiction for the purposes of tax abatement or grant.
- E. **Base Year Value** means the assessed value of eligible property on January 1 preceding the execution of the Agreement, plus the agreed upon value of eligible property improvements made after January 1 but before the date the Agreement is executed.
- F. **Base Year Number of Employees** means the number of employees reflected in the owner's application package.
- G. **Deferred Maintenance** means improvements necessary for continued operations which do not improve productivity or alter the process technology.
- H. **Economic Life** means the number of years a property improvement is expected to be in service in a facility.
- I. **Employee** means a person whose employment is both permanent and fulltime, who works for and is an employee of the Owner or an employee of a Contractor, who works a minimum of 1,750 hours per year exclusively within the Zone, who receives industry-standard benefits, and whose employment is reflected in the Owner's (and Contractor's, if applicable) quarterly report filed with the Texas Workforce Commission; but **excluding** any direct contract (seasonal, part-time, and full-time equivalent).
- J. **New Facility** means a property, previously undeveloped, which is placed into service by means other than or in conjunction with expansion or modernization.
- K. **Expansion** means the addition of buildings, structures, fixed machinery or equipment for purposes of increasing production capacity.

- L. **Modernization** means a complete or partial demolition of facilities and the complete or partial reconstruction or installation of a facility of similar expanded production capacity. Modernization may result from the construction, alteration, or installation of buildings, structures, or fixed machinery and equipment. Modernization shall include improvements for the proposed purposes of increasing productivity or updating the technology of fixed machinery or equipment, or both.
- M. **Facility** means property improvements completed or in the process of construction which together comprise an integral whole.
- N. **Manufacturing Facility** means buildings and structures, including fixed-in-place machinery and equipment, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.
- O. **Regional Distribution Center Facility** means buildings and structures, including fixed machinery and equipment, used or to be used primarily to receive, store, service or distribute goods or materials owned by the facility operator where a majority of the goods are distributed to points at least 100 miles from any part of Grimes County.
- P. **Regional Service Facility** means buildings and structures, including fixed machinery and equipment, used or to be used to service goods where a majority of the goods being serviced originate at least 100 miles from any part of Grimes County.
- Q. **Research Facility** means building and structures, including fixed machinery and equipment, used or to be used primarily for research or experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes thereto.
- R. **Research and Development Facility** means buildings and structures, including fixed-in-place machinery and equipment, used or to be used primarily for research or experimentation to improve or develop current technology in biomedicine, electronics or pre-commercial emerging industries.
- S. **Other Basic Industry Facility** means buildings and structures including fixed machinery and equipment not elsewhere described, used or to be used for the production of products or services.

II. ABATEMENT OR GRANT AUTHORIZED

A. Tax Abatement

- i. **Authorized Facility.** A facility may be eligible for abatement if it is a Manufacturing Facility, Research Facility, Regional Distribution Center Facility, Regional Service Facility, Research and Development Facility, or Other Basic Industry.

- ii. **Creation of New Value.** Abatement may only be granted for the additional value of eligible real property (including fixed-in-place machinery and equipment) listed in an abatement agreement between the County and the property owner and/or lessee, subject to such limitations as Commissioners Court and state law may require.
- iii. **New and Existing Facilities.** Abatement may be granted for new facilities and improvements to existing facilities for purposes of Expansion or Modernization.
- iv. **Eligible Property.** Abatement may be extended to the value of buildings, structures, fixed machinery and equipment, site improvements plus ancillary fixed improvements necessary to the operation and administration of the facility.
- v. **Ineligible Property.** The following types of property shall be fully taxable and ineligible for abatement: land; inventories; supplies; tools; office furnishings and equipment, mobile equipment, and other forms of movable personal property; vehicles; vessels; aircraft; single family housing; multi-family housing; hotel and motel accommodations; local, regional or national entertainment centers, retail businesses; solar power facilities devoted to production of energy; wind power facilities devoted to production of energy; deferred maintenance investments; and property with an economic life of less than 15 years.
- vi. **Owned/Leased Facilities.** If a leased facility is granted abatement the agreement shall be executed with the lessor and the lessee. Abatements may be granted on leasehold interests in taxable or exempt property.
- vii. **Term of Abatement.** A tax abatement shall be granted in accordance with the terms of a Tax Abatement Agreement and may begin either on January 1st immediately following the date of execution of the agreement or the owner and the taxing unit may agree to defer the commencement of the abatement period until a January 1 date that is subsequent to the date the agreement is entered into, except that the duration of an abatement period may not exceed 10 years. While state law permits an abatement period up to 10 years, the county prefers and encourages abatements of a shorter period, generally five years on the following schedule: Year 1, 90-100%; Year 2, 70-80%; Year 3, 50-60%; Year 4, 30-40%; and Year 5, 10-20%. The term of abatement and the amount of value abated each year of the term may vary depending on the overall nature and character of the proposed project.
- viii. **Basic Qualifications for Tax Abatement.** To be eligible for tax abatement the planned improvements must meet the following basic qualifications:
 - 1. The abatement must contribute to the retention or expansion of primary employment and attract major investment that will contribute to the economic development of the county.

2. The abatement may not be granted if the applicant has insufficient financial capacity or business ability or if the abatement would have a serious adverse effect on existing businesses in competition with the party requesting the abatement or constitute a hazard to public safety, health or morals.
 3. Adoption of the guidelines and criteria does not (1) limit the discretion of the Commissioners Court to decide whether to enter into a specific tax abatement agreement or (2) create any legal right in any person to have the Commissioners Court consider or grant a specific application or request for tax abatement.
 4. The abatement must be shown to involve an investment that will increase the assessed value of the eligible property at least five million dollars (\$5,000,000) upon completion of the project.
 5. The abatement must be shown to directly create or prevent the loss of permanent full-time employment for at least 15 people with at least 50% of the employees consisting of Grimes County residents provided that a sufficient number of qualified Grimes County residents make application. Employee numbers shall be considered in conjunction with the total amount of payroll that is expected to be generated and the median annual wage for the area as posted by the Texas Workforce Commission.
 6. The Commissioners Court may not enter into a tax abatement agreement unless the terms of the abatement agreement prohibit the property owner from challenging the market value or the equal and uniform value of the subject property in a lawsuit filed pursuant to Chapter 42 of the Texas Tax Code, an arbitration filed pursuant to Chapter 41A of the Texas Tax Code, or a hearing in front of the State Office of Administrative Hearings pursuant to Chapter 2003, Subchapter Z of the Texas Government Code, during the term of the abatement.
- ix. **Taxability.** During the term of the abatement taxes shall be assessed as follows:
1. The value of ineligible property as provided in Section II. A. v., "Ineligible Property" shall be fully taxable.
 2. The value of existing eligible property listed in the base year value shall be determined each year and shall be fully taxable.
 3. The additional value of new eligible property shall be taxable in the manner described in Section II. A. vii.
- x. **Environmental and Worker Safety Qualification.** In determining whether to grant a tax abatement, consideration will be given to compliance with all state and federal laws designed to protect human health, welfare and the

environment (“environmental laws”) that are applicable to all facilities in the State of Texas owned or operated by the owner of the facility or lessee, its parent, subsidiaries and, if a joint venture or partnership, every member of the joint venture or partnership (“applicants”). Consideration may also be given to compliance with environmental and worker safety laws by applicants at other facilities within the United States.

