

MEMO

DATE: April 24, 2020
TO: Mayor & City Council
FROM: Mercy L. Rushing, City Manager
SUBJECT: Tax Abatement Request from Tonya Slayton (Slayton Properties, LLC)

History:

The city staff have been working with Tonya Slayton of Slayton Properties, LLC since September 2019 to help her look at the properties and identify if it would meet her ideas and goals for her new business venture in Mineola. After many months of negotiations with the property owner, Tonya and her husband Kenny purchased the property at 536 E. Broad Street that formerly housed Capital One Bank off of U.S. Hwy. 80 East in the Main Street District. On February 24, 2020 we received back the completed assistance application form along with a professional Business Plan for their new venture, "The Vault Dinner Theater" an entertainment/dinner venue for the City of Mineola. The Vault Dinner Theater will provide quality theatrical experiences that will be unique to East Texas. The Vault will offer high quality shows such as plays, murder mystery events, musical review shows and concerts. This new entertainment business will offer a buffet dinner with each show consist of a variety of quality food that will have "something for everyone" and the taste of Southern home cooking. With limited entertainment options for East Texas, people are craving new experiences for dining, shopping or entertainment and the Slaytons feel that "The Vault Dinner Theater" will be just the ticket that will bring them to our city.

Request:

Tax Abatement on Real Property Improvements of \$125,000.00 plus for improvements/renovations and remodeling to include a full commercial kitchen, a bar, and a retail souvenir misc., items shop area. No changes to the exterior except for new signage. They hope to get this open by this summer.

Current Taxable Value of this property is \$561,560 which the City, County and School will continue to receive. The City last year received \$3,158.27 for this property at the value of \$561,560.00 which we will continue to receive.

Request Continues:

Total to be abated by the Appraisal District is based on the new taxable value of the improvements on the estimated expenditures of \$125,000.00 at the City's current property tax rate of 0.562410.

Based on our City Tax Abatement Schedule # 4, requiring a minimum of \$100,000.00 new capital investment, creation of a minimum of 2 full-time jobs and it must be in the Main Street District. The total time for improvement abatement is three (3) years.

Request is for Tax Abatement for New Capital Improvements of \$125,000.00

- Year 1 at 80% = \$1,000.00 abated
- Year 2 at 50% = \$625.00 abated
- Year 3 at 25% = \$312.50 abated
- A total of **\$1,640.50** of city property tax will be abated for the next three (3) years for the new capital improvements if council approves this incentive. At the end of the three (3) year abatement the City of Mineola will see the new additional property tax of a **minimum \$1,250.00 annually along with existing property taxable value of \$561,560.00 giving the City a total property tax by the 4th year of \$4,408.27 annually (this is at no increase on current City's tax rate.)**

Recommendation: It is my recommendation to approve the 3 year Tax Abatement request for the new business that will bring additional capital investment (adding to new property tax values), new job creation, sales tax, and a new entertainment venue bringing new people from outside areas to Mineola which brings us new monies to circulate within our city.

See attachments:

- Tax Abatement Agreement Contract (which was drawn up by our City Attorney Blake Armstong)
- Abatement Benefits from Glenn Hegar, Texas Comptroller of Public Accounts.

