



## **ECONOMIC DEVELOPMENT INCENTIVE GUIDE**

The City of Portland is the most livable and sustainable community in the Coastal Bend and must promote high quality economic development if the community is to remain so. The adoption of this economic development incentive guide will ensure the City's policies are clear, predictable, provide equitable incentives and reassure citizens that City of Portland officials, elected and appointed, are meeting their fiduciary responsibilities.

- Sales tax revenue shall not be rebated under any circumstances
- Ad valorem tax abatement, infrastructure grant sponsorship, construction of off-site infrastructure and participation in the cost of off-site infrastructure construction are incentives the City of Portland may provide to Targeted Business or Industry (Tier 1 and 2), descriptions of which follow:

### **TIER 1**

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- *Corporate headquarters (national, regional or local)*
- *Software development*
- *Electronics development and manufacturing*
- *Biotechnology research and application*
- *Pharmaceutical development and manufacturing*
- *Medical technology research and application*
- *Petrochemical research and product development*
- *Companies engaged in the development or manufacturing of measuring, analyzing or controlling instruments*
- *Advanced material development*
- *Companies whose primary source of income is engineering services*
- *Aerospace development and manufacturing*

#### **Minimum eligibility requirements:**

- \$2,500,000 increase in real property
- \$750,000 in personal property
- 50 full-time jobs with an average annual salary (excluding benefits) of \$50,000

#### **Determination of Incentives:**

- Case-by-case utilizing specific factors.
- The duration of ad valorem tax abatement is limited by State statute to 10 years.

## TIER 2

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- *Regional or area retail stores at least 100,000 square feet in size*
- *Advanced technical/vocational institutes which provide highly skilled professionals to nearby industries*

### Minimum Eligibility Requirements:

- \$2,500,000 increase in real property, \$750,000 in personal property
- 20 full-time jobs that provide a “living wage” to the persons employed. A living wage is the annual amount equal or greater than poverty level for a family of 3 under U.S. Department of Health and Human Services Poverty Guidelines, divided by 2,080 hours per year.

### Determination of Incentives:

- Case-by-case utilizing specific factors.
- The duration of ad valorem tax abatement shall not exceed 5 years under any circumstances.

***For more information or to request consideration for economic incentives, contact the City Manager’s office (361) 777-4513.***