B. 381 Grant

- i. **Authorized Facility.** A facility may be eligible for a grant if it is a: Manufacturing Facility, Research Facility, Regional Distribution Center Facility, Regional Service Facility, Research and Development Facility, or Other Basic Industry.
- ii. **Creation of New Value.** A grant may only be awarded based upon the amount of ad valorem taxes paid for the additional value of eligible real property (including fixed-in-place machinery and equipment) listed in a 381 Agreement between the County and the property owner, subject to such limitations as the Commissioners Court and state law may require.
- iii. **New and Existing Facilities.** Grants may be awarded based upon the amount of ad valorem taxes paid for new facilities and improvements to existing facilities for purposes of Expansion or Modernization.
- iv. **Eligible Property.** Grants may be awarded based upon ad valorem taxes paid upon the value of buildings, structures, fixed machinery and equipment, and site improvements plus ancillary fixed improvements necessary to the operation and administration of the facility.
- v. **Ineligible Property.** Grants may not be awarded based upon ad valorem taxes paid upon land; inventories; supplies; tools; office furnishings and equipment, mobile equipment, and other forms of movable personal property; vehicles; vessels; aircraft; single family housing; multi-family housing; hotel and motel accommodations; local, regional or national entertainment centers, retail businesses; solar power facilities devoted to production of energy; wind power facilities devoted to production of energy; deferred maintenance investments; and property with an economic life of less than 15 years (cumulative life per qualified item).
- vi. **Term of Grant.** The maximum term of grants to any specific entity is three years. The term of grants and the amount of each grant of the term may otherwise vary depending on the overall nature and character of the proposed project.
- vii. **Basic Qualifications for Grants.** To be eligible for one or more grants the relevant planned improvements:

1. Must be shown to involve an investment that will increase the assessed value of the eligible property at least five million dollars (\$5,000,000) upon completion of the project.
 2. Must be shown to directly create permanent employment for at least one (1) person. Employee numbers shall be considered in conjunction with the total amount of payroll that is expected to be generated and the median annual wage for the area as posted by the Texas Workforce Commission.
 3. Must have no serious adverse effect on the citizens of Grimes County, local taxing jurisdictions, or existing businesses that are in competition with the party requesting the grant.
 4. The Commissioners Court may not enter into a 381 Grant unless the terms of the 381 Grant prohibit the property owner from challenging the market value or the equal and uniform value of the subject property in a lawsuit filed pursuant to Chapter 42 of the Texas Tax Code, an arbitration filed pursuant to Chapter 41A of the Texas Tax Code, or a hearing in front of the State Office of Administrative Hearings pursuant to Chapter 2003, Subchapter Z of the Texas Government Code, during the term of the 381 Grant.
- viii. **Taxability.** During the term of the grant, ad valorem taxes shall be assessed as usual by the Grimes County Appraisal District.
- ix. **Environmental and Worker Safety Qualification.** In determining whether to award a grant, consideration will be given to compliance with all state and federal laws designed to protect human health, welfare and the environment (“environmental laws”) that are applicable to all facilities in the State of Texas owned or operated by the owner of the facility or lessee, its parent, subsidiaries and, if a joint venture or partnership, every member of the joint venture or partnership (“applicants”). Consideration may also be given to compliance with environmental and worker safety laws by applicants at other facilities within the United States.
- x. The business requesting such cannot be currently involved in pending litigation which involves a claim against the business for damages.

III. APPLICATION

A. Tax Abatement

- i. **Timely application:** Any current or potential owner or lessee of taxable property in Grimes County must request a tax abatement by filing a complete Grimes County Tax Abatement Application Package (in the form shown in Addenda #1) with the Precinct Commissioner, with a copy to the Executive Director of the Navasota Grimes County Chamber of Commerce, consisting of (1) a written request for the designation of an area that does not include areas

in the taxing jurisdiction of a municipality as a reinvestment zone (2) a completed narrative form (3) a completed application for tax abatement and (4) a check in the amount of \$1,000 payable to Grimes County for an application fee. The payment for application fees is non-refundable regardless of whether the application package is approved, denied or modified. If for any reason an applicant is required to submit more than one application or resubmit an application, each application requires the \$1,000 application fee.

- ii. The application package must be filed with the Precinct Commissioner prior to the commencement of construction, alteration, or installation of improvements related to a proposed modernization, expansion or new facility. The County shall not establish a reinvestment zone or enter into an abatement agreement if it finds that the Tax Abatement Application Package was filed after the commencement of construction, alteration, or installation of improvements related to a proposed modernization, expansion or new facility.
- iii. The request for designation of a reinvestment zone must include the following items: (1) a statement describing how designation of the area as a reinvestment zone would be reasonably likely 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 county (2) a map or plat of the proposed zone and (3) a set of metes and bounds field notes describing the proposed zone.
- iv. The application form must contain the following:
 1. A descriptive list of the proposed improvements for which tax abatement is to be considered, including type, number, economic life, estimated cost and location;
 2. A time schedule for undertaking and completing the proposed improvements;
 3. A map or plat and a metes and bounds legal description of the property;
 4. The estimated number of jobs that will be retained and/or created.
 5. The estimated number of jobs that will be held by Grimes County residents.
 6. The estimated annual payroll.
 7. Financial or other information, as the Commissioners Court may deem appropriate for evaluating the financial status or other characteristics of the applicant.
 8. A written estimate from the Chief Appraiser of the Grimes County Appraisal District listing for each year in the term of the proposed abatement: the estimated value of the property, the percentage of value abated, the amount of value that will be abated, the taxable value remaining after abatement, and an estimate of taxes that will be abated using the tax rate currently in effect at the time the application is filed.

- v. After the application packet is filed, but before the public hearing concerning the abatement is held, the applicant shall meet with a review committee composed of the following members:
 - a. the county judge;
 - b. the county commissioner in whose precinct the proposed project will be located;
 - c. a representative from the Grimes County Business Community;
 - d. four representatives of the Grimes County community, one from each precinct;
 - e. a representative from the Grimes County Appraisal District; and
 - f. a Grimes County employee representative.

The Commissioners Court shall request that the Director of the Grimes County Appraisal District to select the representative. The Commissioners' Court shall appoint the (1) community representatives, one from each precinct, nominated by the respected precinct commissioner (2) a representative from the Grimes County Business community, and (3) a Grimes County employee representative. The committee shall serve in a review and advisory capacity to the Commissioners Court on matters regarding tax abatement. Commissioners Court may revise appointments at any given time through a majority vote of Commissioners Court.

B. 381 Grant

- i. **Timely Application:** Any current or potential owner of taxable property in Grimes County must request a grant or grants by filing a complete 381 Agreement Application Package (in the form shown in Addenda #1) with the Precinct Commissioner in the precinct wherein the property is located, with a copy to the Executive Director of the Navasota Grimes County Chamber of Commerce, consisting of (1) a completed narrative form, (2) a completed application, and (3) a check in the amount of \$1,000 payable to Grimes County for an application fee prior to the commencement of construction, alteration, or installation of improvements related to a proposed modernization, expansion or new facility. The payment for application fee is non-refundable regardless of whether the application is approved, denied or modified. The County shall not enter into a 381 Agreement if it finds that the Application was filed after the commencement of construction, alteration, or installation of improvements related to a proposed modernization, expansion or new facility.
- ii. The application form must contain the following:

1. A descriptive list of the proposed improvements relevant to which a grant is or grants are to be considered, including type, number, economic life, cost and location.
 2. A time schedule for undertaking and completing the proposed improvements.
 3. A map or plat and a metes and bounds legal description of the property.
 4. The estimated number of jobs that will be retained and/or created.
 5. The estimated number of jobs that will be held by Grimes County residents.
 6. The estimated annual payroll.
 7. Financial or other information, as the Commissioners Court may deem appropriate for evaluating the financial status or other characteristics of the applicant.
 8. A written estimate from the Chief Appraiser of the Grimes County Appraisal District listing for each year in the term of the proposed grant(s): the estimated value of the property, the amount of value that will be granted, the taxable value remaining after grant, and an estimate of taxes that will be granted using the tax rate currently in effect at the time the application is filed.
- iii. After the Application is filed, but before the public hearing concerning the Agreement is held, the applicant shall meet with a review committee composed of the following members:
- a. the county judge;
 - b. the county commissioner in whose precinct the proposed project will be located;
 - c. a representative from the Grimes County Business Community;
 - d. four representatives of the Grimes County community, one from each precinct;
 - e. a representative from the Grimes County Appraisal District; and
 - f. a Grimes County employee representative.

The Commissioners Court shall request that the Director of the Grimes County Appraisal District to select the representative. The Commissioners' Court shall appoint the (1) community representatives, one from each precinct, nominated by the respected precinct commissioner (2) a representative from the Grimes County Business community, and (3) a Grimes County employee representative. The committee shall serve in a review and advisory capacity to the Commissioners Court on matters regarding 381 Agreements. Commissioners Court may revise appointments at any given time through a majority vote of Commissioners Court.