 **Economy**

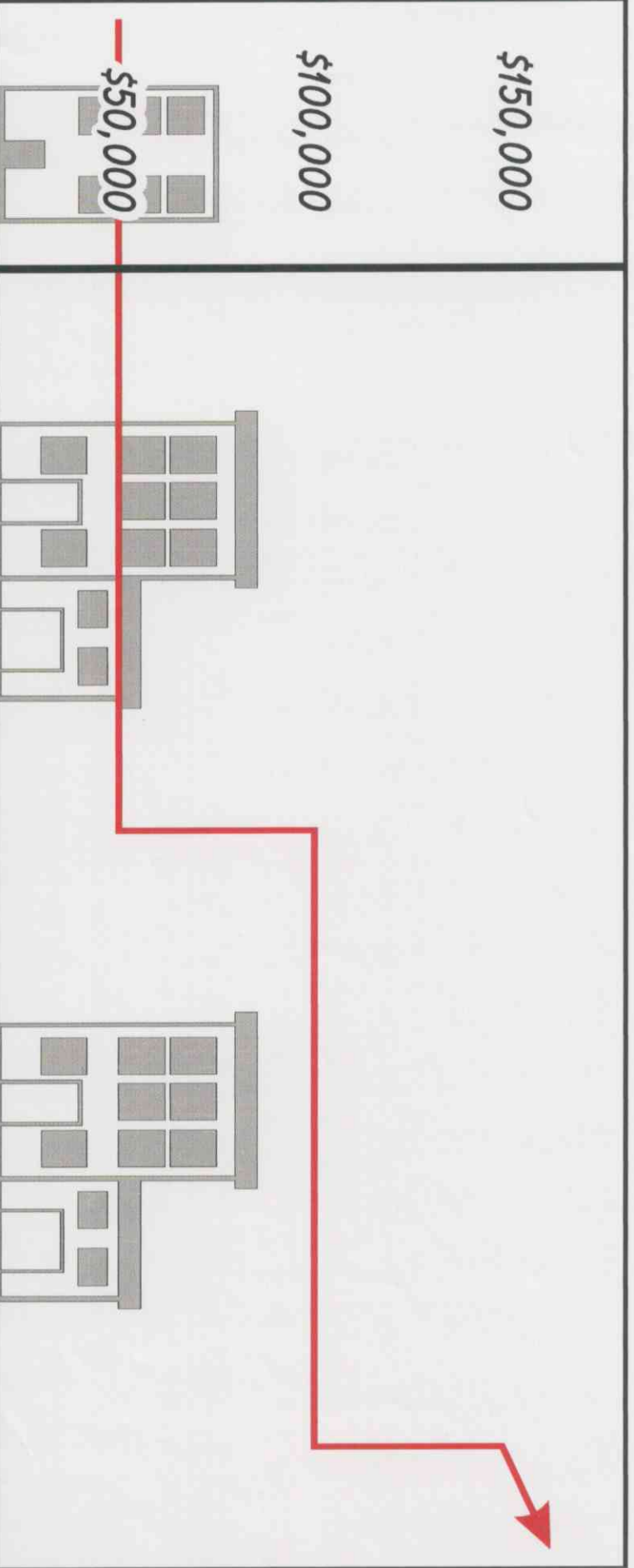
Economic Development

Abatement Benefits

Local governments often use property tax abatements to attract new industry and commercial enterprises and to encourage the retention and development of existing businesses. Incorporated cities, counties and special districts are allowed to enter into tax abatement agreements. School districts cannot enter tax abatement agreements.

While tax abatements are short-lived, they can have a significant future impact. There are five ways tax abatements can have a positive impact in the local economy:

- **They reduce unemployment.** A new business creates jobs. People employed by the business may use their income to build homes and buy goods and services, cars and other personal necessities.
- **They strengthen other businesses.** Established businesses benefit when a new business opens. The increase in patrons allows other businesses to grow by investing in capital improvements and hiring new employees.
- **They increase tax revenue.** When an abatement is offered, a city still benefits from increased tax revenues. Employees of a new business spend their money at local stores (which boosts sales tax receipts) and often build new homes (which increases property tax receipts). These things occur without the need to increase tax rates.
- **Tax receipts continue to grow long term after the abatement expires.** Once a business is well-established within a community, the improvements and facilities that are added can be taxed. The tax rate and revenue from developed property is higher than on undeveloped property. This creates a long-term source of revenue for local government entities.
- **They provide a flexible economic development tool.** Abatements can be viewed as a flexible option compared to other economic development tools since infrastructure improvements or risky building ventures could become fixed costs. Without the abatement, it may be financially unfeasible for retailers to build on a certain area, due to features like underground pipelines, stormwater storage or floodplain.



\$150,000

\$100,000

\$50,000

pre-abatement

1

Years one thru five

5

Years six thru ten

10

TAX ABATEMENT

An existing property on the tax rolls valued at \$50,000 is purchased and put under tax abatement. The new owner invests \$100,000 in improvements. The property is taxed on the current \$50,000 valuation for years one thru five.

In year six, the valuation increases to \$100,000, which includes the "frozen" valuation of \$50,000 plus 50% of the improvements (\$50,000.) The property is taxed on this valuation thru year ten. After year ten, the property is subject to re-appraisal to market conditions.

AGREEMENT FOR DEVELOPMENT AND TAX ABATEMENT
WITH **SLAYTON PROPERTIES, LLC**
IN REINVESTMENT ZONE **C-2, GENERAL BUSINESS**, CITY OF MINEOLA
FOR COMMERCIAL-INDUSTRIAL TAX ABATEMENT,
CITY OF MINEOLA, TEXAS

THE STATE OF TEXAS §
 §
COUNTY OF WOOD §

This agreement is entered into by and between the CITY OF MINEOLA, a Type A general law municipality incorporated under the laws of the State of Texas (hereinafter referred to as CITY), acting herein by and through its Mayor, the COUNTY OF WOOD, State of Texas (hereinafter referred to as COUNTY), acting herein by and through the County Judge of WOOD County, Texas, (CITY and COUNTY shall collectively be referred to as TAXING UNITS), and **SLAYTON PROPERTIES, LLC DOING BUSINESS AS THE VAULT DINNER THEATER**, a **LIMITED LIABILITY COMPANY** (hereinafter referred to as OWNER), acting herein by and through **Tonya D. Slayton**

WITNESSETH:

The City Council of the City of Mineola, Texas (hereinafter referred to as COUNCIL) by **Ordinance No.13-12-16** , and **updated by No. 18-10-22-B** established Reinvestment Zone within the City Limits of Mineola, for Commercial-Industrial Tax Abatement, City Of Mineola, Texas as authorized by the Texas Property Redevelopment and Tax Abatement Act, Texas Tax Code, Sec. 312, as amended.

