



1125 Bonham Street
Paris, Texas 75460

parisedc.com
buildinparis.com

ECONOMIC DEVELOPMENT INCENTIVES

Free and Reduced Cost of Land – Build to Suit

Strategically located at the intersection of US 82, US 271, Hwy.19/24 and surrounded by a four-lane loop, a location in Paris, Texas can help your company reduce costs through shorter travel times (2 hours) and improved efficiencies to both Dallas/Fort Worth and Oklahoma City. Paris's NW Industrial Park is sure to accommodate the development deadlines and size requirements (one to 150 acres) for your growing business. The typical sales price on NW Industrial Park land is \$0.50 PFS.

Forgivable Loan

The PEDC is willing to discuss and negotiate purchase of space or the purchase of capital equipment submitting a forgivable loan to be repaid through the sustainment of full-time jobs. All considerations for forgivable loans require recent financial statements, credit check, interview and proper due diligence. Most loans must be collateralized in some fashion.

Cash for Jobs

The PEDC has the ability to pay cash for each new position created in Paris, Texas, at the new approved operation no sooner than 6 months from the date the new position was created.

- (1) To receive payment pursuant to this clause, the client shall make a written request to the PEDC for payment. This request must include a payroll statement and other documentation in a form satisfactory to the PEDC evidencing the number of new positions created for the period for which funding is requested.
- (2) Client may petition the PEDC any number of times for this incentive over a predetermined period. If, after the predetermined period from the date of a Performance Agreement between a client and the PEDC, all new positions so specified in the Performance Agreement have not yet been created, the client may petition the PEDC for an extension.
- (3) The PEDC intends to only pay for new positions one time. Accordingly, a position that is re-established or maintained for successive 6-month periods is only entitled to the initial payment and no further payments. A new position that replaces a position eliminated during the term of the agreement is likewise not subject to a new position payment.

Skills Development Fund – Texas Workforce Commission

In concert with Paris Junior College, an application will be made to the Texas Workforce Commission for a Skills Development Fund grant at a maximum of \$1,400 per new job trained. Paris Junior College would be responsible for writing and administering the grant. The reimbursement does not include the wages of the trainees, but can include the wages of company employees involved in the training of those employees.

New Markets Tax Credit (NMTC) – Federal Tax Program

Much of Paris is located within the designated maps of the NMTC program. A NMTC investor receives a tax credit equal to 39 percent of the total Qualified Equity Investment (QEI) made in a Community Development Entity (CDE) and the Credit is realized over a seven-year period, 5 percent annually for the first three years and 6 percent in years four through seven. If an investor redeems a NMTC investment before the seven-year term has run its course, all Credits taken to date will be recaptured with interest.

Property Tax Abatement with the City of Paris and Lamar County

The Mayor of Paris, Texas and the Lamar County Judge can recommend to their respective council/court an abatement up to a ten-years and 100%. This abatement can only be granted on the value of new real and personal property assessed resulting from the implementation of the project. Texas state law prohibits granting of abatements on property currently on the tax rolls.

Sales Tax Exemption on Manufacturing Equipment

Texas sales and use tax (8.25%) exempts tangible personal property that makes a chemical or physical change in the product being manufactured or is necessary and essential in the manufacturing process.

Enterprise Zone Designation

The PEDC and City of Paris can apply on behalf of the company to the Governor's Economic Development and Tourism Department for consideration of an Enterprise Zone Designation. If granted, this designation will allow the company to apply for a \$2,500 refund per FTE created during the five-year life of the designation. Because this is a five-year designation, only the estimated jobs created during that time will be calculated. Client may reapply at the end of the first five years for another five years for this refund.

Governor's Enterprise Fund

The 78th Texas Legislature established the Texas Enterprise Fund (TEF) in 2003 to help attract new jobs and investment to the state. The fund is used only as a final incentive tool where a single Texas site is competing with another viable out-of-state option. Additionally, the TEF will only be considered to help close a deal that already has significant local support behind it from a prospective Texas community.

Projects that are considered for the TEF must demonstrate a significant rate of return on the public dollars being invested in the project. Additionally, there are several primary measures that every TEF project must meet to be considered for an award. Those include but are not limited to the following:

- Competition with another state for the project must exist and the business must not have already made a location decision
- Projected new job creation must be significant - typically creating more than 75 jobs in urban areas or more than 25 in rural areas
- The new positions must be high-paying jobs - above the average wage of the county where the project would be located
- Capital investment by the company must be significant
- The project must have community involvement from the city, county and/or school district, primarily in the form of local economic incentive offers
- The applicant must be financially sound
- The applicant's business sector must be an advanced industry that could potentially locate in another state or country.

Freeport Exemption

Client will be eligible for a 100% exemption from Ad Valorem taxes (City, County, and School) on inventory that leaves the State of Texas within 175 days of arrival. This incentive requires no prior approval for the Paris location and is in effect as long as Client has qualifying inventory.

Estimated Cost of Utilities

The following is a summary of all close approximate local costs for utilities:

Utility Cost Information	(m3 = million cubic ft. = 7,480,519.48 gallons)
Cost of Electricity (\$/kWh)	\$0.05/kWh
Cost of Domestic Water (\$/gallon)	\$0.0039/gallon
Cost of Domestic Water (\$/m3)	\$29,300/m3
Cost of Waste Water (\$/gallon)	\$0.0022/gallon
Cost of Waste Water (\$/m3)	\$51,700/m3
Cost of Natural Gas (\$/ccf)	\$0.594/ccf
Cost of Natural Gas (\$/m3)	\$5,940/m3
Cost of Waste Management (\$/m3)	\$25/ton

Approval Process

The above is a summary of all local and state incentives which the Paris Economic Development may pursue. Final approval of each incentive rests individually with one of the following government organizations: The City of Paris, Paris Economic Development Corporation, Lamar County, Texas Workforce Commission and/or with the Office of the Governor - Economic Development & Tourism Department.

Summary

Paris, Texas and the State of Texas are pro-business. Our community is ready to partner with you on your expansion. Allow us to meet with your team bringing you unmatched hospitality and concrete information improving your cash flows and investment.

Regards,

Michael Paris

Executive Director

Paris Economic Development Corporation

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