

# INDUSTRIAL DISTRICT



## **Policy Description:**

Described in Chapter 42 of the Texas Local Government Code, [www.statutes.legis.state.tx.us/Docs/LG/pdf/LG.42.pdf](http://www.statutes.legis.state.tx.us/Docs/LG/pdf/LG.42.pdf), the Industrial District contractually protects industries located in the district from annexation and City requirements such as permitting and platting. The Contract provides a platform for the City and Industry to negotiate a payment to the City in lieu of taxes. In addition, the contract offers an opportunity for the business to obtain fire protection from the City.

## **Eligibility Criteria:**

- The governing body of a City may designate any part of its extraterritorial jurisdiction as an industrial district and may treat the designated area in a manner considered by the governing body to be in the best interests of the City.
- The governing body may make written contracts with owners of land in the industrial district:
  - (1) To guarantee the continuation of the extraterritorial status of the district and its immunity from annexation by the City for a period not to exceed 15 years; and
  - (2) With other lawful terms and considerations that the parties agree to be reasonable, appropriate, and not unduly restrictive of business activities.
  - (3) The City will utilize the standard form Industrial District Agreement as amended by Ordinance 15898, authorizing the City Manager, or designee, to execute Industrial District Agreements based on the revised standard form and to file the Industrial District Agreements in the official records of the County where the affected land is located.

## **Benefits:**

Properties in the Industrial District pay a reduced rate, in lieu of taxes, as shown below:

- Payment, in lieu of taxes, at 100% of the assessed land value.
- Improvements:

- (1) Less than \$3,000,000 cumulative value: 60% of normal City tax.
- (2) More than \$3,000,000 cumulative value: 60%, taxed in incremental amounts until 60% cap is reached

Year 1	6%
Year 2	12%
Year 3	19%
Year 4	26%
Year 5	34%
Year 6	42%
Year 7	50%
Year 8	58%
Year 9	60%
Year 10	60%

- o Land in the Industrial District is currently protected from annexation for ten years.
- o Zoning/Permitting:
  - (1) Businesses in the Industrial District are exempt from zoning and permitting requirements. In addition, platting may be waived if the seller submits for approval by the City Council a site plan, both the buyer and seller enter into agreement that if buyer's use of the property materially changes platting shall be required and seller remains solely responsible for any payments in lieu of taxes unless the buyer enters into a supplemental Industrial District contract with the City.

**How to Apply:**

Applicants seeking incentives must file an application for Economic Incentives before the request can be considered.

Please contact the City of Corpus Christi's Economic Development Office at (361) 826-3850 to request the application or visit [www.cctexas.com/economicdevelopment](http://www.cctexas.com/economicdevelopment) to download the application.

The City shall not grant any incentive unless the business submits a full and complete application and provides additional information as may be requested. The accuracy of the information in the application is the sole responsibility of the applicant. Upon request, the applicant shall provide supporting documentation.

Any misstatement of or error in fact may render an application null and void and may be cause for repeal of any ordinance adopted in reliance of said information.

If it is determined that the application meets these guidelines, a full and financial programmatic review will be conducted. This review may be done by City Staff, an outside agency or consultant and will ensure conformance with these guidelines.

An application fee of \$500 will be submitted at the same time the application for economic incentives is submitted.

The fee must be paid in the form of a check or money order and made payable to the City of Corpus Christi, Texas.

**Additional Resources:**

Development Services

[www.cctexas.com/developmentservices](http://www.cctexas.com/developmentservices)

Corpus Christi Regional Economic Development Corporation

[www.ccredc.com](http://www.ccredc.com)