

**APPLICATION FOR TAX ABATEMENT IN
HARRISON COUNTY, TEXAS**

FILING INSTRUCTIONS:

This application should be filed prior to the beginning of construction or the installation of equipment. This filing acknowledges familiarity and assumed conformance with "**HARRISON COUNTY TAX ABATEMENT POLICY**". This application will become part of any later agreement or contract and knowingly false representations thereon will be grounds for the voiding of any later agreement or contract.

ORIGINAL COPY OF THIS APPLICATION AND ATTACHMENTS SHOULD BE SUBMITTED TO:

**COUNTY JUDGE
HARRISON COUNTY COURTHOUSE**

PART I - APPLICANT INFORMATION

Company Name: Aviagen North America, Inc. Submittal Date: August 31, 2021
Address/City: 920 Explorer Blvd., NW, Huntsville, Alabama 35806

Phone: 256-890-3800

Name/Address/Phone of Company Contact on this Project: Jason Mack, VP of Operations,
920 Explorer Blvd. NW, Huntsville, Alabama 35806.

E-mail address of Company Contact: jmack@aviagen.com

Type of Structure: **Corporation** () **Partnership** () **Proprietorship** ()

Total number employed: 69 Jobs Estimated to be Created Corporate Annual Sales Per Year: \$509 million

Annual Report Submitted: Yes () No () (see instructions)

PART II - PROJECT INFORMATION

Check type of facility to be abated:

Manufacturing () Regional Distribution ()
Regional Service () Regional Entertainment Center ()
Research () Other Basic Industry ()

Proposed Facility Address and Legal Description: **Attached Exhibit C**

North Business Park, Lot 14, 2105 Big Oak Blvd., Longview, TX 75601

- 1) Prop ID: R009920642: Legal: Acres: 5.943, Lot: PT 1, Blk: 1, Subd: LONGVIEW BUSINESS PARK P4, V
- 2) Prop ID: R000037448: Legal: Acres: 9.494, Abst: 245 A FERGUSON, V

Attach a map showing site. **Attached Exhibit D**

Proposed facility located in the following taxing jurisdictions: **City - Longview, Harrison Co., Hallsville ISD**

School District: Hallsville ISD
College District: N/A
Drainage District: N/A
Hospital District: N/A
City: Longview
Other Taxing Jurisdictions: N/A

Describe Product or service to be provided: Aviagen will construct a new hatchery which will help secure quality Parent Stock and will have the ability to set 1.1 million eggs per week. The facility will supply customers both nationally and internationally. The Company will invest approximately \$24,245,000 and create 69 new full-time jobs.

This application is for a: New Plant () Expansion () Modernization ()

PART III -PROJECT DESCRIPTION

Please attach a statement (1) fully explaining the project; (2) describing the site and existing improvements; (3) describing all proposed improvements; and (4) providing a list of improvements and fixed equipment for which abatement is requested. **Attach Exhibit**

PART IV - ECONOMIC IMPACT INFORMATION

A. Estimated cost of improvements: \$24,245,000

B. Permanent employment estimates:
If existing facility, the current plant employment: N/A
Estimated number of plant jobs retained: (N/A) Jobs created: ()
Number or employees anticipated at start-up: (50) within one year (69)

C. Construction employment estimates:
Construction to start: Month: October Year: 2021
Construction to be completed: Month: September Year: 2022
Number of construction jobs anticipated:
At start: 8 Peak: 95 Finish: 15

D. School District impact estimates:
Number of families transferred to area: N/A – City of Longview
Number or children added to ISDs: N/A – City of Longview

L. City Impact estimates:
Volume of treated water required from city: N/A – City of Longview
Volume or effluent water to be treated by city: N/A – City of Longview

Please provide statement by Addendum relative to planned water and sewer treatment methods and disposal of effluent if the facility is to be located outside city systems. If effluent is not treated by municipal facilities, by Addendum, include an explanation of the manner of treatment and by whom. **Attach Exhibit**
N/A – City of Longview

Has permitting been started Yes () No ()

