

For Office of the Governor Use Only

Project: _____

Community: _____

Date: _____

Application Fee Enclosed



Texas Enterprise Fund Application

Office of the Governor



OFFICE OF THE GOVERNOR

RICK PERRY
GOVERNOR

Texas Enterprise Fund

"The Texas Enterprise Fund continues to be the most successful deal-closing fund in the nation, creating new jobs for Texans, benefits to the local economy and is yet another sign that Texas remains one of the world's premiere places to do business."--Governor Rick Perry

Governor Rick Perry has made job creation and economic development a cornerstone of his administration, creating one of the best business climates in the nation. In recognition of these efforts, Texas was ranked as the 2009 Best Business Climate by *Business Facilities* magazine. In addition, for the third time in a row, corporate relocation specialists have ranked Texas No. 1 for business climate in *Site Selection* magazine's 2009 executive survey. The Lone Star State is also poised for continued success, dominating *Forbes'* 2009 Fastest-Recovering Cities list with four cities in the top 10.

At the Governor's request and with the support of Lieutenant Governor David Dewhurst and Speaker Tom Craddick, the Texas Legislature established the Texas Enterprise Fund. Since that time the state has been able to respond quickly and aggressively to opportunities to bring well over 52,000 jobs to Texas.

The Texas Enterprise Fund provides the state's leaders with a "deal closing fund" that has the flexibility and financial resources to help strengthen the state's economy. The fund can be used for a variety of economic development projects including infrastructure development, community development, job training programs and business incentives. Before funds can be awarded, the Governor, Lieutenant Governor and Speaker must unanimously agree to support the use of the Texas Enterprise Fund for each specific project.

The Texas Enterprise Fund is used primarily to attract new business to the state or assist with the substantial expansion of an existing business as part of a competitive recruitment situation. State leadership also will be able to use Enterprise funds to leverage other resources for an economic development project.

To be eligible for Texas Enterprise Fund support, a project must demonstrate a significant return on the state's investment and strong local support. The review process will consider a variety of factors associated with each project, including job creation and wages, capital investment, the financial strength of the applicant, the applicant's business history, analysis of the relevant business sector, and public and private sector financial support.

If you have a project that can benefit from the Texas Enterprise Fund, an application must be submitted to the Office of the Governor, Economic Development and Tourism division that provides information on how funds are to be utilized and how the proposed project meets the criteria of the program. If a project receives Texas Enterprise Funds, a performance document will be adopted which will include default provisions.

For more information on the Texas Enterprise Fund, contact Texas Business Development at (512) 936-0100 or visit http://governor.state.tx.us/ecodev/financial_resources/texas_enterprise_fund.

INSTRUCTIONS

Submit a completed application to the Office of the Governor. If application is submitted through regular mail, mail the application to Post Office Box 12878, Austin, Texas 78711-2878. If through overnight delivery, send to Office of the Governor, Attention Financial Services, 1100 San Jacinto, Austin, Texas 78701. Include all requested information for all sections since any performance documents or State Agreements developed will use details represented in this application. Be accurate and thorough to avoid delays in processing. Where no response is possible, it should be marked N/A. Attachments and additional pages are not required unless specifically requested in the application. Any necessary supplemental information will be requested as a follow-up document. Original signatures must accompany the completed application. Always use the most current application found at <http://governor.state.tx.us/files/ecodev/tefapp.doc>.

CERTIFICATION OF APPLICATION – COMMUNITY

Authorized Community Representative

First Name _____ Last Name _____

Title _____

Organization _____

Street Address _____

Mailing Address _____

City _____ State TX _____ Zip _____ - _____

Phone Number _____ Fax Number _____

Mobile Number _____ Website _____

Email Address _____

To the best of my knowledge and belief, the information contained in this Texas Enterprise Fund Application is true and correct, as evidenced by my signature below.