WHEREAS, in order for the proper development of such property and to aid in the conduct of the operation thereof to the best interest of the City of Mineola, Texas, in accordance with the above referenced ordinances and statutes, the parties do mutually agree as follows:

1. The property that is the subject of this agreement is the land and the improvements **Lot 1 PT IN BLK 61 & 3C PT IN BLK 63, BLK 61, 63 1.974 ACRES MINEOLA TOWNSITES** in the City of Mineola, Wood County, Texas, located **536 E. Broad, Mineola TX. 75773** (more fully described on **Exhibit A**, attached hereto and incorporated herein by reference) which property is hereinafter referred to as PREMISES.
2. OWNER and TAXING UNITS agree that, subject to the terms and conditions contained herein, the above described PREMISES shall be entitled to an exemption from taxation as provided for in of this Agreement for a period of **three (3) years**, and that upon the expiration of such time this agreement shall terminate. Any exemption from taxation shall not exceed **three (3) years**.
3. OWNER agrees that prior to commencement of construction, renovation, or repair of any improvement, the site plan, interior and exterior design drawings and materials (“PLANS”) for

each improvement shall be submitted to CITY and/or its designated representative for its approval, which PLANS are incorporated herein for all purposes. CITY's disapproval or approval shall be given in writing to OWNER within thirty (30) days after receipt of the PLANS, plus any time necessary in addition to said thirty (30) days within which to hold any public hearing or take other official actions that may be required. If the PLANS are disapproved by CITY and OWNER does not reasonably believe it can construct, renovate or repair the improvements pursuant to CITY'S suggested modification, and if CITY and OWNER are unable to reach final agreement upon the PLANS, OWNER may terminate this agreement by giving fifteen (15) days written notice to CITY of its election to do so. No material change or revision to PLANS approved and no material addition to or alteration of the improvements shall be commenced unless and until revised PLANS detailing such change, or revision, alteration or addition shall have been first submitted to and approved by CITY in accordance with the procedures required by the City's current Tax Abatement Guidelines & Policy. Approval by CITY of any PLANS or revised PLANS shall not constitute a waiver or relieve OWNER of any duty of OWNER to comply with City's current Tax Abatement Guidelines & Policy.

4. OWNER agrees to build the improvements in accordance with all applicable laws, ordinances, codes, rules, requirements of the City of Mineola, Wood County, the State of Texas and the United States, and any subdivision, agency or authority thereof, and prior to commencing construction, renovation or repairing of the improvements, to secure all permits, licenses and authorizations required in connection therewith.

5. During the period of time when OWNER is constructing the improvements on PREMISES and at all times thereafter, during the term of this agreement, OWNER shall keep PREMISES insured against loss or damage by fire or any other casualty. OWNER shall furnish CITY with certificates of all insurance required by this agreement. In the event PREMISES are damaged by fire or any other casualty, regardless of the extent of such damage or destruction, OWNER shall pursue diligent completion of such damages in order to repair, remodel or renovate PREMISES as provided for in the PLANS or revised PLANS.

6. CITY, by approving the PLANS or any revised PLANS, assumes no liability or responsibility thereof or for any defect in any structure constructed, renovated or repaired from the PLANS or such revised PLANS. The relationship between CITY, TAXING UNITS, and OWNER at all times shall not be deemed a partnership or joint venture for purposes of this agreement.

OWNER shall indemnify, hold harmless and defend CITY, its members, agents, officials, employees, from and against any and all obligations, claims, suits, damages and liability or alleged liability, including, but not limited to, liability without virtue of the obligations of OWNER pursuant to this agreement or the acts or omissions of OWNER, its agents, contractors, employees, licenses or invitees, on or with respect to PREMISES and including cost of suit, attorney's fees and other related costs and expenses of whatever kind or character arising directly or indirectly from any cause whatsoever in connection with or incidental to this agreement or such acts or omissions, provided, however, that OWNER shall not be required to indemnify and hold harmless any indemnified party for any such injury or harm caused by the gross negligence or willful misconduct of any indemnified party for any such injury or harm caused by the gross

negligence or willful misconduct of any indemnified party. The indemnity set forth herein shall specifically include, without limitations, all actions, damages, claims and liabilities for personal injury, death or property damage occurring on, or arising out of or resulting from the use of PREMISES by the OWNER, its sublessee or their representative agents, contractors, employees, licensees or invitees

7. At all reasonable times during the construction, renovation, or repairing of PREMISES and following its completion, CITY and its respective designees may inspect PREMISES in order to assure that all construction, work, workmanship, materials and installations involved in or incident to the project are preformed in substantial compliance with the approved PLANS or revised PLANS thereof and that the conditions and the applicable building permits and governmental regulations are complied with.

8. OWNER agrees to pay all ad valorem taxes and assessments owed to TAXING UNITS by it prior to such taxes and/or assessments becoming delinquent; provided, that OWNER shall have the right to contest in good faith the validity or application of any such tax or assessment and shall not be considered in default hereunder so long as such contest is diligently pursued to completion. In the event OWNER does contest any such tax or assessment, it shall nevertheless, promptly pay to TAXING UNITS prior to it becoming delinquent, all taxes and assessments which it is not so contesting. If OWNER undertakes any such contest, it shall so notify TAXING UNITS and keep TAXING UNITS apprised of the status of such contest. Should OWNER be unsuccessful in any contest, OWNER shall promptly pay the taxes and/or penalties resulting therefrom.