	LAND	PERSONAL IMPROVEMENTS	PROPERTY
F. Estimated appraised value on site: Valuation of existing property as of January 1, preceding this abatement application:	\$ <u>79,350</u>	\$ <u>0</u>	\$ <u>0</u>
Estimated value of Personal Property and improvements, not subject to abatement, excluding exempt Pollution Control Equipment , upon completion of the project subject to this application:		\$ <u>0</u>	
Estimated value or abated improvements at the completion of construction:		\$ <u>4,000,000</u>	
Estimated value of Tangible Personal Property, subject to abatement :		\$ <u>4,000,000</u>	
Estimated value of abated improvements after abatement agreement expires:		\$ <u>20,000,000</u>	
Estimated value of abated Tangible Personal Property, after abatement agreement expires:		\$ <u>3,300</u>	
Estimated value, upon completion of project, of exempt pollution control equipment:		\$ <u>N/A</u>	

G. Minimum Production Life of Equipment: _____

H. Variance: Is a variance being sought under any provision of the "Policy"?
 Yes () No (**X**) If "Yes", attach any supplementary information required. **Attach Exhibit**

I. Statement on planned efforts to use Harrison County Vendors and Services: Please attach a statement describing willingness and planned efforts to use qualified Harrison County vendors and services where applicable in the construction anti operation of the facility. **Attach Exhibit**

J. Tangible Personal Property Abatement Request: Attach a detailed list describing all tangible personal property sought to be abated. Said list must include projected life, cost, and value after abatement agreement expires. **Attach Exhibit**

PART V - OTHER AGREEMENT APPLICATIONS

Has the company made application for abatement of this project to other taxing jurisdictions or counties:

Yes () No ()

If "Yes", provide (1) dates of application; (2) hearing dates; (3) name of jurisdiction(s) and contact(s); and (4) any letters of intend to abate.

PART VI - DECLARATION

To the best of my knowledge, the above information is an accurate description of project details.

Sallie Starks
Company Official Signature

Sallie Starks, VP Finance
Printed Name & Title of Company Official

REQUIRED ATTACHMENTS

- EXHIBIT "A" - Latest Annual Report or Information on Establishment of the Company, Business References, audited financial statement and business plan
- EXHIBIT "B" - Certification of Appraised Value of Properties as of January 1, 20 ____
- EXHIBIT "C" - Proposed Facility Address and Legal Description
- EXHIBIT "D" - Map Showing Site
- EXHIBIT "E" - Project Description including Time Schedule for Undertaking and Completing Project
- EXHIBIT "F" - Planned Water and Sewer Treatment Methods and Disposal of Effluent
- EXHIBIT "G" - Letter/Statement regarding Variance Requests
- EXHIBIT "H" - Statement on Planned Use of Harrison County Vendors
- EXHIBIT "I" - Detailed Itemized List of Tangible Personal Property requesting to be abated
- EXHIBIT "J" - Application for Abatement with Other Taxing Jurisdictions

EXHIBIT A

Latest Annual Report or Information on Establishment of the Company, Business References, audited financial statement and business plan.

Attached is the Aviagen North America, Inc. Financial Statement

EXHIBIT B

**CERTIFICATION OF APPRAISED VALUE OF PROPERTIES
AS OF JANUARY 1, 2020**

TO: HARRISON COUNTY
FROM: HARRISON COUNTY APPRAISAL DISTRICT
DATE: _____

The Harrison County Appraisal District hereby certifies that the following appraised values as of January 1, 2021, for property of _____ described in the Exhibit attached hereto are listed in the records of Harrison County Appraisal District and indicated by the following account numbers:

PERSONAL PROPERTY	APPRAISED VALUE
Account No. _____	\$ _____
Account No. _____	\$ _____
LAND	
Account No. _____	\$ _____
Account No. _____	\$ _____
Account No. _____	\$ _____
IMPROVEMENTS	
Account No. _____	\$ _____
Account No. _____	\$ _____
Account No. _____	\$ _____

Certified this _____, 2021.