Signature _____ Date _____
(Community Representative)

Texas Enterprise Fund Application

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CERTIFICATION OF APPLICATION – BUSINESS

Authorized Business Representative (This is the Applicant)

First Name _____ Last Name _____

Title _____

Organization _____

Street Address _____

Mailing Address _____

City _____ State _____ Zip _____ - _____

Phone Number _____ Fax Number _____

Mobile Number _____ Website _____

Email Address _____

I authorize the Consultant to provide and obtain information related to this application

Consultant Name _____ Phone Number _____

Consultant Email _____

To the best of my knowledge and belief, the information contained in this Texas Enterprise Fund Application is true and correct, as evidenced by my signature below. I further certify that the business entity is in good standing under the laws of the state in which the entity was organized and that no delinquent taxes are owed to any taxing entity within the State of Texas.

Signature _____ Date _____
(Primary Business Representative)

GIVEN under my hand and seal of office this _____ day of _____, _____

Notary Public, State of _____

(Notary Seal)

My commission expires _____

APPLICATION FEE

Enclosed Non-refundable Application Fee in the amount of \$1,000 payable to Office of the Governor.

BUSINESS APPLICANT INFORMATION

Exact Legal Name under which Application is made _____

Federal Tax ID Number _____ Comptroller of Public Accounts Number _____

Corporate Credit Rating and Source _____ Service / Product Produced _____

Will the Business be required to pay State Sales and Use Tax on equipment? Yes No Undetermined

SIC Code _____ NAICS Code _____

Exact Location of Proposed Texas Site (Address or Intersection) _____

APPLICANT BUSINESS STRUCTURE

Registered to do business in Texas with the Texas Secretary of State? Yes No

If "Yes," identify the exact name used by company to register in Texas _____

Identify Structure of Applicant (private, public, LLP, LLC, etc.) _____

Evidence of good standing under the laws of the state in which the business was formed or organized is required. Attach a certificate issued by the secretary of state or the state official having custody of the records pertaining to entities or other organizations formed under the laws of that state. If the company is currently registered with the Texas Comptroller of Public Accounts (CPA) for tax purposes, all CPA records must show the applicant company, as well as all related parent or subsidiary entities, to be in good standing.

1) Articles of Incorporation Yes No

2) State of Incorporation: _____

Number of Years in Business _____ Number of Employees Worldwide _____

Ticker Symbol & Exchange _____ Parent Company _____

Including the parent company, will any other entity be financially involved with this project? Yes No

List any person or entity that has at least 5% ownership in the company

Name

Percent

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Texas Enterprise Fund Application

Please list all direct subsidiary companies of the applicant by their exact legal names

Is the Applicant in "good standing" with the Texas Comptroller (current on all tax obligations)? Yes No

Are all parent and subsidiary entities of the Applicant in "good standing" with the Texas Comptroller? Yes No

If the answer to either question is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas (additional information may be required).

EXISTING JOBS AT OTHER TEXAS LOCATIONS

<u>City</u>	<u>No. of Jobs</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total Jobs, Other Texas Locations	_____

Will project result in job losses in any existing Texas location? Yes No

If yes, has the affected community been notified? Yes No

Please note that any potential agreement will include this baseline employment information.

BRIEF PROJECT SUMMARY

Provide a brief overview of the project including the physical location of the site (do not attach additional documentation).

PROJECT CHARACTERISTICS (check all that apply)

- | | | |
|-----------------------------------|---|---|
| <input type="checkbox"/> New Jobs | <input type="checkbox"/> Construct New Facility | <input type="checkbox"/> New Business / Start-up |
| | <input type="checkbox"/> Expand Existing Facility | <input type="checkbox"/> Relocation from Out-of-State |
| | <input type="checkbox"/> Renovate Existing Facility | <input type="checkbox"/> Expansion |
| | <input type="checkbox"/> Purchase Machinery & Equipment | <input type="checkbox"/> Consolidation |
| | | <input type="checkbox"/> Relocation within Texas |

Square footage of manufacturing building (if applicable) _____
Investment for pollution control equipment (if applicable) _____
Investment for clean rooms (if applicable) _____
Inventory at project location (if applicable) _____

PROJECTED CAPITAL INVESTMENT Total must match Investment Schedule pg. 7

Land _____
Building(s) _____
Machinery & Equipment _____
Total _____

Working Capital _____

Do not include working capital in calculation to the left.

COMMITTED SOURCES OF FUNDING

Business Participation _____
Financial Institution(s) _____
Local Participation _____ (excluding abatements)
Federal Participation _____
Other _____
Total _____

Provide a brief summary of committed funding in the space below (do not attach additional pages).

