

- A. Year 1 of the abatements shall be the assessment year after the qualifying improvements have been placed in service, as determined by the Zone Administrator. Abatements shall terminate upon expiration of the term of the Zone.
- B. For **INDUSTRIAL** (as defined in the City Zoning Ordinance) projects occurring on parcels or properties located within the boundaries of the Zone, taxes on the increased assessment amount due to rehabilitation, expansion, or new construction, shall be abated. The duration and percentage of tax abatement shall be based on Investment Levels and Job Creation/Retention Levels as outlined below.

Investment Level 1: Industrial Companies shall make a minimum investment of \$500,000.

Job Creation: Must maintain 95% of agreed upon base level full-time equivalent employment.

The following abatement schedule shall be followed:

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| 1. For taxes levied in the first year of abatement: | 100% |
| 2. For taxes levied in the second year of abatement: | 100% |
| 3. For taxes levied in the third year of abatement: | 100% |
| 4. For taxes levied in the fourth year of abatement: | 0.0% |

Investment Level 2: Industrial Companies shall make a minimum investment of \$2,500,000

Job Creation: Industrial Companies must create ten (10) full-time equivalent jobs.

The following abatement schedule shall be followed:

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| 1. For taxes levied in the first year of abatement: | 100% |
| 2. For taxes levied in the second year of abatement: | 100% |
| 3. For taxes levied in the third year of abatement: | 100% |
| 4. For taxes levied in the fourth year of abatement: | 75% |
| 5. For taxes levied in the fifth year of abatement: | 75% |
| 6. For taxes levied in the sixth year of abatement: | 75% |
| 7. For taxes levied in the seventh year of abatement: | 50% |
| 8. For taxes levied in the eighth year of abatement: | 50% |

- 9. For taxes levied in the ninth year of abatement: 50%
- 10. For taxes levied in the tenth year of abatement: 0.0%

C. Knowledge Based Companies. The Knowledge Based Company must meet the definition described in Section A.3 above. The duration and percentage of tax abatement shall be based on Investment Levels and Job Creation/Retention Levels as outlined below.

Investment Level 1: Knowledge Based Companies shall make a minimum investment of \$500,000.

Job Creation: Knowledge Based Companies must create five (5) full-time equivalent jobs.

The following abatement schedule shall be followed:

- 1. For taxes levied in the first year of abatement: 100%
- 2. For taxes levied in the second year of abatement: 100%
- 3. For taxes levied in the third year of abatement: 100%
- 4. For taxes levied in the fourth year of abatement: 0.0%

Investment Level 2: Knowledge Based Companies shall make an investment of \$2,500,000.

Job Creation: Knowledge Based Companies must create ten (10) full-time equivalent jobs.

The following abatement schedule shall be followed:

- 1. For taxes levied in the first year of abatement: 100%
- 2. For taxes levied in the second year of abatement: 100
- 3. For taxes levied in the third year of abatement: 100%
- 4. For taxes levied in the fourth year of abatement: 75%
- 5. For taxes levied in the fifth year of abatement: 75%
- 6. For taxes levied in the sixth year of abatement: 75%
- 7. For taxes levied in the seventh year of abatement: 50%
- 8. For taxes levied in the eighth year of abatement: 50%
- 9. For taxes levied in the ninth year of abatement: 50%
- 10. For taxes levied in the tenth year of abatement: 0.0%

D. Logistics Companies. The Logistics Based Company must meet the definition described in Section A.4 above. The duration and percentage of tax abatement shall be based on Investment Levels and Job Creation/Retention Levels as outlined below.

Investment Level 1: Logistics Companies shall make an investment of \$500,000.

Job Creation: Logistics Companies must create ten (10) full-time equivalent jobs.

The following abatement schedule shall be followed:

- 1. For taxes levied in the first year of abatement: 100%
- 2. For taxes levied in the second year of abatement: 100%
- 3. For taxes levied in the third year of abatement: 100%
- 4. For taxes levied in the fourth year of abatement: 0.0%

Investment Level 2: Logistics Companies shall make an investment of \$2,500,000.

Job Creation: Industrial Companies must create fifty (50) full-time equivalent jobs.

The following abatement schedule shall be followed:

- 1. For taxes levied in the first year of abatement: 100%
- 2. For taxes levied in the second year of abatement: 100%
- 3. For taxes levied in the third year of abatement: 100%
- 4. For taxes levied in the fourth year of abatement: 75%
- 5. For taxes levied in the fifth year of abatement: 75%
- 6. For taxes levied in the sixth year of abatement: 75%
- 7. For taxes levied in the seventh year of abatement: 50%
- 8. For taxes levied in the eighth year of abatement: 50%
- 9. For taxes levied in the ninth year of abatement: 50%
- 10. For taxes levied in the tenth year of abatement: 0.0%

E. Commercial Companies: The Commercial Company must meet the definition described in Section A.5 above. The duration and percentage of tax abatement shall be based on one level of investment and Job Creation/Retention Levels as outlined below.

Investment Level: Commercial Companies shall make a minimum investment of \$1,500,000.

Job Creation: Commercial Companies must create ten (10) full-time equivalent jobs.

The following abatement schedule shall be followed:

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| 1. For taxes levied in the first year of abatement: | 100% |
| 2. For taxes levied in the second year of abatement: | 100% |
| 3. For taxes levied in the third year of abatement: | 100% |
| 4. For taxes levied in the fourth year of abatement: | 0% |