JOHNSON COUNTY
COMMISSIONERS COURT

Christopher Boedeker County Judge	Rick Bailey Commissioner Precinct 1	Kenny Howell Commissioner Precinct 2	Mike White Commissioner Precinct 3	Larry Woolley Commissioner Precinct 4

THE STATE OF TEXAS §
§ **ORDER 2026-63**
COUNTY OF JOHNSON §

GUIDELINES AND CRITERIA FOR JOHNSON COUNTY TAX ABATEMENT POLICY

WHEREAS, it is the desire of the Johnson County Commissioners Court to adopt a Policy that establishes the criteria that the County will use to evaluate tax abatement requests; and

WHEREAS, the Commissioners Court has reviewed and approved the attached Policy after holding the statutorily required public hearing.

NOW THEREFORE BE IT ORDERED that the attached Guidelines and Criteria for Johnson County Tax Abatement Policy Statement is approved for Johnson County for a period of two years from this date unless otherwise appealed or replaced.

WITNESS OUR HAND THIS, THE 13TH DAY OF JULY 2026.

Christopher Boedeker, Johnson County Judge
Voted: ✓ yes, ___ no, ___ abstained

Rick Bailey, Comm. Pct. 1
Voted: ✓ yes, ___ no, ___ abstained

Kenny Howell, Comm. Pct. 2
Voted: ✓ yes, ___ no, ___ abstained

Mike White, Comm. Pct. 3
Voted: ✓ yes, ___ no, ___ abstained

Larry Woolley, Comm. Pct. 4
Voted: ✓ yes, ___ no, ___ abstained

ATTEST: April Long, County Clerk

COMMISSIONERS COURT JOHNSON COUNTY, TEXAS

GUIDELINES AND CRITERIA FOR JOHNSON COUNTY
TAX ABATEMENT POLICY STATEMENT

I. GENERAL PURPOSE AND OBJECTIVES

Johnson County is committed to the promotion of high-quality development in all parts of the County, and to an ongoing improvement in the quality of life for its citizens. Insofar as these objectives are generally served by the enhancement and expansion of the local economy, Johnson County will, on a case-by-case basis, consider providing tax abatement as stimulation for economic development. It is the policy of Johnson County that said consideration will be provided in accordance with the procedures and criteria outlined in this document. Nothing herein shall imply or suggest that Johnson County is under any obligation to provide tax abatement to any applicant. All applications shall be considered on a case-by-case basis.

It is the intent of the Commissioners' Court to consider approving and it may approve or deny any agreement adopted by an incorporated city. Further it is the intent of Johnson County that the County will not approve nor join in an abatement agreement that encourages an applicant to move from one Johnson County city to another unless such agreement is approved in writing by both such cities.

II. DEFINITIONS

A. "Abatement" means the full or partial exemption for ad valorem taxes of eligible properties in a reinvestment zone designated as such for economic development purposes.

B. "Agreement" means a contractual agreement between a property owner and a taxing jurisdiction for the purpose of tax abatement.

C. "Base Year Value" means the assessed value of the applicant's property located in a designated reinvestment zone on January 1 of the year of the execution of the agreement plus the agreed upon value of property improvements made after January 1 but before execution of the agreement.

D. "Economic Life" means the number of years a property is expected to be in service in a facility.

E. "Expansion" means the addition of buildings, structures, fixed machinery, or equipment for the purpose of increasing production capacity.

F. "Facility" means property improvements completed or in the process of construction which together comprise an integral whole.

G. "Modernization" means the replacement and upgrading of existing facilities which increases the productive input or output, updates the technology, or substantially lowers the unit cost of operation, and extends the economic life of the facility. Modernization may result from the construction, alteration, or installation of buildings, structures, fixed machinery, or equipment. It shall not be for the purpose of reconditioning, refurbishing, repairing, or completion of deferred maintenance.

H. "New facility" means a property previously undeveloped, which is placed into service by means other than expansion or modernization.

I. "Qualifying Job" means a permanent job to be created by the project with an anticipated wage or salary that meets or exceeds $20/hour per employee or its salaried equivalent.

J. "Reinvestment Zone" is an area designated as such for the purpose of tax abatement as authorized by Texas TAX CODE §312.001 et seq.