IV. PUBLIC HEARING AND APPROVAL

A. Tax Abatement

- i. The Commissioners Court may not adopt an order designating a reinvestment zone or approving an application or agreement for tax abatement until it has held a public hearing at which interested persons are entitled to speak and present evidence for or against the designation and the abatement. The hearing shall be scheduled no later than 60 days from the date the application package is filed with the Precinct Commissioner. Notice of the hearing (in the form shown in Addenda #2) shall be published no later than the seventh day before the hearing in a newspaper having general circulation within the county. The County shall give notice of its intent to consider a tax abatement agreement to overlapping jurisdictions in accordance with Sec. 312.2041 Texas Property Tax Code which requires that (1) the Commissioners Court or a designated officer or employee deliver written notice to the presiding officer of the governing body of the affected jurisdictions of the county's intent to enter into a tax abatement agreement (2) the notice be delivered no later than the seventh day before the date the Commissioners Court enters into the tax abatement agreement (3) the notice must be delivered by certified mail return receipt requested and (4) a copy of the proposed tax abatement agreement must be included with the notice. In addition to any other requirement of law, the public notice of a meeting at which the Commissioners Court will consider the approval of a tax abatement agreement with a property owner must contain: (1) the name of the property owner and the name of the applicant for the tax abatement agreement; (2) the name and location of the reinvestment zone in which the property subject to the agreement is located; (3) a general description of the nature of the improvements or repairs included in the agreement; and (4) the estimated cost of the improvements or repairs. The notice of meeting required herein must be given in the manner required by Chapter 551, Government Code, except that the notice must be provided at least thirty (30) days before the scheduled time of the meeting (in the form shown in Addenda #2).
- ii. At the public hearing, interested persons shall be entitled to speak and present written materials for or against the designation of the reinvestment zone and the approval of the proposed tax abatement agreement.
- iii. In order to enter into a tax abatement agreement, the Commissioners Court must find that the terms of the proposed agreement meet these Guidelines and Criteria. Neither a request for designation of a reinvestment zone nor application or agreement for tax abatement shall be authorized if it is determined that:
 1. The Tax Abatement Application Package was filed after the commencement of construction, alteration, or installation of improvements related to a proposed modernization, expansion or new facility; or

2. There would be a substantial adverse effect on the provision of any taxing unit's budget, tax base or service capacity; or
 3. The applicant has insufficient financial capacity or business ability; or
 4. The planned or potential use of the property would constitute a hazard to public safety, health or morals; or
 5. There would be a violation of local, state or federal laws; or
 6. The abatement would have a serious adverse effect on existing businesses in competition with the party requesting abatement; or
 7. Designation of the area as a reinvestment zone would not contribute to the retention or expansion of primary employment or would not attract major investment in the zone that would contribute to the economic development of the county.
- iv. The Commissioners Court shall either approve or disapprove the request for designation of reinvestment zone, application for tax abatement and tax abatement agreement no later than thirty (30) days from the date of the public hearing. The County Judge shall notify the applicant in writing by certified mail return receipt requested of approval or disapproval. If disapproved, a County Commissioners Court member may request as second review, in which case a new package and hearing shall be required.
- v. Requests for variances from the provisions of the guidelines and criteria may be made in written form and submitted with the tax abatement application package. Such requests shall include a complete description and explanation of the circumstances which prompt the applicant to request a variance. The approval process for a variance shall be identical to that for a standard application and may be supplemented by such additional information as deemed necessary by the Commissioners Court.

B. 381 Grant

- i. The Commissioners Court may not adopt an order approving a 381 Agreement until it has held an open meeting regarding such. The hearing shall be scheduled no later than sixty (60) days from the date the application package is filed with the Precinct Commissioner.
- ii. In order to enter into 381 Agreement, the Commissioners Court must find that the terms of the proposed Agreement meet the guidelines set out herein. A 381 Agreement shall not be authorized if it is determined that:
 1. The Application was filed after the commencement of construction, alteration, or installation of improvements related to a proposed modernization, expansion or new facility; or

2. There would be a substantial adverse effect on the provision of any taxing unit's budget, tax base or service capacity; or
 3. The applicant has insufficient financial capacity or business ability; or
 4. The planned or potential use of the property would constitute a hazard to public safety, health or morals; or
 5. There would be a violation of local, state or federal laws; or
 6. The grant would have a serious adverse effect on existing businesses in competition with the party requesting the grant.
- iii. The Commissioners Court shall either approve or disapprove the 381 Agreement no later than thirty (30) days from date of the public hearing. The Precinct Commissioner shall notify the applicant in writing by certified mail return receipt requested of approval or disapproval. If disapproved, a County Commissioners Court member may request a second review, in which case a new application and hearing shall be required.
 - iv. Requests for variances from the provisions of the guidelines herein may be made in written form and submitted with the application. Such requests shall include a complete description and explanation of the circumstances which prompt the applicant to request a variance. The approval process for a variance shall be identical to that for a standard application and may be supplemented by such additional information as deemed necessary by the Commissioners Court.

V. AGREEMENT/APPROVAL

A. Tax Abatement-Approval of Reinvestment Zone Designation; Application For Tax Abatement Agreement

The Commissioners Court, upon a majority vote at an open meeting, shall (1) adopt an order designating an area of the county as a reinvestment zone and (2) adopt an order approving the tax abatement application and tax abatement agreement. The orders and agreement shall be in the forms as shown in Addenda Number 2 unless otherwise specified by the Commissioners' Court. The agreement shall:

- i. Specify the minimum amount of investment in eligible improvements;
- ii. Specify the base year value;
- iii. Specify the base number of employees;
- iv. Specify the minimum number of jobs that will be retained and/or created;
- v. Specify the minimum number of jobs that will be held by Grimes County residents;

- vi. Specify the minimum amount of payroll for the retained/created jobs;
- vii. Specify the commencement date and the termination date of abatement;
- viii. Specify the year and the percentage of value to be abated for each year in the abatement period;
- ix. Describe the proposed use of the facility; nature of construction, time schedule, map or plat, property description and a list of the kind, number and location of all proposed improvements to the property;
- x. Provide that employees and/or designated representatives of Grimes County and the Grimes Central Appraisal District shall have access to the facility to ensure that the improvements are being made according to the specifications and conditions of the agreement and to determine if the terms and conditions of the Agreement are being met. All inspections will be made only after giving a minimum of 24 hours' notice in a manner as to not unreasonably interfere with the construction or operation of the facility. All inspections will be made with one or more representatives of the company and in accordance with company safety standards.
- xi. Require that the owner shall furnish to the appraisal district and/or its designated representatives the following: (1) A rendition and other reports in accordance with provisions of the Texas Property Tax Code and (2) Accounting, financial or asset information, as required by the chief appraiser, necessary to accurately identify and appraise the assets subject to the abatement agreement.
- xii. (Provide for recapturing property tax revenue lost as a result of the agreement if the owner fails to make the improvements as provided by the agreement or otherwise violates any of the terms and conditions of the agreement.
- xiii. Provide that the Commissioners Court may cancel or modify the agreement if the property owner fails to comply with the agreement.
- xiv. Require that the owner of the property certify annually to the county that the owner is in compliance with each applicable term of the agreement and furnish the following information as an attachment to its annual application for property tax abatement exemption: the total number of employees as of December 31 of the preceding year, the estimated percentage of the total number of employees as of December 31 of the preceding year who are Grimes County residents, and the estimated annual payroll for the preceding year.
- xv. Limit the uses of the property consistent with the general purpose of encouraging development or redevelopment of the zone during the period that the abatement is in effect; and
- xvi. Contain each term agreed to by the owner of the property.

B. 381 Grant

To approve a request for a 381 Agreement, the Commissioners Court shall, upon a majority vote at an open meeting, formally approve an order and execute an Agreement with the owner of the facility. The order and agreement shall be in the forms as shown in Addenda Number 2 unless otherwise specified by the Commissioners' Court. The Agreement shall:

- i. Specify the minimum amount of investment in eligible improvements;
- ii. Specify the base year value;
- iii. Specify the base number of employees;
- iv. Specify the minimum number of jobs that will be created;
- v. Specify the commencement date and the termination date of any grant or grants;
- vi. Specify the year and the grant amount for each year in the grant period;
- vii. Describe the proposed use of the facility; nature of construction, time schedule, map or plat, property description and a list of the kind, number and location of all proposed improvements to the property;
- viii. Provide that employees and/or designated representatives of Grimes County shall have access to the facility to insure that the improvements are being made according to the specifications and conditions of the Agreement and to determine if the terms and conditions of the Agreement are being met. All inspections will be made only after giving a minimum of 24 hours' notice in a manner as to not unreasonably interfere with the construction or operation of the facility. All inspections will be made with one or more representatives of the company and in accordance with company safety standards;
- ix. Require that the owner shall furnish to Grimes County the following: accounting, financial or asset information, as required by the Grimes County Auditor, necessary to accurately identify and appraise the assets subject to the 381 Agreement;
- x. Provide for repayment of any grant or grants if the owner fails to make the improvements as provided by the Agreement or otherwise violates any of the terms and conditions of the Agreement;
- xi. Provide that the Commissioners Court may cancel or modify the Agreement if the property owner fails to comply with the Agreement;
- xii. Require that the owner of the property certify annually to the County that the owner is in compliance with each applicable term of the Agreement and furnish the information confirming the total number of employees as of December 31 of the preceding year;
- xiii. Limit the uses of the property consistent with the general purpose of encouraging economic development during the period that the grants are in effect; and
- xiv. Contain each term agreed to by the owner of the property.

