

RESOLUTION

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF TATUM, TEXAS
ESTABLISHING GUIDELINES AND CRITERIA
GOVERNING TAX ABATEMENT AGREEMENTS
BY THE CITY OF TATUM, TEXAS**

WHEREAS, Texas Tax Code Section 312.002 provides that no municipality or county may designate an area as a reinvestment zone, and that no taxing unit may execute a tax abatement agreement under Texas Tax Code chapter 312, unless it first (1) establishes guidelines and criteria for tax abatement agreements and (11) adopts a resolution stating that the taxing unit elects to become eligible to participate in tax abatements; and

WHEREAS, the City of Tatum, Texas desires to be eligible to participate in tax abatement under certain circumstances; now therefore

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TATUM, TEXAS THAT:

ARTICLE 1.

The City of Tatum, Texas elects to be eligible to participate in tax abatements.

ARTICLE 11.

The following guidelines and criteria are hereby established and shall hereinafter govern tax abatement agreements by the City of Tatum, Texas:

- (1) Improvements proposed as part of a tax abatement agreement for property located within a duly designated reinvestment zone shall be commenced within one (1) year of the date of said agreement.


- (2) All construction proposed as part of any such improvements shall meet applicable City of Tatum, Texas , Codes and Zoning requirements.
- (3) All property included in a tax abatement shall be maintained in accordance with all applicable City of City of Tatum, Texas Codes and Zoning requirements during the term of the tax abatement agreement.
- (4) Throughout tax abatement agreement, the owner(s) or persons in possession and control of the improvements located thereon which is included within an area which is the subject of a tax abatement shall pay all lawfully assessed ad valorem taxes levied on such property before the same shall become delinquent.
- (5) In the event that any improvements constructed as part of a tax abatement agreement are damaged, the same shall be restored in a timely manner, within a time frame to be established by the City Council, but in no event shall such time period exceed one (1) year.
- (6) For property located in a commercial and/or commercial reinvestment zone, and proposed as the subject of a tax abatement agreement, the following criteria shall apply:
 - a. The proposed improvements must have the effect of increasing the value of the real property upon which they are located; and
 - b. The proposed improvements shall have the effect of adding to the available number of jobs and/or retaining existing jobs in the greater City of Tatum, Texas area.
- (7) For residential property located in a residential reinvestment zone, and proposed as the subject of a tax abatement agreement, the following criteria shall apply:
 - a. The proposed improvements shall address the blighting or deteriorating influences on the subject property.
 - b. The proposed improvements shall address building safety, unsanitary or unsafe conditions, or property deterioration; and

- c. Where applicable, the improvements shall address faulty lot layout with respect to size, accessibility, or usefulness.
- (8) All improvements proposed as part of a tax abatement agreement shall further the purposes established by the Legislature of the State of Texas in Chapter 312 of the Texas Tax Code.
- (9) In accordance with Texas Tax Code section 312.002, these guidelines and criteria shall not limit the discretion of the City to decide whether to enter into a specific tax abatement agreement. Accordingly, the City may enter into a particular tax abatement agreement whenever it determines that it is in the best interests of the City to enter into such agreement and provide such abatement with respect to a particular applicant. In doing so, the City may vary from the provisions of this Tax Abatement Policy Statement in any respect that is not contrary to state law.

ARTICLE 111.


This resolution shall be effective from its adoption on March 21, 2000 for the full period authorized by law.


PASSED AND APPROVED THIS 21st DAY OF MARCH, 2000.


Bob Harris, Mayor


E.W. Nelson, Mayor Pro-tem


Robin Liles, Alderman Place 1


Jeff Keller, Alderman Place 2


Lea Ann Woods, Alderman Place 4


Kim R. Smith, Alderman Place 5

ATTEST:


Helen Polston, City Secretary