PROJECTED DATES & MILESTONES

Begin Construction _____ Begin Hiring New Employees _____
Construction Complete _____ Fully Operational _____
Purchase Machinery & Equipment _____
Is construction on leased property? Yes No
If yes, is it a capitalized lease? Yes No

PERMITS

Pending Current No Permits Required

Estimated state and local fee related revenue generated by this project _____

List any local, state or federal permits that will be, or have been acquired, including the corresponding fees paid, issuing agency and the expected date of receipt, if applicable.

JOB CREATION & INVESTMENT SCHEDULE (Must match Projected Capital Investment pg.5)

<u>Year</u>	<u>Existing Jobs</u>	<u>New Jobs</u>	<u>Total Jobs</u>	<u>Land</u>	<u>Building(s)</u>	<u>Machinery & Equipment</u>	<u>Total Investment</u>
2010	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
TOTALS		<input type="text"/>		<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Note: A breakdown of the types of new full-time jobs to be created by classification, title, and the salary may be requested.

Texas Enterprise Fund Application

Number of new full-time jobs to be included in State Agreement _____

Estimated annual median wage of new jobs to be created _____

Note: The median wage is determined by listing all salaries in ascending order and selecting the value with equal number of salaries above and below its value, or with an average of the two middle values if there is no middle number.

PRIMARY COMPETITION FOR PROJECT (Out of State)

<u>City</u>	<u>State or Country</u>	<u>Incentive</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

INDUSTRY CLUSTER

If applicable, identify the targeted industry cluster within which this project falls.

- Advanced Technologies and Manufacturing, including four sub-clusters: Nanotechnology and Materials; Micro-electromechanical Systems; Semiconductor Manufacturing; Automotive Manufacturing
- Aerospace, Aviation and Defense
- Biotechnology and Life Sciences, not including medical services
- Information and Computer Technology, including three sub-clusters: Communications Equipment; Computing Equipment and Semiconductors; Information Technology
- Petroleum Refining and Chemical Products
- Energy, including three sub-clusters: Oil and Gas Production; Power Generation and Transmission; Manufactured Energy Systems
- None Apply

TEF REQUEST & OTHER STATE ASSISTANCE

Identify state programs that the project will apply for:

<u>State Source</u>	<u>Amount</u>
_____	_____
_____	_____
_____	_____
Texas Enterprise Fund request	=====
Total	=====

COMMUNITY TAX RATES & LOCAL INCENTIVE INFORMATION

(Represent tax rates to the 4th decimal per \$100 evaluation)

	<u>Entity</u>	<u>Tax Rate</u>
Tax Rate City	_____	_____
Tax Rate County	_____	_____
Tax Rate School District	_____	_____
M&O Rate	_____	_____
Special Tax Districts	_____	_____
Other Taxing Entities	_____	_____

Total Combined Local Tax Rate (Include all applicable taxing entities) _____

County depreciation schedule for personal property (attachment included)

Yes No

Will local abatements be offered?

Yes No

Incentive / Abatement Agreement Details

Abatement Agreement	Real Property Percentage	Business Personal Property Percentage	Term Length in Years	Maximum (If Applicable)
City				
County				
Other Taxing Entities				

Please use the following text box for additional details regarding the local abatements listed in the table above. Also describe any additional local incentives relating to the project.

AVERAGE WEEKLY WAGE (AWW)

County where Qualified Business is Located _____

Attached County Average Weekly Wage backup (use the most recent four quarters available) Attached Yes No

First Quarter	_____	Quarter	_____
Second Quarter	_____		
Third Quarter	_____		
Fourth Quarter	_____		
TOTAL	_____	÷ 4 =	_____
			(County AWW)

Calculate the average weekly wage **excluding benefits** in the formula below including only the new jobs represented in this application for state benefit. Please use the Average Annualized Wage that will apply in year one of job creation.

_____ ÷ 52 = _____
Avg. Annualized Wage Without Benefits *AWW*

To determine the annual weekly wage of the county, go to the following web site and fill out the data link request.