VI. DEFAULT

A. The following shall constitute default on the part of the owner:

- i. The owner fails to substantially complete the improvements or facility in accordance with plans and specifications submitted; or
- ii. The facility is completed and begins producing products or services, but subsequently discontinues product or service for any reason except fire, explosion or other casualty, accident or natural disaster for a period of 180 consecutive days during the abatement or grant period; or

- iii. The owner makes any misrepresentation in the Application or Agreement that is false or misleading in any material respect; or
 - iv. The owner fails to retain or create employment for the number of employees specified in the agreement; or
 - v. The owner fails to make the minimum required investment; or
 - vi. The owner allows its ad valorem taxes owed the county or overlapping jurisdictions to become delinquent; or
 - vii. The owner fails to provide the county's designated representatives or the appraisal district's designated representatives access to the facility, or fails to provide an employee or company representative to accompany the county's or the appraisal district's designated representative during inspection of the facility, or fails to comply with the rendition and reporting requirements of the Texas Property Tax Code (as applicable) or fails to provide each year the accounting, financial or asset information necessary for the identification and appraisal of the property subject to the abatement/grant; or
 - viii. The owner violates any of the terms and conditions contained in the Agreement.
- B. In the event the county declares a default, the county shall notify the owner of the default in writing, certified mail return receipt requested, and if such default is not cured within 60 days from the date such notice is delivered, the agreement and abatement/grant shall be terminated; provided however, that in the case of a default that for causes beyond the owner's reasonable control, cannot with reasonable due diligence be cured within the 60 day period, the cure period may be extended if the owner shall within 10 days of receipt of the notice of default (1) advise the county of the owner's intention to institute all steps necessary to cure such default; and (2) shall institute and complete with reasonable dispatch all steps necessary to cure such default.

VII. RECAPTURE/REPAYMENT

- A. If the facility is completed and begins producing product or service, but subsequently discontinues producing product or service for any reason except for fire, explosion, or other casualty, accident, or natural disaster for a period of 180 consecutive days during the abatement period, then the agreement shall terminate and so shall the abatement of the taxes for the calendar year during which the facility no longer produces for the 180th consecutive day. The taxes abated for that calendar year shall be paid to the County prior to the delinquency date for that year. Furthermore, all ad valorem taxes which would have been levied by the County for all calendar years prior to the year in which the facility no longer produced for the 180th consecutive day, but for the abatement and all penalties and interest on the recaptured tax amount, as authorized by law, will become a

debt to the taxing unit and shall become due and payable to the County within 60 days of the date the notice of default is delivered. Any amounts due the County remaining unpaid for more than sixty (60) days shall incur interest at the rate of ten percent (10%) per annum.

- B. If the company or individual is in default according to the terms and conditions of its agreement during the abatement period for any reason other than that described in Sec. VII (a), the agreement shall terminate and so shall the abatement of taxes for the calendar year during which the default occurred. The taxes abated for that calendar year shall be paid to the County prior to the delinquency date for that year. Furthermore, all ad valorem taxes which would have been levied by the County for all calendar years prior to the year in which the default occurred but for the abatement and all penalties and interest on the recaptured tax amount, as authorized by law, will become a debt to the taxing unit and shall become due and payable to the County within 60 days of the date the notice of default is delivered. Any amounts due the County remaining unpaid for more than sixty (60) days shall incur interest at the rate of ten percent (10%) per annum.

VIII. ADMINISTRATION

A. Tax Abatement

The Chief Appraiser of the Grimes Central Appraisal District shall annually submit to the Commissioners Court a written report indicating the following for each property owner receiving an abatement: (1) The value of the property subject to the abatement (2) the amount of value abated (3) the taxable value remaining after the abatement (4) the amount of tax loss due to the abatement (5) the percentage of abatement for the current year (6) a schedule showing the years and percentages of abatement remaining (7) the value of the non-abated property (8) the amount of taxes paid on the non-abated property (9) the minimum number of employees and the reported number of employees (10) the reported percentage of employees residing in Grimes County and (11) any other information pertaining to compliance related issues.

In the event that the county declares an owner to be in default, the Precinct Commissioner shall deliver written notice to the chief appraiser that the abatement and agreement are terminated and the taxes that were abated are subject to recapture. The Chief Appraiser, acting in the capacity of Tax Assessor-Collector, shall perform all duties related to the collection of taxes and penalty and interest resulting from default as provided for in Sec. VII (A) and Sec VII (B).

B. 381 Grant

The Precinct Commissioner in the precinct which the relevant property is located and the Executive Director of the Navasota Grimes County Chamber of Commerce shall annually submit to the Commissioners Court a written report indicating the following for each property owner receiving a grant: (1) the value of the property including a statement from the status of completion of the project contemplated; (2) the grant(s)

for the current year; (3) a schedule showing the years and estimated amount of grants remaining; (4) the amount of taxes paid on the property for the prior year; (5) reported number of employees; (6) the reported percentage of employees residing in Grimes County; and (7) any other information pertaining to compliance related issues. The Precinct Commissioner, acting on behalf of the Commissioners' Court, shall perform all duties related to the collection of amounts due the County and interest resulting from default as provided for in Sec. VII. (A) and Sec VII (B).

IX. ASSIGNMENT

A tax abatement agreement/381 agreement may be assigned to a successor or lessee of a facility with the written consent of the Commissioners Court, which consent shall not be unreasonably withheld. Any assignment shall provide that the assignee shall irrevocably and unconditionally assume all the duties and obligations of the assignor upon the same terms and conditions as set out in the Agreement. Any assignment of a tax abatement agreement/381 Agreement shall be to an entity that continues the same improvements to the property (except to the extent such improvements have been completed) and continues the same use of the facility as stated in the original Tax Abatement Agreement/381 Agreement with the initial applicant. No assignment shall be approved if the assignor or the assignee is indebted to the County for past due ad valorem taxes or other obligations.

X. SUNSET PROVISION

These Guidelines and Criteria were effective January 1, 2026 and revised on April 21, 2026, and will remain in force until December 31, 2026, at which time all tax abatement contracts created pursuant to these provisions will be reviewed by the County to determine whether the goals have been achieved. Based on that review, the Guidelines and Criteria will be modified, renewed, or eliminated.

XI. SEVERABILITY CLAUSE

In the event any section, paragraph, subdivision, clause, phrase, provision, sentence or part of these guidelines and criteria shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate these guidelines and criteria as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the Commissioners Court of Grimes County declares that it would have passed each and every part of the same notwithstanding the omissions of any such part thus declared to be invalid or unconstitutional, or whether there be one or more parts.

All orders or parts of such orders in conflict herewith are, to the extent of such conflict, hereby repealed.

Approved on December 3, 2025.
Revised on April 20, 2026.




Joe Fauth, III
County Judge



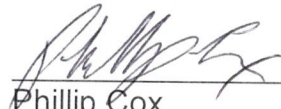
Chad Mallett
Commissioner Precinct #1



David Tullos
Commissioner Precinct #2

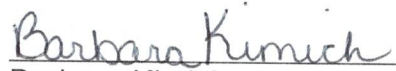


Michael Raska
Commissioner Precinct #3



Phillip Cox
Commissioner Precinct #4

ATTEST:



Barbara Kimich
County Clerk

ADDENDA #1

APPLICATION FOR TAX ABATEMENT/ 381 AGREEMENT FOR GRIMES COUNTY

APPLICATION FOR TAX ABATEMENT/381 AGREEMENT FOR GRIMES COUNTY

(Confidential Information – Texas Property Tax Code, Chapter 312, Subchapter A, §312.003)

Step 1:	Applicant:			
	Mailing Address:			
	City:	State:	Zip:	Telephone:
Step 2:	Contact Person or Agent:			
	Mailing Address:			
	City:	State:	Zip:	Telephone:
Step 3:	PROPERTY INFORMATION			
	Owner's Name:			
	Owner's Mailing Address:			
	City:	State:	Zip:	Telephone:
	Physical Location:			
	Legal Description:	Base Year Value:	Grimes CAD PID#:	
Step 4:	TAXING UNIT INFORMATION			
	List the taxing units in which the site for the proposed abatement/grant is located:			
	Is the site located within the extraterritorial jurisdiction of a municipality?	<input type="checkbox"/> YES <input type="checkbox"/> NO		
Step 5:	GENERAL PROJECT DATA			
	Indicate use:			
	<input type="checkbox"/> Manufacturing <input type="checkbox"/> Research & Development <input type="checkbox"/> Other Basic Industry			
	Indicate nature of project:			
<input type="checkbox"/> New <input type="checkbox"/> Expansion <input type="checkbox"/> Modernization				
Attach a detailed description of the type, number, and location of the proposed improvements.				

