

A photograph of a city street in Houston, Texas. In the foreground, there are lush green trees and a yellow building on the left. In the background, a city skyline with several skyscrapers is visible under a blue sky with white clouds. A traffic light and a car are also visible in the scene.

Green Stormwater Infrastructure Tax Abatement Application

City of Houston

Application for Green Stormwater Infrastructure Tax Abatement Program

Economic Development Division

Mayor's Office of Resilience

A completed original of this application, including supporting documentation must be submitted to the Chief Development Office, Economic Development Division, 901 Bagby, 4th Floor, Houston TX 77002. The application will become part of the agreement records and knowingly false representation will be grounds for terminating the application and/or voiding the agreement.

Mission Statement

The economic development team grows local and global businesses, while nurturing Houstonian's quality of life, an act only accomplished with sound public finance and disciplined sustainable development. The Mayor's Resilience Strategy, *Resilient Houston*, provides a framework for collective action for every Houstonian; our diverse neighborhoods and watersheds; City departments; and local and regional partners, to link existing efforts with new ones that will work to protect Houston against future disasters and chronic stresses.

The Green Stormwater Infrastructure (GSI) Tax Abatement Program aims to encourage implementation of GSI within private development which minimize the downstream impacts of development while providing environmental, social, and ecosystem benefits of services, which may include mitigating risk of flooding, reducing heat island effect of other climate-related hazards, improving water quality, sequestering carbon, encouraging water conservation, restoring native ecosystems, creating economic growth, or addressing quality of life challenges.

A Note from the City

Thank you for your interest in Houston!

The City of Houston reinforces and nurtures Houston's network of people, capital, and ideas; a network that gives Houston numerous comparative advantages. Moreover, the City understand that the challenges that Houstonians face are increasing in size, frequency and complexity serving as a reminder of the region's vulnerability to climate impacts and calling for transformative change. We all have a role to play in building resilience, including businesses, to minimize the risks we face, while maximizing co-benefits for communities we serve and operate in. The City of Houston prioritizes companies that feel enthusiastic about furthering resiliency, particularly in more vulnerable populations.

Green Stormwater Infrastructure is one tool that integrates resilience principles to make communities more adaptive and healthier, while minimizing impacts of development and reducing climate hazards.

After you complete this form, the City will explore all opportunities to collaborate with your enterprise. The team uses this form to score projects objectively. Projects that align well with existing initiatives (both public and non-profit) may receive more aggressive assistance; conversely, some projects may receive no funding. Nevertheless, the City of Houston will give all projects a high value consultation along with all resources to grow a business in Houston that simultaneously mitigate climate hazards.

Thank you again for your interest in Houston and best wishes in all future endeavors.

Contents

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- Project Background
- Financial Pro Forma
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- “But For” Agreement
- Application Checklist
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- Attachment 2. Resilience Matrix
- Attachment 3. Project Financial Pro Forma

Company/Applicant Information

Please include information of the property owner ultimately receiving the benefit of the GSI Tax Abatement.

Company/Applicant Legal Name: _____

Federal Tax ID#: _____

Phone Number: _____

State of Incorporation: _____

Years in Houston: _____

Annual Sales*: \$ _____

Total Employees: Houston: _____ Texas: _____ United States: _____

*Provide a copy of the most recent annual report or audited financial statements; if company is a start-up, provide documents of incorporation.

Corporate/Applicant Address: _____

Local Address (if different): _____

Website: _____

Email Address: _____

Business Structure

- Privately Held Corporation
- Publicly Held Corporation
- Limited Liability Corporation
- Sole Proprietorship
- Partnership
- Limited Partnership

Company/Applicant Mailing Address: _____

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Business Origin

- New Business or Start-Up
- Relocation from Within State
- Relocation from Outside of State
- Opening New Location
- Expansion of Previous Location

Industry Code

North American Industry Classification (NAICS): _____

Industry Cluster

- Biotechnology and Life Science, not including medical services
- Advanced Technologies and Manufacturing, including four sub-clusters: Nanotechnology and Materials; Micro-electromechanical Systems; Semiconductor Manufacturing; Automotive Manufacturing
- Petroleum Refining and Chemical Products
- Energy, including three sub-clusters; Oil and Gas Production; Power Generation; and Transmission; Manufactured Energy Systems
- Aerospace, Aviation and Defense
- Information and Computer Technology, including three sub-clusters; Communications Equipment Computing Equipment and Semiconductors; Information Technology
- Other: _____