**CHIEF APPRAISER
HARRISON COUNTY APPRAISAL DISTRICT**

BY: _____

EXHIBIT C

Proposed Facility Address and Legal Description

2105 Big Oak Blvd., Longview, TX 75601; Longview North Business Park, Lot 14, Harrison County.

- 1) Prop ID: R009920642: Legal: Acres: 5.943, Lot: PT 1, Blk: 1, Subd: LONGVIEW BUSINESS PARK P4, V
- 2) Prop ID: R000037448: Legal: Acres: 9.494, Abst: 245 A FERGUSON, V

EXHIBIT D

Map Showing Site

Project Site: Lot 14



North Business Park

LEDCO Lot #	Acres
1	7.12
2	1.24
3	1.68
8	2.29
13	29.58
14	43.00
15	21.26
17	88.10
18	32.29
19	13.51
20	16.18

- NBP Lots
- Floodway
- Floodplain

Real East Texas
LONGVIEW
ECONOMIC DEVELOPMENT CORP.

410 N Center St | Longview, TX 75601
903-753-7878 | LongviewUSA.com

This product is for informational purposes only and is not suitable for legal, engineering, or surveying purposes. The Longview Economic Development Corporation expressly disclaims any and all liability in connection herewith.



City Council Meeting Agenda

5:30 p.m.

March 10, 2022

300 West Cotton Street

Jo Ann Metcalf Municipal Building

City Hall Council Chamber

At its regularly scheduled meeting on the above date and time, the Longview City Council will consider approval of a tax abatement agreement as described below:

Name of the property owner and the name of the applicant for the tax abatement agreement: Aviagen North America, Inc., a Delaware Corporation (the "Company")

Name and location of the reinvestment zone in which the property subject to the agreement is located: The property is Lot 2, Block 1 of the Replat of Longview Business Park, Phase 4, as shown on the plat thereof, filed for record in Plat Cabinet B, Slide 192-B of the Plat Records of Harrison County, Texas. The property is located within the boundaries of the following reinvestment zone: City of Longview Enterprise Zone for Texas Census Block Group 482030206043045, Texas Census Block Group 482030206043047 and Texas Census Block Group 482030206043071 in Texas Census Tract 203020604.

General description of the nature of the improvements or repairs included in the agreement: The Company intends to construct a new poultry breeder hatchery and install associated furniture, fixtures, and equipment.

Estimated cost of the improvements or repairs: The Company intends to expend a minimum of \$24,245,000.

Any final action, decision, or vote on a matter deliberated in a closed meeting will only be taken in an open meeting that is held in compliance with Texas Government Code, Chapter 551. The City Council reserves the right to adjourn into a closed meeting or executive session as authorized by Texas Government Code, Sections 551.001, et seq. (the Texas Open Meetings Act) on any item on its open meeting agenda in accordance with the Texas Open Meetings Act, including, without limitation Sections 551.071-551.088 of the Texas Open Meetings Act. In addition, the City Council may consider a vote to excuse the absence of any City Council Member for absence from this meeting or for absence from any previous City Council meeting.

Persons with disabilities who plan to attend this meeting and who may need auxiliary aid or services are requested to contact the City Secretary's Office at 903.237.1080 at least two days before this meeting so that appropriate arrangements can be made. Para ayuda en español, por favor llame al 903.237.1000.