K. "Deferred Maintenance" means improvements necessary for continued operation of an existing facility, which do not improve the productivity of existing facilities or alter the process technology.

III. HOW ABATEMENT IS AUTHORIZED

A. Authorizing Body: Any request for tax abatement shall be reviewed by the Commissioners Court of Johnson County. The Commissioners Court of Johnson County decides whether economic development incentives should be offered in each individual case. Their recommendation shall be based upon a subjective evaluation of the following criteria, which each applicant will be requested to address in narrative format on applicants' letterhead and signed by authorized executive as outlined:

EMPLOYMENT IMPACT

- How many jobs will be brought to Johnson County?
- What type of jobs will be created?
- What are the wages for the newly created jobs?
- What will the total annual payroll be?

FISCAL IMPACT

- How much Real and Tangible Business Personal Property (BPP) value (land, buildings, equipment) will be added to the tax rolls?
- How much taxable inventory will be added to the tax roll?
- What infrastructure construction would be required?

- What is the projected total annual operating budget of this facility?

COMMUNITY IMPACT

- What effect will the project have on the local housing market?
- What environmental impact, if any, will be created by the project?
- How compatible is the project with the County's comprehensive plan?

More specifically and in addition to the above, the Commissioners' Court may consider:

- whether or not the proposed project will have an inordinate impact on County infrastructure, resources, and utilities (police and fire protection, roads and traffic, power, and water, etc);
- if there is any risk of long-term environmental consequences to the project
- Considering depreciation and market conditions, what is the long-term impact on the County's job market and tax base.

B. Authorized Facilities: Tax abatement may be granted for new facilities and for expansion or modernization of existing facilities per the appropriate tables. The economic life of a facility or improvements must exceed the life of the abatement agreement.

C. Eligible Property: Abatement may be extended to the value of buildings, structures, fixed machinery and equipment, site improvements plus that office space and related fixed improvements necessary to the operation and administration of the facility, but not to inventory or supplies. Abatement may only be granted for the additional value of eligible property listed in an abatement agreement between the County and the property owner and lessee (if required), subject to such limitations as Commissioners Court may require.

D. Value of Abatement: The subjective criteria outlined in Section III. A. will be used by the Commissioners' Court to determine whether it is in the best interest of the County to recommend that tax abatement be offered to a particular applicant. Specific considerations will include the degree to which the individual project furthers the goals and objectives of the community, as well as the relative impact of the project.

E. Ineligible Property: The following types of property shall be fully taxable and ineligible for abatement: land; inventories; supplies; housing or residential; deferred maintenance investments; property which has an economic life of less than (5) five years more than the period for which the property is abated; any property which can be expected to solely or primarily have the effect of transferring employment from one part of Johnson County to another unless such abatement is necessary to promote the retention of jobs in Johnson County which might otherwise be lost; any property that is owned or leased by a member of the Commissioners Court.

IV. ABATEMENT AMOUNT/TERM GUIDELINES

Tax abatement may be available for both new facilities and structures and for expansion or modernization of existing facilities and structures per the table below.

Abatements may not be offered unless a project is expected to require a capital investment of $10 million or more AND create at least 20 qualifying jobs. Once a determination has been made that a tax abatement should be offered, the eligible property and term of the abatement will be guided by referencing the following tables:

TAX ABATEMENT TABLE – Development Outside Municipality

Percent of Value to be Abated	Capital Cost OR	New Qualifying Jobs Created	Maximum Years of Abatement
30%	$ 10 million - $25 million	20-50	2
35%	$25 million - $50 million	50 - 75	3
45%	$50 million – 75 million	75-100	5
50%	$75 million and above	100-150	7

TAX ABATEMENT TABLE – Development Within Participating Municipality

Percent of Value to be Abated	Capital Cost OR	New Qualifying Jobs Created	Maximum Years of Abatement
40%	$ 10 million - $25 million	20-50	3
45%	$25 million - $50 million	50 - 75	4
55%	$50 million – 75 million	75-100	6
60%	$75 million and above	100-150	8

Special consideration may be given to any project with a capital cost of $150 million or more AND the creation of more than 150 qualifying jobs. The Commissioners Court retains the discretion to offer an incentive that differs from the amounts above or to decline to offer any incentive based on the individual characteristics of the proposed project.