Project Background

1. Provide statement of the proposed development, including:
 - a. description of existing site, all proposed building and infrastructure improvements planned on site, size of site, watershed and location, flood plain
 - b. type of green stormwater infrastructure utilized
 - c. similar projects this company has developed.
 - d. intended process for all required plans, certifications, and permit approvals to construct green stormwater infrastructure. Any obtained permits or approvals must be included as attachment.
 - e. proposed maintenance plan
 - f. documentation on how the project align with Resilient Houston. Please outline the goals of Resilient Houston, and any actions that this project will advance. <https://www.houstontx.gov/mayor/Resilient-Houston-20200518-single-page.pdf>. An example of how GSI relates to Resilient Houston is shown in Attachment 2; however, this list is non-exclusive. Attachment 2 should also be completed and submitted as part of this application
 - g. statement showing how the infrastructure will/can be utilized and be made accessible to other for purposes of study and education regarding best practices for design, construction, and maintenance green stormwater infrastructure
2. Provide a statement or written analysis that indicates that the green stormwater infrastructure will mitigate risk of flooding, reduce heat island effect or other climate-related hazards, improve water quality, sequester carbon, encourage water conservation, or restore native ecosystems through green stormwater infrastructure. The analysis must demonstrate how the GSI of the facility for which the applicant is seeking a tax abatement provides (i) hazard mitigation and additional environmental, social, or ecosystem benefits or services, and (ii) a net public benefit. The analysis should include:
 - a. Benefits calculations spreadsheet. See Attachment 1.
 - b. Written summary/statement of benefit calculations, methodology, and assumptions.
3. What is the projected investment for the project? Provide completed itemized cost details. What is the projected Green Stormwater Infrastructure investment for the project? Provide completed itemized cost details. Separate attachment may be included.

4. Cost Comparison: Traditional vs. GSI Development

Development without GSI		Development with GSI	
Total Project Development Costs	Conventional Stormwater Detention Costs	Total Project Development Costs	GSI Development Costs
\$	\$	\$	\$

*Please provide any background documentation, to be available upon request

Total GSI costs eligible for tax abatement = GSI Development Costs – Conventional Stormwater Detention Costs + co-benefits identified in Question 2 of this application

5. Please give the location of the planned investment (Either a Harris County Appraisal District (HCAD) reference of an exact address).

*Attach site plans or plate survey, and a Metes & Bounds description

6. Has the company benefited or applied for any federal, state, or local incentives for this project including but not limited to tax abatements?

Yes No

If yes, please attach appropriate documentation that formally explains the total benefit of incentives.

7. Attach an environmental impact study if land is undeveloped or previously served a facility that may have contaminated the land.

8. Is there an obstacle (physical, financial, legislative, etc.) that currently prevents this development?

Yes No

If yes, please explain and attach documentation that explains the obstacle and any assumptions of why this obstacle is a barrier.

9. Is the applicant requesting a variance to the Tax Abatement guidelines? **(See link below)**

If yes, describe the variance request and the explanation and related documentation justifying the variance. **(On a separate sheet)**

https://www.municode.com/library/tx/houston/codes/code_of_ordinances?nodeid=COOR_CH44TA_ARTIVTAAB

Expected Timetable

- 10. Project Construction Begins _____
- 11. Project Construction Ends _____
- 12. Project Operations Begin _____
- 13. Project Becomes Fully Operational _____
- 14. Design life of GSI investment _____
- 15. Maintenance period length for GSI investment for the _____

Estimated Appraised Value on Site	Land	Improvements	Total
Value on January 1 preceding abatement (per Harris County Appraisal District Records and Account Number)	\$	\$	\$
Estimated Value of new abatable investment: Building		\$	\$
Estimated Value of the new abatable fixed and in place machinery and equipment		\$	\$
Estimated value not subject to abatement (e.g. inventory)		\$	\$
Estimated value of property subject to ad valorem tax at end of abatement		\$	\$

Financial Pro Forma

- 16. Is the financial pro forma completed and attached, including a “but for” scenario? Attachment 3. Contains a sample template.
 Yes No

Letters of Support

- 17. Did this potential development receive letters of support from community groups?
 Yes No
 (If yes, please provide letters of support. Letters of support are optional, but highly encouraged.)

“But For” Argument

18. The Mayor and City Council of the City of Houston require that there be a “but for” for each potential economic incentive package. Succinctly stated, this project would not occur “but for” the City of Houston approving the incentive. Describe below the kind of gap this project is experiencing that would satisfy the “but for” argument.

For Commercial & Industrial Projects:

19. Will this project increase the quality of life of Houstonians beyond market measures?

Yes No

If yes, please explain:

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21. Would the company like to learn about the City of Houston's non-profit partners?
 Yes No

For Residential & Retail Projects:

22. Will the project develop closer than a half mile from a planned or current light rail station?
 Yes No

23. Will the project develop housing that increases housing diversity (e.g develop affordable housing in an affluent area or develop affluent housing in an underdeveloped area)?
 Yes No
If yes, please explain:

24. Will the project align with Livable Center guidelines (see link below)?
http://www.h-gac.com/community/liveablecenters/publications/liveable_centers_brochure.pdf
 Yes No
If yes, please explain:

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Company/Applicant Representative authorized for contact:

Print Name: _____

Title: _____

Contact Telephone: _____

Contact Email: _____

To the best of my knowledge, the information included and attached is true and correct in this application, as evidenced by my signature below.