	What is the economic life of the proposed improvements?	
Step 6:	SPECIFIC PROJECT DATA	
	Estimated project construction dates:	
	Beginning: ___ / ___ / ___ Completed: ___ / ___ / ___	
	Estimated minimum values of the following property components:	
	New Buildings and Structures (subject to abatement/grant):	\$
	New Fixed Machinery and Equipment (subject to abatement/grant):	\$
	Subtotal of Items (subject to abatement or grant):	\$
	Inventory (not subject to abatement):	\$
	Personal Property (not subject to abatement)	\$
	Subtotal of items (not subject to abatement)	\$
Total (for both abated and non-abated or grant)	\$	
Step 7:	EMPLOYMENT DATA	
	What is the base number of employees?	
	What is the minimum number of new employee positions that the proposed project will create?	
	What is the minimum number of existing employee positions that the new project will retain?	
	What is the minimum percentage of new employee positions will be filled by Grimes County residents?	
	What is the minimum percentage of retained employee positions will be held by Grimes County residents?	
	What is the minimum annual payroll for new employee positions that the proposed project will create?	
	What is the minimum annual payroll for retained positions?	
Step 8:	ADDITIONAL INFORMATION	
	Will costs be incurred by Grimes County to provide additional services directly resulting from the proposed project?	<input type="checkbox"/> YES <input type="checkbox"/> NO
	Will the proposed project compete with existing businesses to the detriment of those businesses and the local economy?	<input type="checkbox"/> YES <input type="checkbox"/> NO
	Other than additional or retained employment, will the proposed project contribute to the economic development of Grimes County and/or stimulate business and commercial activity in Grimes County?? <input type="checkbox"/> YES <input type="checkbox"/> NO (If yes, attach a detailed explanation.)	
	Estimate amount of value that will be subject to pollution control exemption:	\$
Step 9:	The Applicant understands that the Grimes County Commissioners Court will approve or disapprove Applicant's request for tax abatement or grant(s), in its sole discretion, based on information contained herein, and on any other information made available to the Commissioners Court. Applicant states that the information contained herein is true and correct and complete, and if the request is approved, Applicant is willing to execute a tax abatement agreement or 381 agreement as required by Grimes County. It is further agreed and understood by Applicant that the information contained in this application that qualifies as confidential information in the Texas Property Tax Code, Chapter 312, Subchapter A, Sec. 312.003, will be reviewed and kept confidential.	
	Applicant's Printed Name:	Title:
	Signature:	Date:

ADDENDA #2

GRIMES COUNTY TAX ABATEMENT PACKAGE

(Request for Designation of Reinvestment Zone)
(Narrative Requesting Approval of Tax Abatement Application)
(Chief Appraiser's Estimate)
(Tax Abatement Agreement)
(Order Designating Reinvestment Zone)
(Order Approving Tax Abatement)
(Agenda Item Language)

**GRIMES COUNTY TEMPLATE FOR REQUEST
FOR DESIGNATION OF REINVESTMENT ZONE
FOR TAX ABATEMENT**

Date

Company Name
Company Address

The Honorable Grimes County Commissioners Court
P. O. Box 160
Anderson, Texas 77830

Ladies and Gentlemen:

We are requesting that the property described as _____
acres out of Abstract _____, the _____ Survey of
record in Vol. _____, Page _____ of the Grimes County Real
Property Records, be designated as a reinvestment zone for tax abatement
purposes.

Designation of the area as a reinvestment zone would contribute to
the retention or expansion of primary employment and to the economic
development _____ of _____ the _____ county _____ because

Attached are (1) A copy of a map, plat or survey of the property and
(2) A metes and bounds description of the property.

Thank you for your attention in this matter.

Sincerely,

Name and Signature
Authorized Company Representative

**GRIMES COUNTY TEMPLATE FOR NARRATIVE LETTER
REQUESTING APPROVAL OF APPLICATION FOR TAX ABATEMENT**

Company Name and Address

Date

The Honorable Grimes County Commissioners Court
P. O. Box 160
Anderson, Texas 77830

Ladies and Gentlemen:

We are requesting approval of the attached application for tax abatement for (company name).

INTRODUCTION OF THE COMPANY

1. Generally, describe the company's business activities, primary markets, locations, and history.
2. Summarize the company's key financial indicators or provide condensed financial statements.

DESCRIPTION OF THE PROJECT

1. Provide basic information that explains the nature and operations of the proposed facility.
2. Provide the following estimates: (1) total minimum amount of investment in the project (2) minimum number of jobs to be retained and/or created (3) minimum percentage of jobs that will be held by Grimes County residents and (4) minimum total annual payroll.

DESCRIPTION OF ABATEMENT REQUESTED

The schedule of abatement being requested is as follows:

<u>Year</u>	<u>Percent Abated</u>
_____	_____
_____	_____
_____	_____
_____	_____

OTHER

1. Generally, describe any anticipated economic benefits, other than job retention/creation, that the facility will bring to Grimes County.
2. Provide a statement concerning any anticipated environmental impacts.
3. If requesting any variances, identify the variances and provide justification for the request.

Sincerely,

Name and Signature
Authorized Company Representative

Chief Appraiser's Estimate
Application for Tax Abatement with Grimes County
For _____ (Company Name)

Year	Estimated Value of Subject Property Prior to Abatement	% of Value Abated	Estimated Value of Subject Property That Will be Abated	Estimated Value of Subject Property That Will be Taxable After Abatement	Tax Rate	Estimated Taxes That Will be Abated

 Chief Appraiser
 Grimes Central Appraisal District

 Date

TAX ABATEMENT AGREEMENT

This agreement is entered into by and between Grimes County, acting herein by and through its County Judge, hereinafter referred to as Taxing Unit, and _____ acting by and through its duly authorized officer, hereinafter referred to as Owner.

WITNESSETH:

The property to be the subject of this agreement shall be that property described by metes and bounds attached hereto as EXHIBIT A and made a part hereof and shall be hereinafter referred to as premises.

The owner shall make a minimum investment of \$ _____ in eligible improvements and shall create permanent employment positions for a minimum of _____ persons on the average and shall retain permanent employment positions for a minimum of _____ persons on the average with a minimum total payroll of \$ _____. The minimum number of jobs that will be held by Grimes County residents is _____.

The Owner agrees and covenants that it will diligently and faithfully in a good and workmanlike manner pursue the completion and operation of improvements of the premises, described in Exhibit B, in accordance with information contained in the owner's application for abatement as a good and valuable consideration of this agreement. In further consideration, the Owner shall, thereafter, during the term of this agreement, limit the uses of the property to be consistent with the general purpose of encouraging development or redevelopment of the zone and continuously operate and maintain the premises as a facility for the _____.

Subject to the terms and conditions of this agreement, the Taxing Unit agrees to abate ad valorem taxes from eligible property on the premises otherwise owed to the Taxing Unit for a period of ____ years with an effective commencement date of January 1, _____, and an effective termination date of December 31, _____, based on the percentages of appraised value for each year as described in Exhibit C.

The base year value shall be _____.

The base number of employees shall be _____.

At any time before the expiration of this agreement, the agreement may be modified by the parties to the agreement to include other provisions that could have been included in the original agreement or to delete provisions that were not necessary to the original agreement. The modification must be made by the same procedure by which the original agreement was approved and executed. The original agreement may not be modified to extend beyond 10 years from the date of the original agreement. This

agreement may be terminated by the mutual consent of the parties in the same manner that the agreement was approved and executed.

A tax abatement agreement may be assigned to a successor or lessee of a facility with the written consent of the Commissioners Court, which consent shall not be unreasonably withheld. Any assignment shall provide that the assignee shall irrevocably and unconditionally assume all the duties and obligations of the assignor upon the same terms and conditions as set out in the Agreement. Any assignment of a tax abatement agreement shall be to an entity that continues the same improvements to the property (except to the extent such improvements have been completed) and continues the same use of the facility as stated in the original Tax Abatement Agreement with the initial applicant. No assignment shall be approved if the assignor or the assignee is indebted to the County for past due ad valorem taxes or other obligations.