If the Commissioner's' Court determines that the project bears some risk of inordinate impact as stated in Article III, the Court reserves the right to request a Surety Bond conditioned on the amelioration of said risk as part of the Agreement.

V. PROCEDURAL GUIDELINES

A. Preliminary Application Steps

1. Applicant shall complete the attached "Application for Tax Abatement". The application shall require such financial and other information as may be deemed appropriate for evaluating the financial capacity and other factors of the applicant.

2. Applicant shall address criteria questions outlined in Section III in letter format.

3. Applicant shall prepare a plat showing the precise location of the property and all roadways within 500 feet of the site.

4. If the property is described by metes and bounds, a complete legal description shall be provided.

5. In the case of modernization or expansion, the applicant shall also include a statement of the facility's current property value, stated separately for real and personal property.

6. Applicant shall prepare a time schedule for undertaking and completing the planned improvements.

7. Applicant shall provide a tax certificate verifying that no taxes are past due on applicant's property located within the proposed reinvestment zone.

8. Applicant shall complete all forms and information detailed in items 1 through 7 above and submit them to the County Judge, Johnson County, Texas.

B. Application Review Steps

1. All information in the application package detailed above will be reviewed for completeness and accuracy. Additional information may be requested as needed.

2. The application will be distributed to the appropriate County department for internal review and comments.

3. Copies of the complete application package and staff comments will be provided to the Commissioners' Court.

C. Consideration of the Application

1. The Commissioners Court will consider the application at a meeting duly convened under the Texas Open Meetings Act and Texas TAX CODE §312.003. Additional information may be requested as needed.

2. The Commissioners Court may consider an order calling a public hearing to consider establishment of a tax reinvestment zone if needed.

3. The Commissioners Court may hold the public hearing and determine whether the project is "feasible and practical and whether it would be of benefit for the land to be included in the zone".

4. Johnson County may consider adopting an order designating the area described in the legal description of the proposed project as a commercial/industrial tax abatement zone.

5. The Commissioners' Court may consider adopting an order approving the terms and conditions of a contract between the County and the applicant governing the provision of the tax abatement within the reinvestment zone.

6. The governing body of Johnson County may consider ratification of and participation in the tax abatement agreement between Johnson County and the applicant.

7. Any tax abatement agreement will address various issues, including, but not limited to, the following:

a. General description of the project;

b. Amount of the tax abatement and percent of value to be abated each year;

c. Method for calculating the value of the abatement;

d. Duration of the abatement, including commencement date and termination date;

e. Legal description of the property;

f. Kind, number, location and timetable of planned improvements;

g. Specific terms and conditions to be met by applicant;

h. The proposed use of the facility and nature of construction; and

i. Contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, recapture, administration and assignment.

D. Effective Date

These guidelines and criteria herein shall be effective from the date of passage and remain effective for two (2) years from such date of adoption unless otherwise amended or repealed by a three-fourths (3/4ths) vote of the Commissioners Court.

V. DENIAL OF ABATEMENT

Neither a reinvestment zone nor abatement agreement shall be authorized if it is determined that;

A. There would be a substantial adverse impact on the provision of government services or tax base;

B. The applicant has insufficient financial capacity;

C. Planned or potential use of the property would constitute a hazard to public safety or health;

D. Violation of other codes or laws exist; or

E. Any other reason deemed appropriate by the Commissioners' Court.

VI. TAXABILITY

From the execution of the abatement agreement to the end of the agreement period, taxes shall be payable as follows:

A. The value of ineligible property shall be fully taxable;

B. The base year value of existing eligible property shall be fully taxable;

C. The additional value of new eligible property shall be taxed in the manner and for the period provided for in the abatement agreement; and

D. The additional value of new eligible property shall be fully taxable at the end of the abatement period.

VII . RECAPTURE

A. In the event that the facility is completed and begins producing product or service, but subsequently discontinues producing product or service for any reason excepting fire, explosion or other casualty or accident or natural disaster for a period of one year during the abatement period, then the agreement shall terminate automatically as of the 365th day of discontinuation and so shall the abatement of the taxes for the calendar year during which the facility no longer produces. The taxes otherwise abated for that calendar year shall be paid to the County within sixty days of the date of termination.

B. Should the County determine that the company or individual is in default according to the terms and conditions of its agreement, the County shall notify the company or individual in writing at the address stated in the agreement, and if such is not cured within sixty (60) days from the date such notice is placed in the U.S. mail ("Cure Period"), then the agreement may be terminated.