Authorized Company Official/Applicant:

Signature: _____

Print Name: _____

Title: _____

Contact Telephone: _____

Email: _____

Application Date: _____

Checklist

- Completed Application Form
- Fees
- Project Narrative including attachments:
 - Documentation related to plans and permits
 - Evidence of Maintenance Plan
 - Link to Resilient Houston
- GSI Benefits Analysis
 - GSI Benefits Calculations
 - Most recent annual report or audited financial statements; if company is a start-up, provide documents of incorporation.
- Project Cost information including Itemized costs for GSI
- Cost Comparison background data
- Environmental impact study (if applicable)
- Site plans and survey (and other complimentary maps)
- Metes & bounds description
- Other local, state, or federal incentives information
- Variance Request and Explanation (if applicable)
- Description of proposed permits and plans, and any permits and plans already obtained
- Financial ProForma Template
- Letters of Support

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Attachment 1. GSI Benefits Calculator

Please complete the Green Infrastructure Valuation Tool and provide a written analysis indicating assumptions and methodology and completed spreadsheet as part of this application.

The Green Infrastructure Co-benefits Valuation Tool is intended to provide a framework, methods, and values to support rapid screening-level analysis of the costs and benefits associated with a range of GI investments. It was developed by Earth Economics with guidance from Exchange members.

Below are links to the most current version of the valuation tool and additional resources:

<https://giexchange.org/green-infrastructure-co-benefits-valuation-tool/>

1. Fact Sheet: [GreenStormwaterInfrastructure Handout](#)
2. Valuation Tool: [Green-Infrastructure-Valuation-Tool -Version-1.01](#)
3. User Guide: [Green-Infrastructure-Valuation-Tool-User-Guide-Version 1.01](#)

For more information, contact City of Houston Office of Economic Development.

Attachment 2. GSI Resilience Linkages

Resilient Houston Areas of Focus / Chapters	All Resilient Houston Goals	RH Actions Related to GSI	RH Sub-Actions Related to GSI	If selected, explain how the project meets the RH goals.
<p style="text-align: center;">PREPARED & THRIVING HOUSTONIANS</p>	<p>GOAL 1: We will support Houstonians to be prepared for an uncertain future</p>	<p>2 Mobilize Houstonians to adapt in the face of climate change</p>	<p>2.1 Grow climate risk awareness.</p>	
			<p>2.2 Weatherize existing homes and properties.</p>	
			<p>2.3 Advance green stormwater infrastructure.</p>	
	<p>GOAL 2: We will expand access to wealth-building and employment opportunities</p>	<p>4 Encourage community leadership, stewardship, and participation</p>		
		<p>7 Prepare Houston’s workforce and all young Houstonians for the jobs of the future</p>	<p>7.1 Support and enhance career pathways in resilience-related industries</p>	
	<p>GOAL 3: We will improve safety and a well-being for all Houstonians</p>	<p>8 Make our streets 100% safe for all Houstonians</p>		
		<p>10 Proactively care for Houstonians’ mental health</p>		
<p>11 Create a city where Houstonians of different ages and accessibility needs can thrive</p>				
<p style="text-align: center;">SAFE & EQUITABLE NEIGHBORHOODS</p>	<p>GOAL 4: We will ensure that all neighborhoods have equitably resourced plans</p>			
	<p>GOAL 5: We will invest in arts and culture to strengthen community resilience</p>			
	<p>GOAL 6: We will ensure all neighborhoods are healthy, safe, and climate ready</p>	<p>16 Make Houston neighborhoods greener and cooler to combat extreme heat</p>	<p>16.2 Accelerate tree planting and prairie restoration.</p>	
			<p>16.3 Expand cool and green roofs</p>	
			<p>16.4 Pilot cool pavement</p>	

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			16.5 Develop innovative shade structures	
		18 Ensure all neighborhoods have access to quality parks and nature	18.3 Increase access to nature for young Houstonians	
		19 Grow equitable access to quality food to nourish Houston’s status as a culinary capital		
		20 Prevent, mitigate, and recover from the effects of environmental injustice in our communities.	20.1 Coordinate with environmental justice partners	
			20.3 Increase air and water monitoring capacity.	
	GOAL 7: We will build up, not out, to promote smart growth as Houston’s population increases			
HEALTHY & CONNECTED BAYOUS	GOAL 8: We will live safely with water	25 Make room for water	25.2 Hold water where it falls, before it enters the bayou.	
			25.3 Expand the detention capacity of bayou corridors.	
			25.5 Increase water storage ambition over time to adapt as the climate changes	
		26 Clean Houston’s bayous and waterways	26.2 Advance sedimentation management.	
			26.3 Promote natural infiltration and treatment of stormwater by wetlands, prairies, and woodlands	