The Owner further agrees that the Taxing Unit, its agents or employees, and the appraisal district and its agents or employees, shall have reasonable right of access to the premises to inspect the improvements in order to ensure that the improvements are being made according to specifications and conditions of this agreement. After completion of the improvements, the Taxing Unit and the appraisal district shall have the continuing right to inspect the premises to ensure that the premises are thereafter maintained and operated in accordance with this agreement. All inspections will be made with an employee or representative of the owner who is knowledgeable of the operations of the facility. All inspections will be made during regular business hours only after giving the owner at least twenty-four hours' notice and will be conducted in such a manner as not to unreasonably interfere with the operation of the facility and in accordance with the company's safety standards.

The Owner shall furnish to the appraisal district and/or its designated representatives in accordance with provisions of the Texas Property Tax Code each year's information, as required by the chief appraiser, necessary to accurately identify and value the assets subject to the abatement agreement as well as those assets that are not subject to this agreement.

The Owner further agrees to certify annually to the Commissioners Court of Grimes County that the Owner is in compliance with each applicable term of this agreement and to furnish the following information as an attachment to its annual application for property tax abatement exemption: the total number of employees as of December 31st of the preceding year, the estimated percentage of the total number of employees as of December 31st of the preceding year who are Grimes County residents, and the estimated annual payroll for the preceding year.

The Owner further agrees to not challenge the market value or the equal and uniform value of the subject property in a lawsuit filed pursuant to Chapter 42 of the Texas Tax Code, an arbitration filed pursuant to Chapter 41A of the Texas Tax Code, or a hearing in front of the State Office of Administrative Hearings pursuant to Chapter 2003, Subchapter Z of the Texas Government Code, during the term of the abatement.

The Taxing Unit shall declare a default in the event of any of the following:

- (a) The Owner fails to substantially complete the improvements or facility in accordance with plans and specifications submitted; or
- (b) The facility is completed and begins producing products or services, but subsequently discontinues product or service for any reason except fire, explosion or other casualty, accident or natural disaster for a period of 180 consecutive days during the abatement period; or
- (c) The Owner makes any misrepresentation in the tax abatement package or in the agreement that is false or misleading in any material respect; or
- (d) The Owner fails to retain or create employment for the number of employees specified in the agreement; or
- (e) The Owner fails to make the minimum required investment; or
- (f) The Owner allows its ad valorem taxes owed the county or overlapping jurisdictions to become delinquent; or
- (g) The Owner fails to provide the county's designated representatives or the appraisal district's designated representatives access to the facility, or fails to provide an employee or company representative to accompany the county's designated representative during inspection of the facility, or fails to comply with the rendition and reporting requirements of the Texas Tax Code or fails to provide each year the accounting, financial or asset information necessary for the identification and appraisal of the property subject to the abatement; or
- (h) The Owner violates any of the terms and conditions contained in the agreement.

In the event the Taxing Unit declares a default, the Taxing Unit shall notify the Owner of the default in writing, certified mail return receipt requested, and if such default is not cured within 60 days from the date such notice is delivered, the agreement and abatement shall be terminated; provided however, that in the case of a default that for causes beyond the Owner's reasonable control, cannot with reasonable due diligence be cured within the 60 day period, the cure period may be extended if the Owner shall within 10 days of receipt of the notice of default (1) advise the Taxing Unit of the Owner's intention to institute all steps necessary to cure such default; and (2) shall institute and complete with reasonable dispatch all steps necessary to cure such default.

If the facility is completed and begins producing product or service, but subsequently discontinues producing product or service for any reason except for fire,

explosion, or other casualty, accident, or natural disaster for a period of 180 consecutive days during the abatement period, then the agreement shall terminate and so shall the abatement of the taxes for the calendar year during which the facility no longer produces for the 180th consecutive day. The taxes abated for that calendar year shall be paid to the County prior to the delinquency date for that year. Furthermore, all ad valorem taxes which would have been levied by the County for all calendar years prior to the year in which the facility no longer produced for the 180th consecutive day, but for the abatement and all penalties and interest on the recaptured tax amount, as authorized by law, will become a debt to the taxing unit and shall become due and payable to the County within 60 days of the date the notice of default is delivered.

If the company or individual is in default according to the terms and conditions of its agreement during the abatement period for any reason other than that described in the preceding paragraph, the agreement shall terminate and so shall the abatement of taxes for the calendar year during which the default occurred. The taxes abated for that calendar year shall be paid to the County prior to the delinquency date for that year. Furthermore, all ad valorem taxes which would have been levied by the County for all calendar years prior to the year in which the default occurred but for the abatement and all penalties and interest on the recaptured tax amount, as authorized by law, will become a debt to the taxing unit and shall become due and payable to the County within 60 days of the date the notice of default is delivered.

It is understood and agreed between the parties that the owner, in performing its obligations hereunder, is acting independently, and the Taxing Unit assumes no responsibilities or liabilities in connection therewith to third parties. The Owner further agrees to hold the Taxing Unit harmless and indemnify and defend the Taxing Unit from any and all kinds of claims, losses, damages, injuries, suits or judgments in involving the Taxing Unit relating to such improvements.

Executed this the _____ day of _____, 20____.

County Judge

Owner

ATTEST:

County Clerk

EXHIBIT "A"

Plat or Map
and
Metes and Bounds Description of Property

EXHIBIT "B"

Descriptive List of Improvements to be Made

1. Nature of construction: _____
 2. Projected commencement date for construction: _____
 3. Projected completion date for construction: _____
 4. Kind (Description), number and location of proposed improvements: _____
-

EXHIBIT "C"

Schedule of Tax Abatement

Year	% Abated

AN ORDER DESIGNATING A CERTAIN AREA AS A COMMERCIAL-INDUSTRIAL REINVESTMENT ZONE IN GRIMES COUNTY, TEXAS, ESTABLISHING THE BOUNDARIES THEREOF AND OTHER MATTERS RELATING THERETO

WHEREAS Grimes County desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a reinvestment zone for commercial-industrial tax abatement; and

WHEREAS a public hearing before the Commissioner's Court was held at 8:45 a.m. on the ____ day of _____ 20__, such date being at least seven (7) days after the date of publication of the notice of such hearing; and

WHEREAS written notice was provided to all taxing units overlapping the territory in the proposed reinvestment zone; and

WHEREAS at such public hearing the County invited any interested person to appear and contend for or against the creation of the reinvestment zone;

WHEREAS public notice of this meeting at which the County will consider the approval of a tax abatement agreement was made in accordance with the Texas Local Government Code;

WHEREAS the County has found that designation of the area as a reinvestment zone would contribute to the retention or expansion of primary employment or would attract major investment in the zone that would be a benefit to the property to be included in the zone and would contribute to the economic development of the county; THEREFORE

BE IT ORDERED BY THE COMMISSIONER'S COURT OF GRIMES COUNTY:

That the county hereby creates a reinvestment zone for commercial-industrial tax abatement encompassing only the area described by the metes and bounds and plat in Exhibit "A" attached hereto and such reinvestment zone is hereby designated and shall hereinafter be designated as Reinvestment Zone # _____ Grimes County, Texas.

That the zone shall take effect _____ and terminate on _____ or at an earlier time designated by subsequent order.

That to be considered for execution of an agreement of tax abatement a commercial-industrial project shall:

- (1) Be located wholly within the zone as established herein.
- (2) Conform to the requirements of the County's Guidelines and Criteria for Tax Abatement and all other applicable laws and regulations.

ADOPTED AND APPROVED THIS the _____ day of _____, _____.

ATTEST:

County Judge

County Clerk

**ORDER APPROVING TAX ABATEMENT APPLICATION AND AGREEMENT
FOR _____ (COMPANY NAME)**

WHEREAS, the Commissioner's Court of Grimes County has conducted a public hearing considering the application of _____ for tax abatement; and

WHEREAS, the application of _____ for tax abatement meets requirements contained in the county's guidelines and criteria for tax abatement; and

WHEREAS, approval of tax abatement for _____ would contribute to the retention or expansion of primary employment and attract major investment that will contribute to the economic development of the county; and

WHEREAS, the planned use of the property would not constitute a hazard to public safety, health or morals, or otherwise adversely affect the citizens of Grimes County; and

WHEREAS, approval of tax abatement for _____ would not have a serious adverse effect on existing businesses in competition with the party requesting the abatement; and

WHEREAS, the Commissioners' Court of Grimes County and _____ wish to enter into a tax abatement agreement; THEREFORE,

BE IT ORDERED that we the Commissioner's Court of Grimes County, having met in open session on this the ____ day of _____, 20__ with a quorum present, and upon a majority vote, do hereby approve the application and agreement with _____ for tax abatement.