9. CITY'S CITY COUNCIL ("COUNCIL") shall and does reserve the right to declare this agreement void as to all parties to this agreement and to terminate the benefits of tax abatement as provided for in this agreement, if it finds that the OWNER has failed to abide by the requirements of this agreement. In the event OWNER does not diligently, faithfully and conscientiously pursue the completion of the contemplated construction, renovation or repairs of PREMISES, fails to maintain PREMISES in the restored condition or fails to abide by the terms and conditions of this agreement, then CITY shall give OWNER written notice of such deficiencies or failures and if OWNER has not complied with or made efforts to comply within thirty (30) days of said written notice, COUNCIL shall have the authority, right and privilege to terminate said agreement as to all parties to the agreement.

10. TAXING UNITS and OWNER further agree that should COUNCIL terminate the agreement as provided for in **Section 9** of this agreement, OWNER shall pay to CITY and TAXING UNITS the taxes that would have been paid to CITY and TAXING UNITS had not OWNER'S taxes been reduced under the terms of this agreement, plus interest at the rate provided for delinquent taxes in accordance with Texas Tax Code Section 33.01 and that such payment of taxes and interest shall be due within thirty (30) days of COUNCIL'S termination of this agreement and notification to OWNER of the termination of this agreement and of the amount of taxes and interest then due. The taxes and interest are due and become delinquent and incur penalties and interest as provided by law for ad valorem taxes imposed by CITY and TAXING UNITS if not paid before February 1st of the year following the year in which the termination of this agreement occurs.

11. Upon completion of the construction, renovation, or repairing of PREMISES, OWNER will submit to the CITY the Certificate of Compliance attached hereto as **Exhibit B** stating that all construction, renovation or repairing of PREMISES have been completed in accordance with the PLANS. Upon receipt of this Certificate of Compliance, the CITY shall make a final inspection of PREMISES to ensure same have been constructed, renovated, or repaired in compliance with this agreement and upon so finding CITY shall issue the Certificate of Compliance authorizing the exemption from taxation to commence on the year indicated in said certificate and will designate the tax year to be used to determine the “base value” of the property as provided for in the agreement, which year shall be the year that this agreement was authorized by COUNCIL.

a. For **three (3) years** the taxable value of PREMISES will be that value as established by the Wood County Appraisal District for the year designated “base value” for the purpose of determining the taxable value of PREMISES during the term of this agreement. Any exemption from taxation shall not exceed ten (10) years. See **Exhibit B**

12. Miscellaneous

a. Attorney’s fees. If on account of any breach or default by OWNER of its obligations under the terms, conditions, or covenants of this agreement, it shall be necessary for TAXING UNITS to employ an attorney or attorneys to enforce or defend any of the rights or remedies hereunder, and should TAXING UNITS prevail, TAXING UNITS shall be entitled to any reasonable attorney’s fees, cost, or expenses incurred by it in connection therewith.

b. Severability. If any provision of this agreement is held to be illegal, invalid, or unenforceable under the present or future laws effective while this agreement is in effect, such provisions shall be automatically deleted from this agreement and the remaining provisions shall not be affected thereby, and shall remain legal, valid and enforceable.

c. Texas Law to Apply. This agreement shall be construed under and in accordance with the laws of the State of Texas and all obligations of the parties created hereunder are performable in Wood County, Texas.

d. Prior Agreement Superseded. This agreement constitutes the sole and only agreement of the parties hereto and supercedes any prior understandings or written or oral agreement between the parties respecting the within subject matter.

e. Amendments. No amendment, modification or alteration of the terms hereof shall be binding unless the same shall be in writing, dated subsequent to the date hereof and duly executed by the parties hereto.

f. Right and Remedies Cumulative. The rights and remedies provided by this agreement are cumulative and the use of any one right or remedy by either party shall not preclude or waive its rights to use any or all other remedies. Said rights and remedies are give in addition to any other rights the parties may have by law, statue, ordinance or otherwise.

g. No Waiver. No waiver by TAXING UNITS in any event of default, or breach of any covenant, condition or stipulation herein contained shall be treated as a waiver of any

subsequent default or breach of the same or any other covenant, condition, or stipulation hereof.

h. Assignment. This agreement cannot be assigned by OWNER.

IMPORTANT NOTICE

The Wood County Tax Appraisal District requires all tax abatement recipients to file for their tax abatement exemption with the Appraisal District annually. Please contact the Wood County Tax Appraisal District for specific requirements. Failure to do so can result in loss of your tax abatement benefits

The parties hereto have executed or caused to be executed by its duly authorized officials, this agreement in multiple counterparts, each of equal dignity, on this the ____ day of _____, in the year 2020.

Mayor, City of Mineola, Texas

ATTEST:

City Clerk, City of Mineola, Texas

County Judge of Wood County, Texas

ATTEST:

County Clerk of Wood County, Texas

PROPERTY OWNER:

_____ Date: _____

EXHIBIT "A"

**PROPERTY DESCRIPTION
ORDINANCE & RESOLUTION TAX ABATEMENT REINVESTMENT ZONE**

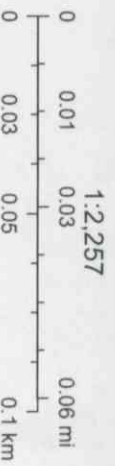
Slayton Properties LLC Map



4/23/2020, 3:19:26 PM

Abstracts

Parcels



© OpenStreetMap (and) contributors, CC-BY-SA

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

Property Details

Account

Property ID:	36064
Legal Description:	LOT 1 PT IN BLK 61 & 3C PT IN BLK 63 BLK 61,63 1.974 MINEOLA TOWNSITES
Geographic ID:	4030-0063-0010-30
Agent Code:	ID:188385
Type:	Real

Location

Address: 536 E BROAD MINEOLA, TX 75773

Map ID:

Neighborhood CD: 4030

Owner

Owner ID: 84015

Name: FIRST STATE BANK OF GLADEWATER

Mailing Address: %GARY SATTERFIELD
PO BOX 61540
NEW ORLEANS, LA 70161

% Ownership: 100.0%

Exemptions: For privacy reasons not all exemptions are shown online.

