



ECONOMIC DEVELOPMENT INCENTIVES

Type B Sales Tax Incentive Grant or Loan: The Lavon Economic Development Corporation may consider a grant or loan for infrastructure and site improvements as well as for land, buildings, equipment, and facilities for retail, business development projects and also for projects that involve higher technologies or light manufacturing.

Business Improvement Grant: The Lavon Economic Development Corporation may established guidelines for a grant to encourage new investment and new improvements to the facades and building improvements of the existing retail businesses in the City.

Chapter 380 Loan or Grant: May be provided by Lavon City Council through a written agreement.

Tax Abatement: The Lavon City Council may consider abating the real estate and/or personal property tax for development projects for up to 10 years.

Waiving Impact Fees The Lavon City Council may consider waiving some or all of the road, water and wastewater impact fees for projects.

HB 1200 Value Limitation & Tax Credit: The Community ISD may consider offering this Value Limitation incentive for a project involving over \$60,000,000 investment. With this incentive the taxes for 8 of a 10 year period would be limited to taxing only the value of the project under \$60,000,000. Project value over \$60,000,000 would not be taxed for 8 of the 10 year period.

Freeport Tax Exemption: The City of Lavon, The Community ISD and Collin County may offer the Freeport Tax Exemption. To qualify for the Freeport Tax Exemption on personal property, goods and materials shall be transported

outside of Texas not later than 175 days after the date that the goods and materials were acquired, or imported into Texas and then assembled, manufactured or processed and then shipped out of Texas. An application for this exemption must be filed, annually with the Collin County Appraisal District by April 30th of each year.

Goods in Transit: The City of Lavon, The Community ISD and Collin County may offer the Goods in Transit exemption on personal property or goods where the goods are in a building owned by an independent 3rd party and the goods are in route to a buyer. The goods cannot be in Texas more than the 175 days.

Texas Enterprise Zone: Projects that create more than ten permanent jobs within the City of Lavon may be nominated as a project for the Texas Enterprise Zone. The Lavon Economic Development Corporation may pay the application preparation cost and the application fee. Once awarded the Texas Enterprise Zone, a project is allowed to obtain sales tax rebates of \$2,500 per employee.

Texas Enterprise Fund: The City of Lavon may assist in application preparations for obtaining a Texas Enterprise Fund Grant. The grant is for the purpose of securing a significant new business or significant expansion of an existing business as part of a competitive recruitment situation.

Public Financing Vehicles (TIF's, PID's, MMD's NEZ's); The City Council of the City of Lavon may, in order to stimulate new investment, authorize the creation of Tax Increment Financing Districts, Public Improvement Districts, Municipal Management Districts, and Neighborhood Empowerment Zones, as appropriate and as required to stimulate and expedite new development.

The above list serves as a general guideline for use in considering an investment in Lavon. The City is interested in attracting and expanding quality projects and will be very competitive. We offer to provide a detailed incentive proposal for potential projects, following a formal meeting with the developers and end users.

Please contact Pam Mundo, Lavon EDC Executive Director to arrange for a meeting.

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