<http://www.tracer2.com/cgi/dataanalysis/AreaSelection.asp?tableName=Industry>

Section 1: Select **COUNTY**

Section 2: Select the County you are researching e.g. **"ANDERSON"**

Click **CONTINUE**

Section 3: Select year – e.g **2008** (use the most recent four quarters available)

Section 4: Select Time Period – select **ALL**

Click **CONTINUE**

Section 5: Select Industry Code – **NAICS**

Section 6: Select Ownerships – select **ALL**

Section 7: Select Division – select **ALL**

Click **CONTINUE**

Section 8: Select Industries – select **TOTAL, ALL INDUSTRIES**

Section 9: Select Data Series – select **AVG WEEKLY WAGES**

Order by: select **AREA**

VIEW DATA

Does the company offer employee benefits including healthcare? Yes No

If so, what percentage of benefits is paid by the Company? _____

BENEFIT TO THE STATE

Independent Economic Impact Analysis attached (required) Yes No

Independent Economic Impact Analysis prepared by: _____

The analysis must be conducted by a third-party entity not related to the applicant, and must include the following:

- A. Total capital investment and employment, with timeline for each
- B. Outline of Economic and Fiscal Impacts of:
 1. Project construction phase
 2. Annual operations for each of the first 10 years of operation

Impacts during construction phase should include:

- Total Expenditure
- Gross State Product impact
- Retail Sales
- Total State Tax Revenue
- Direct, indirect, induced and total peak employment
- Direct, indirect , induced and total payroll

Impacts during *each year* of annual operations should include:

- Total Expenditure
- Gross State Product impact
- Retail Sales
- Total State Tax Revenue
- Direct, indirect, induced and total permanent employment
- Direct, indirect , induced and total payroll

- C. Executive Summary of the analysis highlighting the following data items:
 1. Gross State product impact during *first year of full employment*
 2. Total payroll (including direct, indirect, and induced) during *first year of full employment*
 3. Total jobs (including direct, indirect, and induced) during *first year of full employment*

COMPANY FINANCIAL DATA

The applicant company is asked to provide three consecutive years of financial data in the form of independent, audited financials containing, at a minimum, the following categories:

- Current Assets
- Inventories
- Total Assets
- Current Liabilities
- Total Liabilities
- Total Equity
- Net Income
- Revenue
- Cost of Goods Sold
- Current Accounts Receivable

CONFIDENTIALITY NOTICE

The Office of the Governor, Economic Development and Tourism division, as a state agency, must comply with the Texas Public Information Act (the "Act"). Under the Act the agency may have authority to maintain the confidentiality of the name of and other information related to a company seeking to locate in the state until after the location negotiations are completed. In the event that a public information request related to the company is submitted to the agency, the agency will (i) promptly notify the company of the request, (ii) if appropriate, take all possible and appropriate actions with the Attorney General of Texas to prevent release of the information, including asserting exemptions under the Act (including the Economic Development Negotiations exception of section 552.131 and the Trade Secrets/Commercial Information exception of section 552.110) and (iii) provide the company with full information and opportunity to participate in such process.

The applicants acknowledge that negotiations and information related to this application shall be treated as confidential, and that a full faith effort will be made to prevent the disclosure of any such negotiations. The applicants further agree that they will not disseminate information regarding any subsequent agreement except as directed by the Office of the Governor. Breach of confidentiality regarding this application may be grounds for termination of negotiations.

Checklist and requested attachments:

	TEF Application Pre-Submission Checklist	Check Completed
A	Certification Pages signed by Community	
B	Certification Pages signed by Company	
C	Articles of Incorporation (Attachment Included)	
D	Certificate of Good Standing for Applicant from the Texas Comptroller of Public Accounts(Attachment Included)	
E	Applicant company and all parent or subsidiary entities verified in Good Standing with the Texas Comptroller of Public Accounts *	
F	State and Local Fee Estimate	
G	State Assistance & TEF Request Amount	
H	County Depreciation Schedule (Attachment Included)	
I	Average Weekly Wage (Attachment Included)	
J	Economic Impact Analysis (Attachment Included)	
K	Audited Financial Documentation for Applicant Company (Attachment Included)	

* To resolve any issues regarding a company's status with the Texas Comptroller of Public Accounts (CPA), please contact the CPA's Franchise Tax Division as (512) 463-4402.