Property Deed History

Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Number
1/13/2020	WD		HIBERNIA NATIONAL BANK	SLAYTON PROPERTIES LLC A TEXAS LIMITED LIABILITY COMPANY			2020-00001123
4/19/1999	WD		FIRST STATE BANK OF GLADEWATER	HIBERNIA NATIONAL BANK	1665 & 1666	302 & 92	
4/14/1993	WD		MINEOLA STATE BANK	FIRST STATE BANK OF GLADEWATER	1330	761	0
	OT		POOLE LARRY J	MINEOLA STATE BANK	ERROR		0

RESOLUTION 18-10-22-B

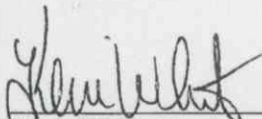
WHEREAS, the City of Mineola in order to maintain, improve and expand its commercial and industrial base and to encourage the establishment of new businesses and the expansion of existing businesses; and,

WHEREAS, the City of Mineola desires to prevent and eliminate deterioration and blight in the community, and,

WHEREAS, the City of Mineola seeks to encourage job creation and investment in the community,

THEREFORE, be it resolved that the City of Mineola intends to provide a tax abatement program within the corporate limits of the City of Mineola, in the designated commercial, industrial and multi-family residential zoned areas of the city.

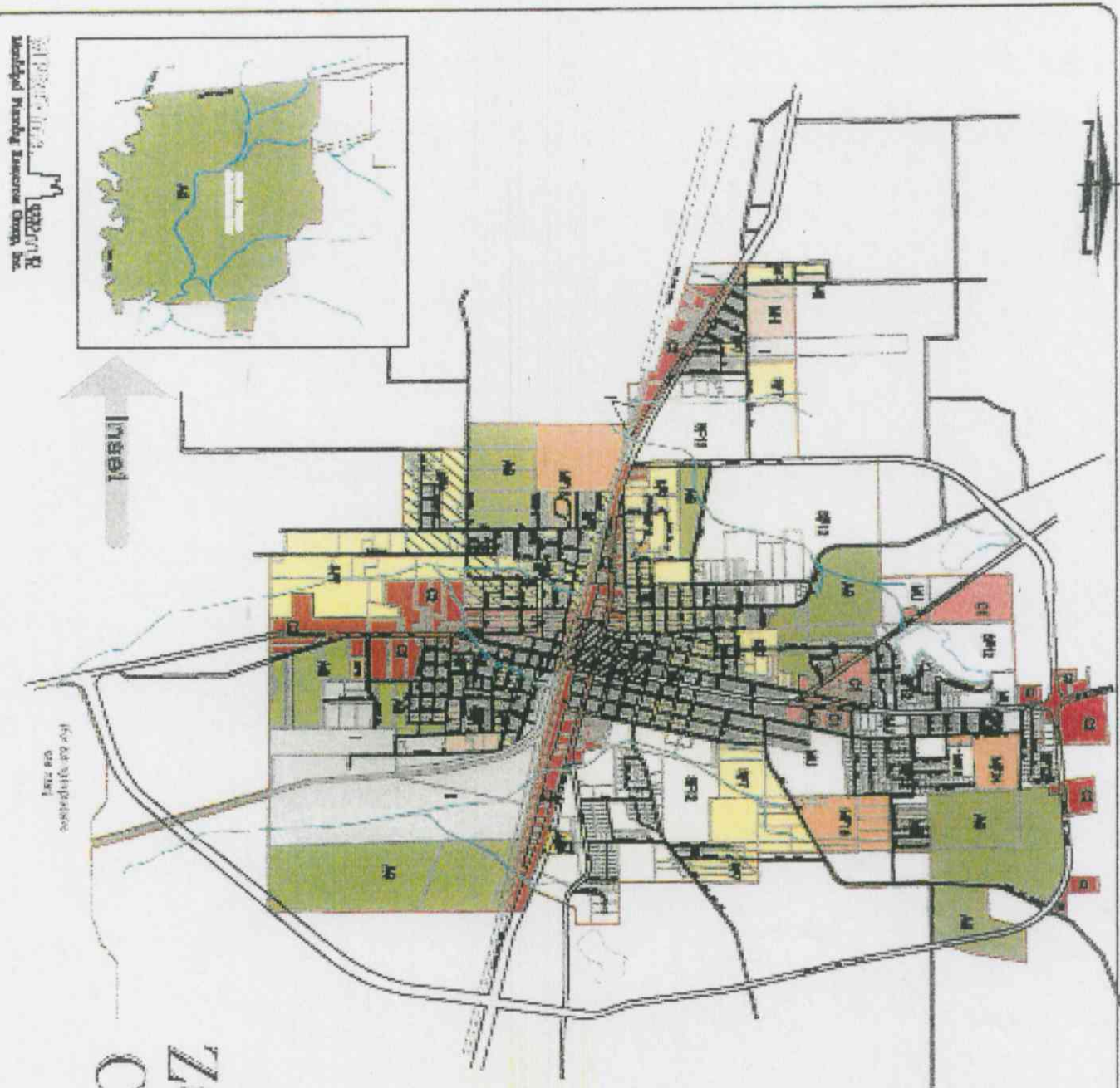
Approved this 22nd day of October, 2018.