County Judge

ATTEST:

County Clerk

**NOTICE OF
PUBLIC HEARING
(For Publication and Posting)**

Notice is hereby given that the Commissioners Court of Grimes County will conduct a public hearing at 8:45 a.m. on _____, 20__ in the Commissioners Courtroom of the Grimes County Courthouse Annex in Anderson, Texas to consider the following : (1) Designation of an area of the county to be known as _____ described as _____ acres A- _____ Survey of record in Volume ____, Page ____, Grimes County Real Property Records as a reinvestment zone for tax abatement and (2) Approval of application and agreement for tax abatement with _____ (property owner) and _____ (applicant) for _____ (nature of the improvements or repairs) estimated to cost _____.

AGENDA ITEMS

(1) Discuss and take action regarding the approval of an order designating an area of the county to be known as _____ and described as _____ acres A- _____ Survey of record in Volume ____, Page ____, Grimes County Real Property Records as a reinvestment zone for tax abatement.

(2) Discuss and take action regarding approval of an order approving the application and agreement for tax abatement with _____ (property owner) and _____ (applicant) for _____ (nature of the improvements or repairs) with an estimated to cost of _____.

ADDENDA #3

GRIMES COUNTY 381.004 AGREEMENT PACKAGE

**(Request for 381 Agreement)
(381 Agreement)
(Order Approving 381 Agreement)
(Agenda Item Language)**

GRIMES COUNTY TEMPLATE FOR NARRATIVE LETTER

INTRODUCTION OF THE COMPANY

1. Generally describe the company's business activities, primary markets, locations, and history.
2. Summarize the company's key financial indicators or provide condensed financial statements.

REASONS FOR REQUESTING THE GRANT

1. Include any special circumstances.
2. Attach a schedule indicating the requested term of grants and the amount of grants for each year.
3. If requesting any variances, identify the variances and provide justification for the request.

DESCRIBE THE PROJECT

1. Facts about the site such as acreage and location.
2. General description of proposed improvements.
3. Estimate the minimum amount of investment anticipated.
4. Construction start date and completion date.
5. Provide a statement concerning anticipated environmental impacts.

EMPLOYMENT INFORMATION

1. Specify minimum number of jobs to be retained and/or created.
2. Specify minimum percentage of jobs that will be held by Grimes County residents.
3. Specify minimum total annual payroll.
4. Describe the nature of the job positions that will be retained/ created.

OTHER

1. Provide any other information that explains the nature and operations of the proposed facility.
2. Generally describe any anticipated economic benefits, other than job retention/creation, that the facility will bring to Grimes County.
3. Describe how the project will stimulate business and commercial activity in the County including how the project may:
 - (a) impact state or local economic development;
 - (b) impact small or disadvantaged business development;
 - (c) impact stimulate, encourage, and develop business location and commercial activity in the county;

- (d) promote or advertise the county and its vicinity or conduct a solicitation program to attract conventions, visitors, and businesses;
- (e) improve the extent to which women and minority businesses are awarded county contracts;
- (f) support comprehensive literacy programs for the benefit of the county residents; or
- (g) encourage, promote, or improve the arts.

Chief Appraiser's Estimate
Application for 381 Agreement with Grimes County
For _____ (Company Name)

Year	Estimated Value of Subject Property	Amount of Grant (Return of Ad Valorems)	Estimated Value of Subject Property That Will be Taxable After Grants	Tax Rate
			XXX	
			XXX	
			XXX	

 Chief Appraiser
 Grimes Central Appraisal District

 Date

381 AGREEMENT

This Agreement, which is made pursuant to Texas Local Government Code 381.004, ("Agreement") is made and entered into by and between Grimes County, Texas ("the County"), a county of the State of Texas, and _____, a corporation d/b/a _____ ("the Company").

RECITALS

The Company desires to _____ ("the Project" herein) in the County and to participate in the economic development program established by the County.

The County desires to establish the economic development program outlined herein and offer grant(s) to the Company to locate the Project in the County.

The County is authorized by §381.004, Texas Local Government Code, to stimulate business and commercial activity in the County, and may develop and administer a program for local economic development and may make grants of public money for such purposes ("381 Agreements").

The Company will make a minimum investment of \$5,000,000 in eligible property. The location of the investment is contained in Exhibit "A" attached hereto. The description of the Project which will result in the investment of eligible property is contained in Exhibit "B" attached hereto.

Only new buildings and new fixed machinery and equipment with economic lives of at least 15 years (cumulative life per qualified item) are to be considered when determining eligibility for 381 Agreements. Existing items are not to be considered when determining eligibility for 381 Agreements. Items such as inventories, vehicles, and moveable personal property are not to be considered when determining eligibility for 381 Agreements. Also certain types of properties, such as retail business and motels, are not to be considered when determining eligibility for 381 Agreements.

The Company will create a minimum of one (1) permanent full-time position which must be added to the entity's employee base. Employee numbers will be considered in conjunction with the total annual payroll that the Project is expected to generate and the median annual wage for the area as posted by the Texas Workforce Commission.

The Company will not be currently involved in pending litigation which involves a claim against the Company for damages.

The County has determined that funding an economic development program contained in this Agreement promotes legitimate interests of the County by stimulating business and commercial activity in the County.

NOW THEREFORE, in consideration of the foregoing and the covenants, agreements, representations, and warranties hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and the Company agree as follows:

AGREEMENTS

Section 1. Recitals

The recitals set forth above are incorporated herein by reference, as if fully set forth.

Section 2. The County Requirements

In consideration of the Company's agreement to participate in a project within the County and to perform the other acts hereinafter described, the County agrees: to award grant(s) to the Company in the amounts and in the years described in Exhibit "C" hereto such grant amounts being the equivalent to the stated percentage(s) of ad valorem taxes paid by the Company on eligible property in the previous year, with such grants due and payable by the County to the Company on or before _____ of each calendar year corresponding to the applicable year that the grant is due as provided in Exhibit "C" hereto.

Section 3. The Company Requirements

In consideration of the County agreeing to perform the foregoing, the Company agrees:

- a. The Base Year Value is \$_____.
- b. The Company will make a minimum investment of \$5,000,000 in eligible property.
- c. Only new buildings and new fixed machinery and equipment with economic lives of at least 15 years (cumulative life per qualified item) are to be considered when determining eligibility for this Agreement. Existing items are not to be considered when determining eligibility for this Agreement. Items such as inventories, vehicles, and moveable personal property are not to be considered when determining eligibility for this Agreement. Also, certain types of properties, such as retail business and motels, are not to be considered when determining eligibility for this Agreement. The use of the Property shall be consistent with the general purpose of encouraging economic development during the period that the grants are in effect.
- d. The Company will create a minimum of one (1) permanent full-time position which must be added to the entity's employee base. Employee numbers will be considered in conjunction with the total annual payroll that the Project is expected to

generate and the median annual wage for the area as posted by the Texas Workforce Commission.

e. The Company will not be currently involved in pending litigation which involves a claim against the Company for damages.

f. The Company will not challenge the market value or the equal and uniform value of the subject property in a lawsuit filed pursuant to Chapter 42 of the Texas Tax Code, an arbitration filed pursuant to Chapter 41A of the Texas Tax Code, or a hearing in front of the State Office of Administrative Hearings pursuant to Chapter 2003, Subchapter Z of the Texas Government Code, during the term of the 381 Grant.

Section 4. Default

The following shall constitute default on the part of the Company:

a. The Company fails to substantially complete the improvements or the Project in accordance with plans and specifications submitted; or

b. The facility is completed and begins producing products or services, but subsequently discontinues producing products or services for any reason excepting fire, explosion or other casualty, accident or natural disaster for a period of 180 consecutive days during the grant period; or

c. The Company makes any misrepresentation in the Application or in this Agreement that is false or misleading in any material respect; or

d. The Company fails to create employment for the number of employees specified in this Agreement; or

e. The Company fails to make the minimum required investment; or

f. The Company allows its ad valorem taxes owed the County or overlapping jurisdictions to become delinquent; or

g. The Company fails to provide the County's designated representatives access to the facility, or fails to provide an employee or Company representative to accompany the County's designated representative during inspection of the facility, or fails to provide each year the accounting, financial or asset information necessary for the identification and appraisal of the property subject to the grant(s); or

h. The Company violates any of the terms and conditions contained in this Agreement.