HARRISON CENTRAL

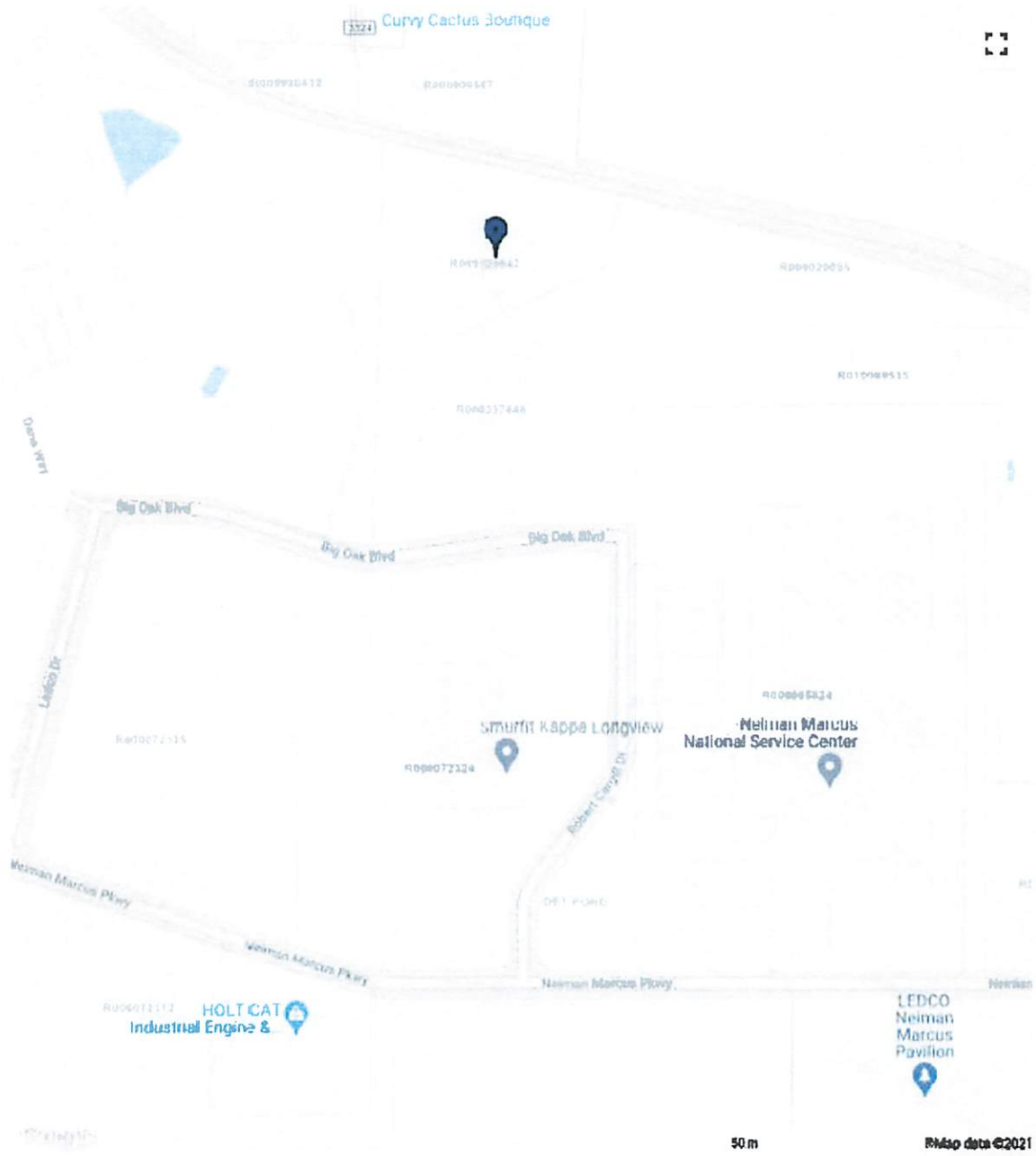
[Home](#) [Return to Search](#) [Print](#)

[Property Year 2021](#) [Tax Summary](#) [Map/Gis](#)

Information Updated 7/2/2021

Property ID: R009920642 Geo ID: 01475.00400.00010.000000

Previous Property 14 / 15 Next Property



HARRISON CENTRAL

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[Property Year 2021](#) [Tax Summary](#) [Map/Gis](#)

Property ID: R000037448 Geo ID: 00245.00370.00000.000000

Information Updated 7/2/2021

[Previous Property](#) 6 / 15 [Next Property](#)