C. In the event that the company or individual, after exercising due diligence to pay taxes properly due, (1) allows its ad valorem taxes owed the County to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest; or (2) violates any of the terms and conditions of the abatement agreement and fails to cure within the Cure Period, the agreement then may be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination.

D. In circumstances where a city grants an Abatement with different Recapture provisions than those stated above, the Commissioners Court may agree to enter an abatement agreement consistent with the city agreement that differs from the recapture requirements contained in this policy.

VIII. ADMINISTRATION

A. Access to Facility/Reports: The Agreement shall stipulate that employees and/or designated representatives of the taxing authorities will have access to the facility during the term of the agreement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections shall be conducted in a manner as to not unreasonably interfere with the construction and/or operation of the facility; provided however, the County may conduct "spot" inspections requiring no advance notification to applicant. All inspections will be made with one or more representatives of the company or individual, and in accordance with its safety standards.

If there are any permits applied for or issued as to construction or studies made as to environmental impact, copies of said documentation shall be provided to the County.

B. Annual Evaluation: Upon completion of construction, the eligible authority individually or in conjunction with other affected authorities, shall annually evaluate each facility receiving abatement to ensure compliance with the agreement and report possible violations of the agreement.

C. Transfer or Assignment: Tax abatements may be assigned to a new owner or lessee of the facility with the written consent of the Commissioners' Court. Any assignment shall ensure that the assignee shall irrevocably and unconditionally assume all the duties and obligations of the assignor upon the same terms and conditions as set out in the agreement. Any assignment of a tax abatement agreement shall be to an entity that contemplates the same improvements or repairs to the property, except to the extent such improvements or repairs have been completed. No assignment shall be approved if the assignor or the assignee is indebted to the County for ad valorem taxes or other obligations.

APPLICATION FOR TAX ABATEMENT

Johnson County, Texas

This application should be filed with the County Judge's Office of Johnson County.

Property Owner _____

Mailing Address _____

Telephone Number _____

Property Owner's Representative _____

Mailing Address _____

Telephone Number _____

Property Address _____

Property Legal Description _____

(Provide Attachments if By Metes and Bounds)

Located within:

City: _____

If not within a municipality, address within County:

_____

School District _____

Projected Occupancy Date of Project/Initiation of Operations: _____

Description of project: _____

_____

_____

Narrative Response to Criteria Questions in Section III.

Upon receipt of this application, Johnson County shall require such financial and other information as may be deemed appropriate for evaluating the financial capacity and other factors of the applicant.

VG-92-2026-21600

Johnson County
April Long
Johnson County Clerk

Instrument Number: 2026 - 21600

Real Property Recordings

Recorded On: July 13, 2026 01:47 PM

Number of Pages: 12

" Examined and Charged as Follows: "

Total Recording: $0.00

********** **THIS PAGE IS PART OF THE INSTRUMENT** **********
Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number:	2026 - 21600
Receipt Number:	20260713000183
Recorded Date/Time:	July 13, 2026 01:47 PM
User:	Honor C
Station:	ccl30

Record and Return To:

JUDGE BOEDEKER
RETURN TO Paula

COUNTY COURT
JOHNSON COUNTY, TEXAS

STATE OF TEXAS
Johnson County
I hereby certify that this Instrument was filed in the File Number sequence on the date/time printed hereon, and was duly recorded in the Official Records of Johnson County, Texas

April Long
Johnson County Clerk
Johnson County, TX

April Long

AGENDA ITEM A 4

NOTICE OF PUBLIC HEARING REGARDING JOHNSON COUNTY ABATEMENT POLICY

The Commissioners Court of Johnson County will conduct a Public Hearing for the purpose of receiving public comment and voting regarding the renewal/adoption of Guidelines and Criteria as to the consideration and granting of tax abatements pursuant to Tax Code §312.002.

The Public Hearing will be conducted on Monday, July 13th, 2026, at 9:00am, at the Johnson County Courthouse, Commissioners Courtroom, Rm 201, 2 N. Main Street, Cleburne, Texas 76033.