Section 5. Termination/Repayment

In the event the County declares a default, the County shall notify the Company of the default in writing, certified mail return receipt requested, and if such default is not cured within sixty (60) days from the date such notice is delivered, the Agreement shall be terminated; provided however, that in the case of a default, other than a failure by the Company to make a payment to the County, that, for causes beyond the Company's reasonable control, cannot with reasonable diligence be cured within the 60 day period, the cure period may be extended if the Company, within 10 days of receipt of the notice of default, (1) advises the County of the Company's intention to institute all steps necessary to cure such default; and (2) institutes and completes with reasonable dispatch all steps necessary to cure such default. If the Company is in default and fails to cure the default within the extended cure period, this Agreement shall terminate. The grants, if any, for the calendar year of the termination shall be repaid to the County immediately. Furthermore, all grants which were granted by the County for all calendar years shown on Exhibit "C" prior to the year in which the termination occurred will become a debt to the County, shall be the County's sole remedy for any default under the Agreement, excepting attorney's fees and court costs reasonably necessary to collect said debt, and shall become due and payable within sixty (60) days of the date the notice of default is delivered. Any amounts due the County remaining unpaid for more than sixty (60) days shall incur interest at the rate of ten percent (10%) per annum. The provisions herein shall survive termination of the Agreement.

If the facility is completed and begins producing products or services, but subsequently discontinues producing products or services for any reason except for fire, explosion, or other casualty, accident, or natural disaster for a period of 180 consecutive days during the grant period, then the Agreement shall terminate and so shall the grant(s) for the calendar year during which the facility no longer produces for the 180th consecutive day. Any grant(s) for that calendar year already paid by the County to the company or individual shall be repaid immediately to the County by the company or individual. Furthermore, all grants by the County for all calendar years prior to the year in which the facility no longer produced for the 180th consecutive day, will become a debt to the County and shall become due and payable to the County within sixty (60) days of the date the notice of default is delivered. Any amounts due the County remaining unpaid for more than sixty (60) days shall incur interest at the rate of ten percent (10%) per annum.

The County may cancel or modify this Agreement if the property owner fails to comply with the Agreement.

Section 6. Certification of Compliance by the Company

Employees and/or designated representatives of the County shall have access to the facility to ensure that the improvements are being made according to the specifications and conditions of this Agreement and to determine if the terms and conditions of this Agreement are being met. All inspections will be made only after giving a minimum of 24 hours' notice in a manner as to not unreasonably interfere with the

construction or operation of the Project. All inspections will be made with one or more representatives of the Company and in accordance with their safety standards.

The Company shall furnish to the County the following: accounting, financial or asset information, as required by the Grimes County Auditor, necessary to accurately identify and appraise the assets subject to the 381 Agreement.

On or before March 1 of each year that this Agreement is in effect, the Company shall certify in writing to the County its compliance with all provisions of this Agreement. Such certification shall include any and all documentation establishing that the Company has met the annual employment requirement for the previous year and that all taxes related to its personal and real property in the County have been paid in full as required by law. The County, at any reasonable time, shall have the right to review any and all records of the Company related to the provisions of this Agreement.

Section 7. Term

This Agreement shall be effective for a period of _____ years from its effective date, unless otherwise terminated in accordance with another section of this Agreement.

Section 8. Administration

The Precinct Commissioner in the precinct which the relevant property is located and the Executive Director of the Navasota Grimes County Chamber of Commerce shall annually submit to the Commissioners Court a written report indicating the following for each property owner receiving a grant: (1) the value of the property including a statement from the status of completion of the project contemplated; (2) the grant(s) for the current year; (3) a schedule showing the years and estimated amount of grants remaining; (4) the amount of taxes paid on the property for the prior year; (5) reported number of employees; (6) the reported percentage of employees residing in Grimes County; and (7) any other information pertaining to compliance related issues. The Precinct Commissioner, acting on behalf of the Commissioners' Court, shall perform all duties related to the collection of amounts due the County and interest resulting from default as provided above.

Section 9. Entire Agreement

This Agreement contains the entire agreement between the County and the Company with respect to the transactions contemplated herein. This Agreement may be amended, altered, or revoked only by written instrument signed by the County and the Company.

Section 9. Successors and Assigns

This 381 Agreement may be assigned to a successor or lessee of a facility with the written consent of the Commissioners Court, which consent shall not be unreasonably withheld. Any assignment shall provide that the assignee shall irrevocably and unconditionally assume all the duties and obligations of the assignor upon the same terms and conditions as set out in this Agreement. Any assignment of this 381 Agreement shall be to an entity that continues the same improvements to the property (except to the extent such improvements have been completed), and continues the same use of the facility as stated in this Agreement with the initial applicant. No assignment shall be approved if the assignor or the assignee is indebted to the County for past due ad valorem taxes or other obligations.

Section 10. Notices

Any notice and/or statement required and permitted to be delivered shall be deemed delivered by depositing same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following addresses or at such addresses provided by the parties in writing hereafter:

_____ : President, _____ Corporation

County:

County Judge
P.O. Box 160
Anderson, TX 77830

Section 11. Interpretation

Regardless of the actual drafter of this Agreement, this Agreement shall in the event of dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against either party.

Section 12. Applicable Law

This Agreement is made and shall be construed and interpreted under the laws of the State of Texas and exclusive venue for any litigation between the parties shall lie in Grimes County, Texas.

Section 13. Severability

In the event that any provision of this Agreement is illegal, invalid, or unenforceable under present or future laws, then and in that event if is the intention of the parties hereto that the remainder of this Agreement shall not be affected thereby, and it is also the intention of the parties to this Agreement that in lieu of each clause or provision that is

found to be illegal, invalid, or unenforceable, a provision be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid, or unenforceable.

Section 14. Mutual Assistance

County and the Company agree to do all things necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out such terms and provisions.

Section 15. Attorney's Fees

If either party retains an attorney to enforce this Agreement, the party prevailing in litigation shall recover reasonable attorney's fees and court costs.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the _____ day of _____, 20____.

THE COUNTY OF GRIMES

ATTEST:

County Judge

County Clerk

CORP.

ATTEST:

President

Printed Name:
Title:

State of Texas)
)
County of _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by _____, known to me to be the County Judge of the County of Grimes, Texas.

Notary Public
My Commission Expires:_____

State of Texas)
)
County of _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by _____, known to me to be the President of the _____ Corporation.

Notary Public
My Commission Expires:_____

EXHIBIT "A"

Plat or Map
and
Metes and Bounds Description of Property

EXHIBIT "B"

Descriptive List of Project

1. Nature of construction: _____
2. Projected commencement date for construction: _____
3. Projected completion date for construction: _____
4. Description, kind, number, and location of proposed improvements: _____

EXHIBIT "C"

Schedule of Grants

<u>Year</u>	<u>Percentage of Previous Years' Ad Valorems on Eligible Property</u>
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**ORDER APPROVING 381 APPLICATION AND AGREEMENT
FOR _____ (COMPANY NAME)**

WHEREAS, the Commissioners' Court of Grimes County has conducted a public hearing considering the Application of _____ for a grant of public money; and

WHEREAS, the Application of _____ for a grant of public money meets requirements contained in the county's program for grants; and

WHEREAS, approval of a grant or grants for _____ would stimulate business and commercial activity in Grimes County; and

WHEREAS, the planned use of the property would not constitute a hazard to public safety, health or morals, or otherwise adversely affect the citizens of Grimes County; and

WHEREAS, the Commissioners' Court of Grimes County and _____ wish to enter into an Agreement pursuant to Texas Local Government Code Section 381.004;

THEREFORE, BE IT ORDERED that we the Commissioner's Court of Grimes County, having met in open session on this the ____ day of _____, 20____ with a quorum present, and upon a majority vote, do hereby approve the Application and Agreement with _____ for a grant or grants of public money as set forth in the Agreement executed this date by the Grimes County Judge as the representative for the Grimes County Commissioners' Court and by an authorized representative of _____.

County Judge

ATTEST:

County Clerk

AGENDA ITEM

- (1) Discuss and take action regarding approval of the Application and Agreement for a grant or grants of public money to _____ (property owner) and _____ (Applicant) for _____ (nature of improvement or repairs) located at _____ with an estimated to cost of _____.