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	<p>GOAL 9: We will embrace the role of our bayous as Houston’s front yard</p>	<p>28 Respect bayous and natural floodplains as an integral part of Houston’s urban nature</p>	<p>28.2 Enhance ecological patches and corridors using restoration in city parks as model</p>	
			<p>28.3 Support the Headwaters to Bay Initiative</p>	
		<p>29 Increase access to our bayous for recreational, health, and other community benefits</p>	<p>29.3 Leverage investment for multi-purpose flood mitigation, recreation, transportation, and community health benefits</p>	
		<p>30 Encourage inclusive growth and economic development along bayou corridors</p>	<p>30.1 Promote trail-oriented development</p>	
<p>30.2 Combine floodway retrofits with neighborhood-scale planning and public and private investment opportunities.</p>				
<p>ACCESSIBLE & ADAPTIVE CITY</p>	<p>GOAL 10: We will demonstrate leadership on climate change through action</p>	<p>31 Adopt and implement the Climate Action Plan Goals and Actions</p>	<p>31.1 Lead by example through renewable energy use.</p>	
			<p>31.7 Lead by example through sustainable materials management</p>	
	<p>33 Holistically manage our water resources to be climate ready</p>	<p>33.3 Implement the City’s Water Conservation Plan and Drought Contingency Plan</p>		
	<p>GOAL 11: We will modernize Houston’s infrastructure to address the challenges of the future</p>	<p>34 Integrate green stormwater infrastructure into Houston's built environment</p>	<p>34.1 Advance comprehensive construction and maintenance of green stormwater infrastructure.</p>	
<p>34.2 Build capacity for the design, construction, and</p>				

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			maintenance of green stormwater infrastructure.	
	GOAL 12: We will advance equity and inclusion for all			
	GOAL 13: We will transform city government to operationalize resilience and build trust			
INNOVATIVE & INTEGRATED REGION	GOAL 14: We will continue to invest in the region’s diverse economy			
	GOAL 15: We will increase regional transportation choice			
	GOAL 16: We will manage our land and water resources from prairie to bay	51 Conserve regional undeveloped land for flood mitigation, environmental health, and recreation	51.2 Support regional land conservation and discourage development in sensitive upstream areas	
			51.3 Restore land to native prairie, wetlands, and woodlands	
	GOAL 17: We will enhance regional emergency preparedness and response			
	GOAL 18: We will leverage existing and new investments and partnerships	58 Leverage disaster recovery efforts to accelerate the implementation of resilient measures	58 Prioritize and invest in resilient infrastructure	
			59.3 Integrate nature-based solutions and coastal protection infrastructure to provide greater storm surge protection.	
		59 Leverage planned and proposed transformative regional projects to maximize resilience benefits		

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Attachment 3. Financial Pro Forma Template

Provided upon request.

Attachment 4: Evaluation Criteria

Green Infrastructure Tax Abatement Evaluation Criteria

Completion of Application
GSI threshold and total project threshold met
GSI Investment Located in a (1) Complete Community, (2) LMI area, or (3) area of extreme heat, sensitive habitat, limited greenspace and significant redevelopment
GSI investment Located in 100-year floodplain; (2) within 1 mile of bayou watershed; (3) area of significant flooding/flood claims
Number of GSI techniques involved
Demonstrates conservation or restoration efforts, including but not limited to preservation of trees and native plants
Written analysis which shows impact of the project and co-benefits, methodology explained, at least one additional co-benefit beyond stormwater is demonstrated
Educational opportunities
Plans, permits, certification documentation or proposed plans - robustness of plans (may be in transition as plans develop)
Proposed maintenance plan - robustness of plan (may be in transition as plans develop)
Link to Resilient Houston (see Appendix 1) - A minimum of 5 direct linkages to Resilient Houston goals and actions.

The amount of the GSI tax abatement is to be calculated based on the total green stormwater infrastructure costs, which exclude the cost of conventional stormwater detention, but include soft costs such as planning and design, and 2 years of maintenance for establishment.

Total GSI costs eligible for tax abatement = GSI Development Costs – Conventional Stormwater Detention Costs + co-benefits identified in Question 2 of this application

This value is dependent on incremental property taxes resulting from total investment

**Per ordinance, GSI Total Costs Total green stormwater infrastructure cost means, with respect to a facility that is eligible for a green stormwater infrastructure tax abatement, the total cost to the owner for the construction of green stormwater infrastructure, including soft costs, such as planning and design, and, for green stormwater infrastructure described in subsection (c)(ii) of section 44-132, two years of maintenance costs, but excluding the costs associated with construction of conventional stormwater detention.*