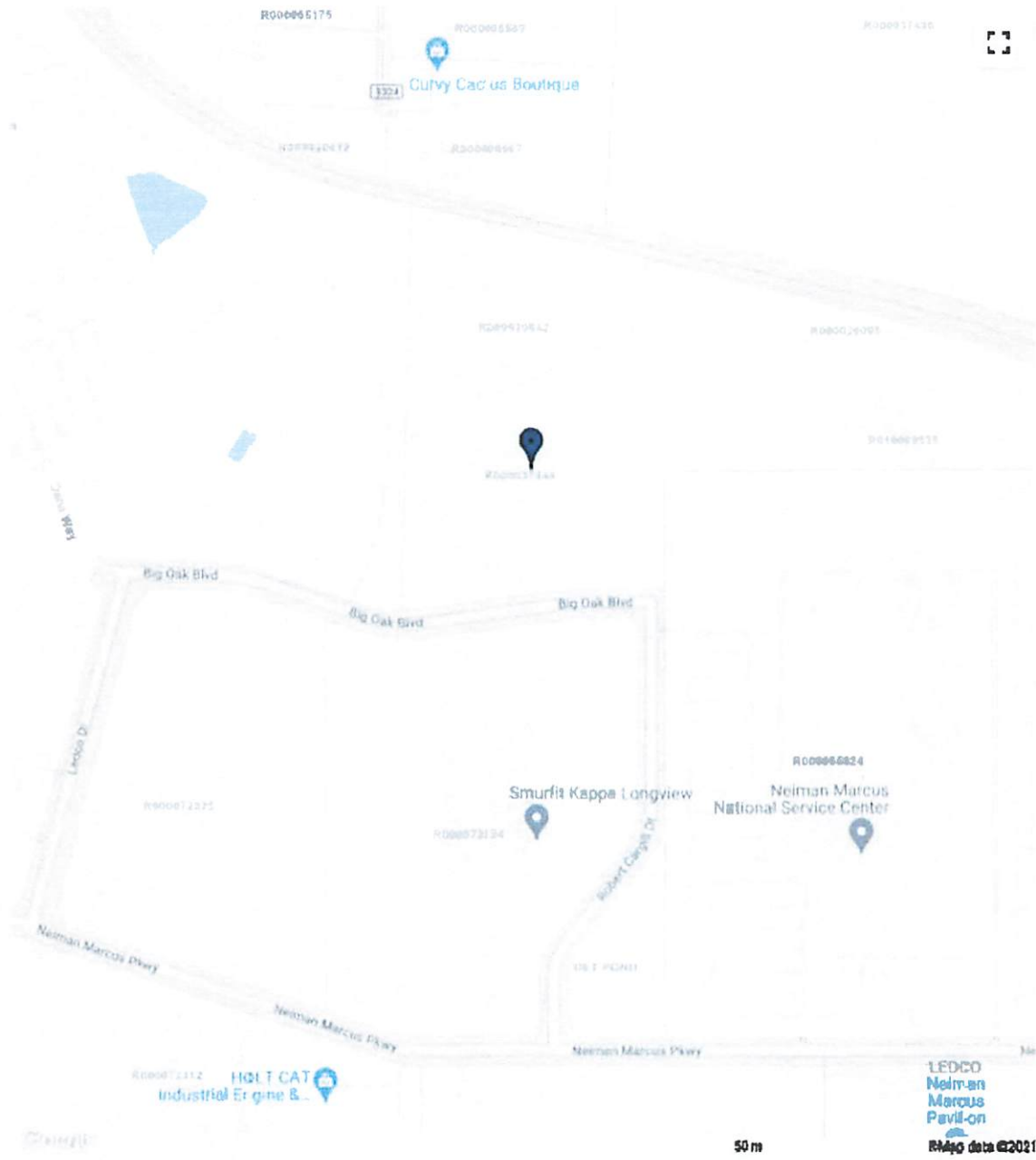


EXHIBIT E

Project Description including Time Schedule for Undertaking and Completing Project

Since 1923, Aviagen® has been a preferred global poultry breeding company with a mission to help its customers – the world's chicken meat producers -- supply sustainable, affordable and nutritious protein to their growing communities. Putting into practice its corporate value of "Breeding Sustainability," Aviagen implements efficiencies that make commercial chicken production environmentally and socially responsible and economically beneficial to producers, while at the same time promoting bird performance, health and welfare.