Kevin White, Mayor

Attest:


Cindy Kareh, City Secretary

EXHIBIT "A"



Legend

- M-1 - Light Industrial
- M-2 - Single Family Attached (Townhomes)
- M-3 - Single Family Detached (Medium Density)
- M-4 - Single Family Detached (Medium Density)
- M-5 - Single Family Detached (Low Density)
- M-6 - Planned Use
- M-7 - General Business
- M-8 - General Business
- M-9 - General Business
- M-10 - General Business
- M-11 - General Business
- M-12 - General Business
- M-13 - General Business
- M-14 - General Business
- M-15 - General Business
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- M-48 - General Business
- M-49 - General Business
- M-50 - General Business

ZONING MAP

City of Mineola

Ordinance No. 06-03-27
 Adopted March 27, 2006
 Updated April 25, 2012

Westchester County
 Municipal Planning Services Group, Inc.

✓ for Reinvestment Zone inside City Limits!

ORDINANCE NO. 13-12-16

AN ORDINANCE DESIGNATING A CERTAIN AREA IN THE CITY OF MINEOLA AS A "TAX ABATEMENT REINVESTMENT ZONE"; PROVIDING THE EFFECTIVE AND EXPIRATION DATES FOR THE ZONE AND A MECHANISM FOR RENEWAL OF THE ZONE; AND CONTAINING OTHER MATTERS RELATED TO THE ZONE.

WHEREAS, pursuant to the City Council's adoption on November 25, 2013, of Resolution No. 13-11-25 (the "Tax Abatement Policy"), the City of Mineola, Texas ("City") has elected to be eligible to participate in tax abatement and has established guidelines and criteria governing tax abatement agreements entered into between the City and various third parties, as authorized by and in accordance with the Property Redevelopment and Tax Abatement Act, codified in Chapter 312 of the Texas Tax Code; and

WHEREAS, the City Council desires to promote the redevelopment of the area in the City more specifically described in Exhibit "A" of this Ordinance (the "Zone") through the creation of a reinvestment zone for purposes of granting a tax abatement, as authorized by and in accordance with Chapter 312; and

WHEREAS, on December 16, 2013 the City Council held a public hearing regarding the creation of the Zone, received information concerning the proposed Zone and afforded a reasonable opportunity for all interested persons to speak and present evidence for or against the creation of the Zone, as required by Section 312.201(d) of the Code; and

WHEREAS, notice of the Public Hearing was published in a newspaper of general circulation in the City on December 4, 2013, which satisfies the requirement of Section 312.201(d)(1) of the Code that publication of the notice occur not later than the seventh

day before the date of the public hearing; and

WHEREAS, in accordance with Sections 312.201(d)(2) and (e), of the Code, notice of the Public Hearing was delivered in writing not later than the seventh day before the date of the public hearing to the presiding officer of the governing body of each taxing unit that includes in its boundaries real property that is to be included in the proposed Zone;

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

Section 1.

FINDINGS.

That after reviewing all information before it regarding the establishment of the Zone and after conducting the Public Hearing and affording a reasonable opportunity for all interested persons to speak and present evidence for or against the creation of the Zone, the City Council hereby makes the following findings of fact:

- 1.1. The statements and facts set forth in the recitals of this Ordinance are true and correct. Therefore, the City has met the notice and procedural requirements established by the Code for creation of a reinvestment zone under Chapter 312 of the Code.
- 1.2. Tax abatement proposed for the Zone is feasible and practical and, once completed will benefit the land included in the Zone as well as the City for a period in excess of ten (10) years, which is the statutory maximum term of any tax abatement agreement entered into under the Chapter 312 of the Code.
- 1.3. As a result of designation as a reinvestment zone, the area within the Zone is reasonably likely to contribute to the expansion of primary employment and to attract

major investment in the Zone that will be a benefit to property in the Zone and will contribute to the economic development of the City.

Section 2.

DESIGNATION OF ZONE.

That the City Council hereby designates the Zone described in the boundary description attached hereto as **Exhibit "A"** and made a part of this Ordinance for all purposes as a reinvestment zone for purposes of granting tax abatement, as authorized by and in accordance with Chapter 312 of the Code. This Zone shall be known as a "Tax Abatement Reinvestment Zone." This project is eligible for tax abatement pursuant to the City's tax abatement policies.

Section 3.

TERM OF ZONE.

The Zone shall take effect upon the effective date of this Ordinance for a period of five (5) years. The Zone may be renewed by the City Council for one or more subsequent terms, not to exceed a total of ten years.

Section 4.

SEVERABILITY.