[Published in the Cleburne Times Review on July 4, 2026]

CNHI NORTH TEXAS

ORDER CONFIRMATION

Salesperson: LEGALS (CLEBURNE) Printed at 06/25/26 14:02 by bdahn-bv

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Acct #: 40712 Ad #: 201191 Status: New WHOLD

JOHNSON COUNTY JUDGE
2 N MAIN STREET
CLEBURNE TX 76033

Start: 07/04/2026 Stop: 07/04/2026
Times Ord: 1 Times Run: ***
10LEG 2.00 X 1.69 Words: 79
Total 10LEG 3.38
Class: J105 PUBLIC NOTICES
Rate: LEGAL Cost: 84.60
Affidavits: 1
Ad Descrpt: PH 7/13 ABATEMENT POLICY
Descr Cont: NOTICE OF PUBLIC HEARING
Given by: *
P.O. #: 26-0710
Created: bdahn 06/25/26 14:01
Last Changed: bdahn 06/25/26 14:02

Contact:
Phone: (817)556-6360
Fax#:
Email:
Agency:

PUB	ZONE	EDT	TP	RUN DATES
CTR	A	95	S	07/04
CTOL	A	94	S	07/04
CTFI	A	94	S	07/04

AUTHORIZATION

Under this agreement rates are subject to change with 30 days notice. In the event of a cancellation before schedule completion, I understand that the rate charged will be based upon the rate for the number of insertions used.

_____ _____

Name (print or type) Name (signature)

.

NOTICE OF PUBLIC HEARING REGARDING JOHNSON COUNTY ABATEMENT POLICY

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SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Alvarado ISD on behalf of itself
And Hill College
Attn: School Board President
102 S. Bill Jackson
Alvarado, TX 76009

9590 9402 4678 8323 4980 48

2. Article Number *(Transfer from service label)*

7019 0140 0000 4265 7563

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent
☐ Addressee

B. Received by *(Printed Name)*

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

ALVARADO, TX 76009-9998
JUL - 1 2026
USPS

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☑ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Insured Mail
- ☐ Insured Mail Restricted Delivery (over $500)
- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

USPS TRACKING #



9590 9402 4678 8323 4980 48



First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

United States Postal Service

• Sender: Please print your name, address, and ZIP+4® in this box•

County Judge's Office
2 N Main St, Rm 120
Cleburne, Texas 76033



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Emergency Services Dist. No. 1
ATTN: Presiding Officer
2451 Service Dr.
Cleburne, Texas 76033

9590 9402 4678 8323 4980 31

2. Article Number *(Transfer from service label)*

7019 0140 0000 4265 7754

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent
☐ Addressee

B. Received by *(Printed Name)*

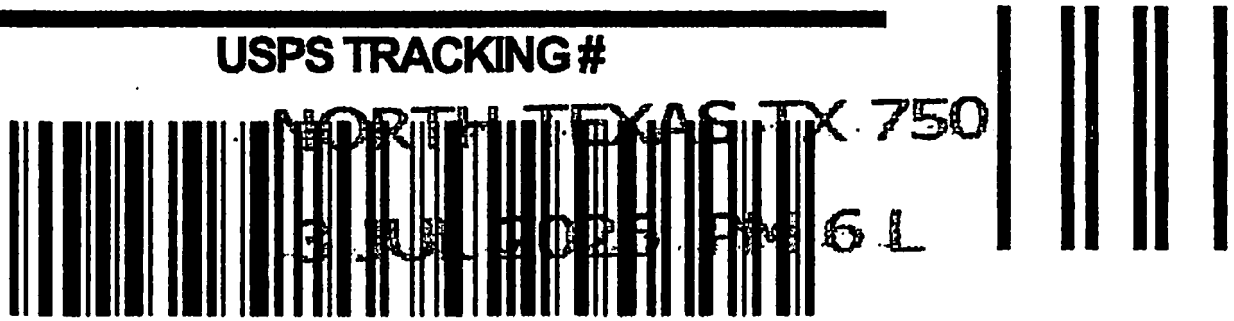
C. Date of Delivery
7/02/202

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Insured Mail
- ☐ Insured Mail Restricted Delivery (over $500)
- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

USPS TRACKING #



9590 9402 4678 8323 4980 31

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

United States Postal Service

• Sender: Please print your name, address, and ZIP+4® in this box•

County Judge's Office
2 N Main St, Rm 120
Cleburne, Texas 76033