To meet varied market demands, Aviagen offers a full portfolio of breeding stock under the Arbor Acres®, Indian River® and Ross® brand names. The Rowan Range® and Specialty Males® target slower-growing and other niche market needs. Aviagen is based in Huntsville, Alabama, US., with operations across the UK, Europe, Turkey, Latin America, India, Australia, New Zealand, Africa and the US, and joint ventures in Asia. The company employs close to 8,000 people, and serves customers in 100 countries. As the worldwide market leader in poultry breeding, Aviagen® has over 260 production facilities and 27 commercial hatcheries around the world that work continuously to provide Aviagen stock.

This latest project is intended to keep pace with growing regional customer demand. Aviagen will construct its 9th state-of-art North American hatchery with construction estimated to begin during Q4 2021 and be completed during Q4 2022. The Company will invest approximately \$24,245,000 and create 69 new full-time jobs. The hatchery will be able to set 1.1 million eggs per week and supply customers both domestically in North America and internationally.

EXHIBIT F

Planned Water and Sewer Treatment Methods and Disposal of Effluent

Not applicable. All water and treatment services will be provided by the City of Longview.

EXHIBIT G

Letter/Statement regarding Variance Requests

No variances are requested or required.

EXHIBIT H

Statement on Planned Use of Harrison County Vendors

Aviagen intends to utilize qualified Harrison County vendors and services where applicable in the construction and operation of the facility to the extent possible.

EXHIBIT I

Detailed Itemized List of Tangible Personal Property requesting to be abated.

Furniture/Fixtures	\$	15,000
Phone and Computer Equipment	\$	115,000
IT Infrastructure & Licensing Fees	\$	115,000
Machinery & Equipment	\$	4,000,000
Total Personal Property	\$	9,245,000

EXHIBIT J

Application for Abatement with Other Taxing Jurisdictions

See Attached City of Longview Tax Abatement Application

**CITY OF LONGVIEW
LONGVIEW ECONOMIC DEVELOPMENT CORPORATION
TAX ABATEMENT APPLICATION**

DATE:

APPLICANT INFORMATION

COMPANY NAME: **Aviagen North America, Inc.**
COMPANY REPRESENTATIVE/TITLE: **Jason Mack**
MAILING ADDRESS: **920 Explorer Blvd. NW, Huntsville, Alabama 35806**
PHONE: **256-890-3800**
FAX:

PROJECT LOCATION

PHYSICAL ADDRESS: **2105 Big Oak Blvd., Longview, TX 75601**
LEGAL DESCRIPTION:
1) Prop ID: **R009920642**: Legal: Acres: 5.943, Lot: PT 1, Blk: 1, Subd: **LONGVIEW BUSINESS PARK P4, V**
2) Prop ID: **R000037448**: Legal: Acres: 9.494, Abst: **245 A FERGUSON, V**

PROJECT DESCRIPTION

Briefly describe activities to be performed at this location, including a description of products to be produced and/or services to be provided.

Aviagen will construct its 9th state-of-art North American hatchery with construction estimated to be completed in September 2022. The Company will invest approximately \$24,245,000 and create 69 new full-time jobs. The hatchery will be able to set 1.1 million eggs per week and supply customers both domestically in North America and internationally.

FISCAL IMPACT

PRESENT VALUE
(per Harrison County Appraisal District)
LAND \$79,350
IMPROVEMENTS \$0
PERSONAL PROPERTY \$0
TOTAL PRESENT VALUE \$79,350

ADDITIONAL PROJECT VALUE
SITE DEVELOPMENT - \$0
STRUCTURES - \$20,000,000
PERSONAL PROPERTY - \$4,245,000

ABATEMENT REQUESTED ON:

- REAL PROPERTY IMPROVEMENTS
 PERSONAL PROPERTY IMPROVEMENTS
 BOTH

LOCAL BUSINESS IMPACT

ANNUAL VALUE OF SUPPLIER AND SERVICES CONTRACTS WHEN PROJECT IS FULLY OPERATIONAL: **For expenses such as supplies, fuel, and other costs we estimate around \$1,000,000.**