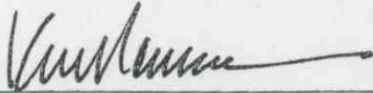
That if any portion, section or part of a section of this Ordinance is subsequently declared invalid, inoperative or void for any reason by a court of competent jurisdiction, the remaining portions, sections or parts of sections of this Ordinance shall be and remain in full force and effect.

Section 5.

EFFECTIVE DATE.

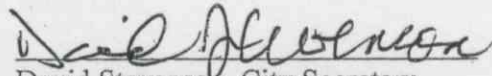
That this Ordinance shall take effect immediately upon its passage.

PASSED AND APPROVED this 17-16, 2013




Mayor Ken Pearce
City of Mineola, Texas

Attest:



David Stevenson, City Secretary
City of Mineola, Texas

APPROVED AS TO FORM:



Blake Armstrong
City Attorney

EXHIBIT "B"

CERTIFICATE OF COMPLIANCE – RESOLUTION - TAX ABATEMENT SCHEDULE

EXHIBIT B

RESOLUTION 19-04-22-2

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

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

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

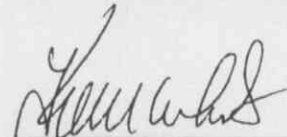
WHEREAS, the Act requires the City of Mineola to establish guidelines and create criteria for the designation of reinvestment zones and the entering into of Tax Abatement Agreements.

NOW, THEREFORE, BE IT RESOLVED that the City of Mineola declares it is eligible for and intends to participate in a Tax Abatement Program.

BE IT FURTHER RESOLVED that the City of Mineola hereby adopts the attached Guidelines and Criteria for Tax Abatement for use in all Tax Abatement Programs.

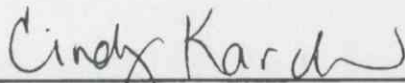
PASSED, APPROVED and ADOPTED the 22th day of APRIL 2019.

CITY OF MINEOLA, TEXAS



Kevin White, Mayor

ATTEST:



Cindy Karch, City Secretary

EXHIBIT B

TAX ABATEMENT SCHEDULE

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

The City agrees to abate ad valorem taxes on real property improvements of qualified businesses in Multi-family (affordable housing) Residential Reinvestment Zones and Commercial/Industrial Reinvestment Zones as follows:

Schedule I

Tax abatement on improvements to real property will be granted to qualified businesses creating 25 or more full-time jobs and/or investing a minimum of \$5,000,000.00 in capital improvements according to the following sliding scale:

YEAR VALUE	% OF ADDED BE ABATED
1	80%
2	80%
3	80%
4	80%
5	80%
6	80%
7	50%
8	50%
9	50%
10	50%

Schedule II

Tax abatement on improvements to real property will be granted to qualified businesses creating 15 or more full-time jobs and/or investing a minimum of \$2,000,000.00 in capital improvements according to the following sliding scale:

YEAR VALUE	% OF ADDED BE ABATED
1	80%
2	80%
3	80%
4	50%
5	50%
6	50%
7	25%

Schedule III

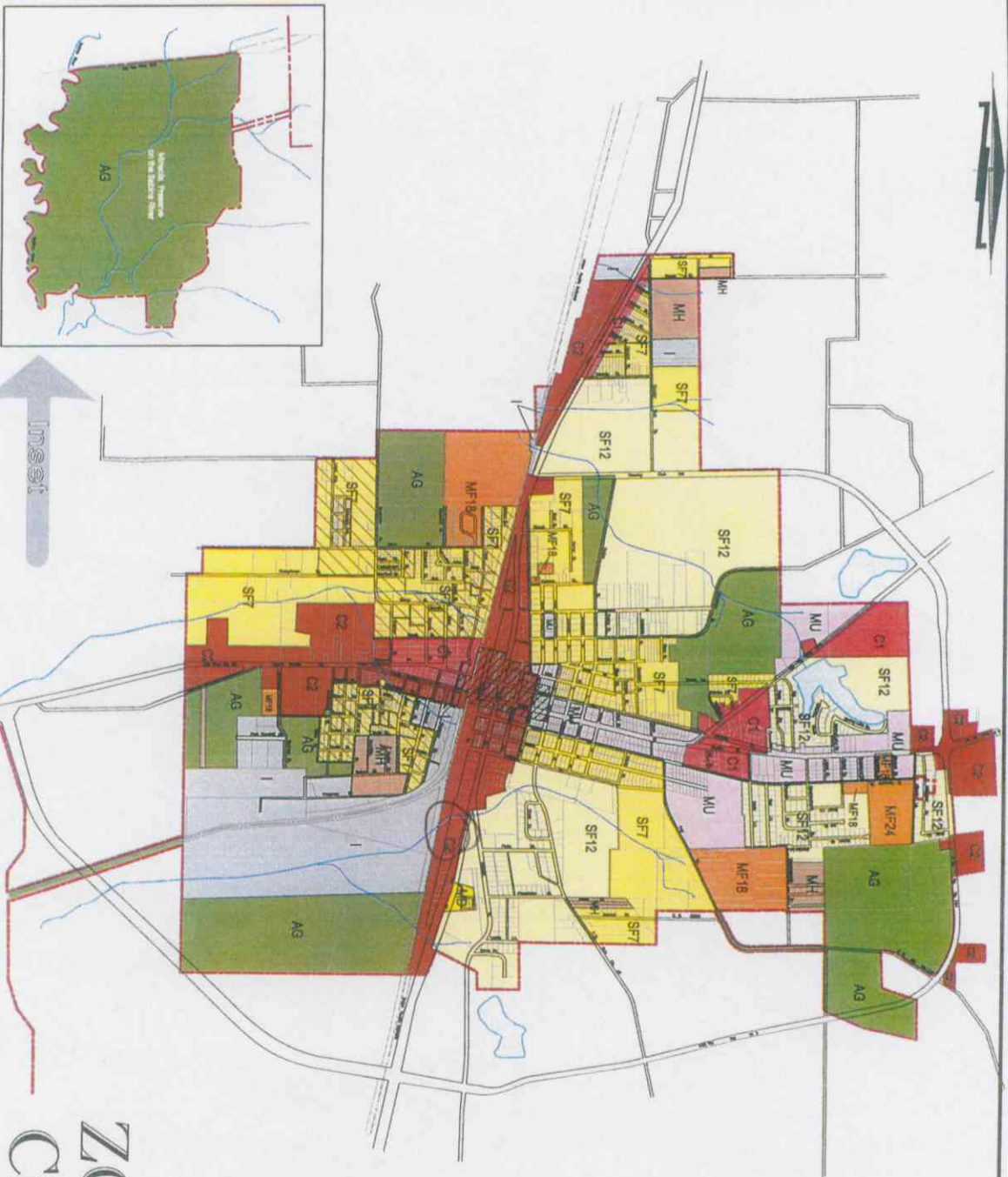
Tax abatement on improvements to real property will be granted to qualified businesses creating 10 or more full-time jobs and/or investing a minimum of \$800,000.00 in capital improvements according to the following sliding scale:

