

**Industrial District Agreement Fact Sheet**

* Industrial District Agreements are allowed under Texas Local Government Code 42.044 which guarantees the City will not annex property for a specific time.
* By State Law Industrial District Agreements cannot exceed 15 years.
* The City of Corpus Christi has 72 current Industrial District agreements
* Current Industrial District Agreements were negotiated in 2012-13 with a ten-year term starting on January 1, 2015.
* The next Industrial District Agreement negotiations should begin in 2022 or 2023 with a new term starting January 1, 2025.
* All City of Corpus Christi Industrial District Agreements have the same terms and conditions except two.
* Negotiations were done with representatives from some of our larger industrial companies, including the large refineries.
* In 2017, $10,978,766 was collected from Industrial District Agreements.
* Some of the terms of the current City of Corpus Christi Industrial District Agreements include:
  + Promise to not annex in exchange for payments in lieu of taxes.
  + City is not required to provide services to the property.
  + Companies not required to follow some of our code requirements.
  + Payment of 100% of land value taxes as if property was in City limits.
  + 62.5% of improvement value taxes as if property was in City limits.
  + New improvement values are not included until four years after placed in service.
  + Personal property is not included.
  + Two agreements require 100% of land and improvement values as if property was in City limits.
  + May opt to receive fire protection services from the City of Corpus Christi for an additional cost.
* The City reviewed practices of at least 15 other cities with Industrial District Agreements for best practices during previous negotiations.
* Companies provide a signed affidavit of land and improvement values which is compared with values provided by the Nueces County Appraisal District.
* The Finance Department bills the Industrial District Agreements in November of each year. If payment is not received by January 31st, interest accrues on any past due balance.
* When an Industrial District Agreement company appeals their tax valuation, they must notify the City within 30 days. The company is required to pay the bill and if on appeal or final court decision it is determined a lower amount the City will reimburse the difference. If the appeal results in a higher bill, the company will pay the additional amount.
* The top twenty values (per property account) in Nueces County for 2017 include: Valero Refining, Flint Hills Resources – West Plant, Citgo Refining, Buckeye Texas Processing, AEP, Equistar Chemicals, Celanese, Barney M Davis, Nueces Bay WLE, Flint Hills – East Plant, Buckeye Texas Hub, Valero Marketing & Supply, Equistar Chemicals, M&G Resins, Flint Hills Resources, Texstar Midstream Services, Corpus Christi Retail Venture, Butt HE Grocery, Citgo Refining, Electric Transmission of Texas. Source: Nueces County Appraisal District Full list can be found at: http://www.ncadistrict.com/Downloads\_and\_Reports