PERCENTAGE OF TOTAL SUPPLIER/SERVICES CONTRACTS TO BE AWARDED TO LONGVIEW BUSINESSES: **We estimate around 40% at this time.**

DESCRIBE ANY OTHER DIRECT BENEFITS TO THE CITY OF LONGVIEW AS A RESULT OF THIS PROJECT: **See the attached Longview Economic Impact Analysis.**

DEVELOPMENT IMPACT

DESCRIBE ANY OFF-SITE INFRASTRUCTURE REQUIREMENTS:

WATER: **N/A**

SANITARY SEWER: **Connection to Sewer System; Lift Station**

STORM SEWER: **N/A**

STREETS: **N/A**

OTHER: **N/A**

PROPERTY INFORMATION

IS PROPERTY ZONED APPROPRIATELY FOR INTENDED USE?

CURRENT ZONING: **Heavy Commercial**

REQUIRED ZONING: **No change required**

IS PROPERTY PLATTED? **Yes**

WILL REPLATTING BE NECESSARY? **Yes, currently underway**

DESCRIBE ENVIRONMENTAL IMPACTS, IF ANY, CREATED BY THE PROJECT OR BY THE PROJECT CONSTRUCTION: **None**

	TAXING ENTITY			
	CITY OF LONGVIEW	Harrison COUNTY	ISD (Hallsville)	SPECIAL DISTRICT
PRESENT TAX RATE	.5589	.3548	1.2504	None
TOTAL PRESENT VALUE	\$79,350	\$79,350	\$79,350	N/A
TOTAL PRESENT TAXES	\$0	\$0	\$0	\$0
TOTAL ADDITIONAL PROJECT VALUE	\$24,794,500	\$24,794,500	\$24,794,500	N/A
TAXES ON ADDITIONAL VALUE (W/O ABATEMENT)	\$118,190 (2022)	\$75,030 (2022)	\$264,420 (2022)	N/A
TOTAL TAXES (W/O ABATEMENT)	\$118,190 (2022)	\$75,030 (2022)	\$264,420 (2022)	N/A

EMPLOYMENT IMPACT

Each application will be reviewed on its merits. However, except in extraordinary circumstances, a minimum of 25% of the new employees hired should be Longview residents. The Company shall submit an employment report annually and a prorata reduction of the abatement may occur if the percentage is not met.

CONSTRUCTION EMPLOYMENT

ESTIMATED CONSTRUCTION START DATE: **October 2021**
ESTIMATED CONSTRUCTION COMPLETION DATE: **September 2022**
NUMBER OF CONSTRUCTION JOBS: **95 at peak**
ESTIMATED TOTAL CONSTRUCTION PAYROLL: **\$5,797,000**

COMPANY EMPLOYMENT	CURRENT STATUS	STATUS AT OPENING	3 YRS AFTER OPENING	10 YRS AFTER OPENING
ANNUAL PAYROLL	\$0	\$2,400,000	\$2,500,000	\$2,700,000
TOTAL FULL-TIME EMPLOYEES	0	69	69	69
# OF TRANSFERRED EMPLOYEES	0	TBD	TBD	TBD

JUSTIFICATION

Attach document to substantiate and more fully describe the justification for this tax abatement request. Include the amount of the abatement requested and show how it will contribute to the financial viability of the project.

The Company is requesting a real and personal property tax abatement from the City of Longview and Harrison County in order to make the project viable and successful given the overall business costs and to improve the return on investment of the project in this location.

FINANCIAL INFORMATION

Attach a copy of the company's latest audited financial statement, or in the case of a new project, a business plan.

See attached.

CERTIFICATION

This application for tax abatement is submitted with the acknowledgement that additional certified financial information may be required. It is further understood and acknowledged that the Longview City Council local consultants, construction firms, and suppliers. If approved, the final abatement agreement will require use of local firms when possible in conjunction with this project.

Jesse Harbo

Authorized Signature

9/2/2021

Date