YEAR VALUE	% OF ADDED BE ABATED
1	80%
2	50%
3	50%
4	25%
5	25%

Schedule IV

Tax abatement on improvements to real property will be granted to qualified businesses creating 2 or more full-time jobs and/or investing a minimum of \$100,000.00 in capital improvements according to the following sliding scale: (Historic District)

YEAR VALUE	% OF ADDED BE ABATED
1	80%
2	50%
3	25%



MPPG Inc. *planning*
 Municipal Planning Resources Group, Inc.

↑
 inset

(For zoning in preserve see inset)

11
 EXHIBIT B

ZONING MAP

City of Mineola

Ordinance No. 06-03-27
 Adopted March 27, 2006
 Updated April 25, 2012

- ### Legend
- City Limit Line
 - Rivers, Creeks & Streams
 - Lakes, Tanks, and Ponds
 - Railroad Right of Way and Track
 - Street Right of Way
 - AG - Agricultural
 - SF-12 - Single Family Detached (Low Density)
 - SF-7 - Single Family Detached (Medium Density)
 - MD - Single Family Detached (Medium Density)
 - MH - Single Family Manufactured Home
 - MF-18 - Multifamily
 - MF-24 - Multifamily
 - MU - Mixed Use
 - C1 - Local Business
 - C2 - General Business
 - I - Industrial
 - HOD - Heritage Overlay District
 - MHO - Manufactured Home Overlay District

EXHIBIT "B"

CERTIFICATE OF COMPLIANCE

AGREEMENT FOR DEVELOPMENT AND TAX ABATEMENT
WITH **SLAYTON PROPERTIES, LLC**
IN REINVESTMENT ZONE **C-2, GENERAL BUSINESS** CITY OF MINEOLA
FOR COMMERCIAL-INDUSTRIAL TAX ABATEMENT,
MINEOLA, TEXAS

THE STATE OF TEXAS §
 §
COUNTY OF WOOD §

_____, (the "OWNER"), hereby certifies that the construction of the PREMISES, described within this agreement, as called for in the above references, has been completed and that all facilities and improvements have been constructed pursuant to said agreement.

Signed this _____ day of _____, in the year 2020

PROPERTY OWNER

By: _____ Dated: _____

CITY OF MINEOLA

Approved: _____ Dated: _____
Mayor, City of Mineola, Texas

Appraisal district name, address, and telephone number

application for property tax abatement exemption for _____

This application covers property you owned on January 1 of this year. You must file the completed application between January 1 and May 1 of this year. Be sure to attach any additional documents requested. You must apply for this exemption every year; it will not be automatically renewed.

Step 1: Name and address

Name of applicant

Mailing address

Telephone number

Step 2: Describe the property and the terms of the abatement

Please list the taxing units that have agreed to abate your taxes and attach a copy of the abatement agreement for each unit:

Please describe the property to which the abatement applies:

Please describe the nature of the abatement for THIS year:

Lump sum exemption

Give dollar amount:

Percentage of appraised value exempted

Give percentage:

Total appraised value exempted

Estimate value:

Other (please describe method of calculating abatement. List and estimate the value of any new construction, replacement, or refurbishment subject to the abatement. Give dollar value to be exempted for this year. Continue on additional sheets if needed.)

Step 3: Sign and date

Please attach statements from each taxing unit indicating that you were in compliance with the abatement agreement on January 1 of this year.

Signature

Date

Under Section 37.10, Texas Penal Code, if you make a false statement on this application you could receive a jail term of up to 1 year and a fine of up to \$2,000, or a prison term of 2 to 10 years and a fine of up to \$5,000.