



SITE LOCATION AND POTENTIAL INCENTIVES IN TEXARKANA, USA

prepared by the Economic Development Office
of the City of Texarkana, Texas



WELCOME

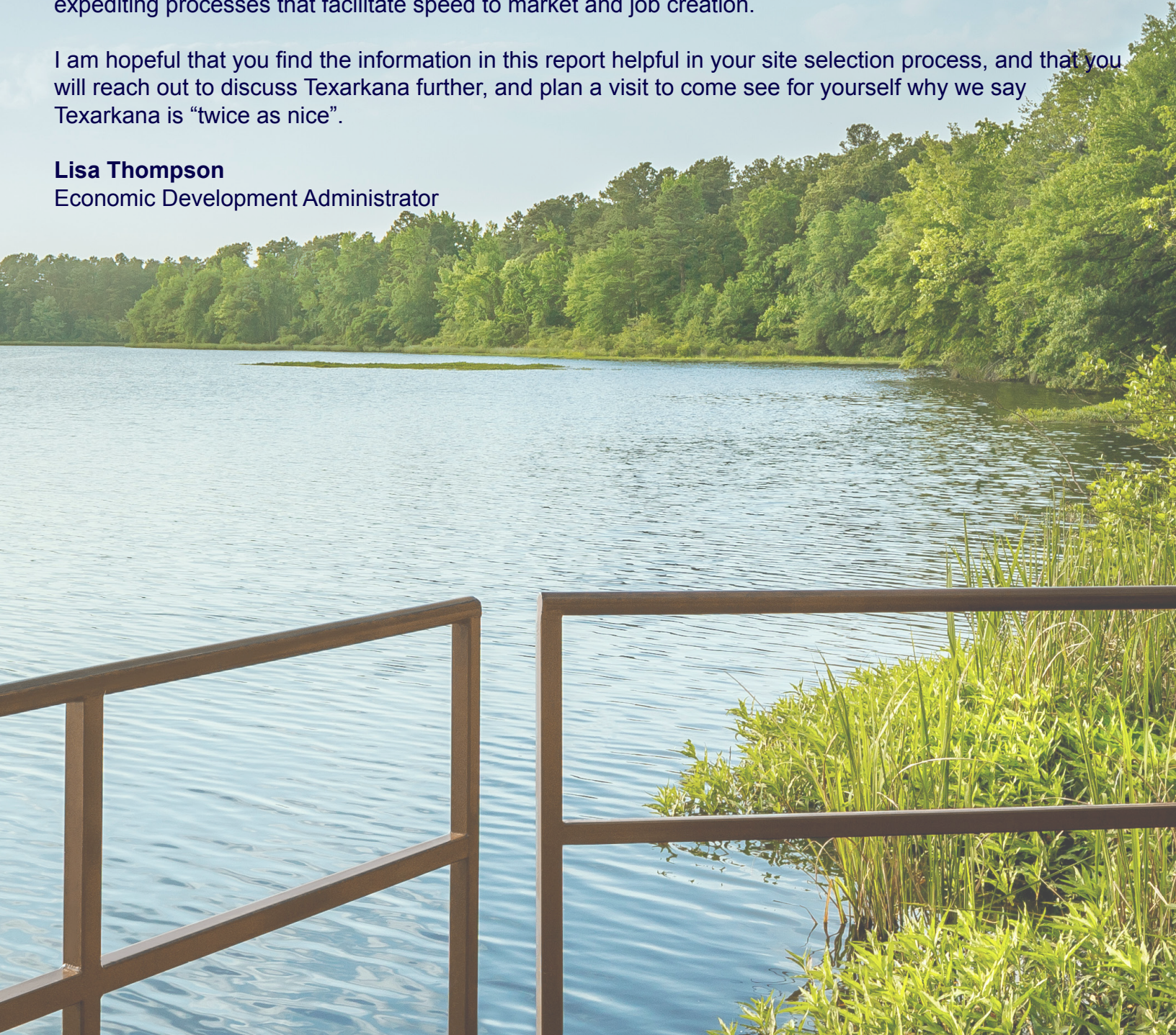
On behalf of Texarkana USA, we are thrilled to be considered as a location for your expanding business. In this report, you will find information about the Texarkana region, our community, and what sets us apart from other cities and markets. We are an ideal location to grow your company-- a proud region with a culture dedicated to hard work and getting the job done. We have a business-friendly climate, draw consumers from a 17-county region in parts of three states, and enjoy a robust and growing transportation infrastructure that will draw even more crowds to our economy. We are uniquely located in an ideal corridor, and have a low cost of living, short commute times, and real estate prices and workforce wages are well below the national averages, which makes your cost of doing business in our area exceptionally competitive.

We are extremely fortunate to enjoy pro-business local and state governments in both Texas and Arkansas, and they are committed to paving the way for reducing regulations and red tape while expediting processes that facilitate speed to market and job creation.

I am hopeful that you find the information in this report helpful in your site selection process, and that you will reach out to discuss Texarkana further, and plan a visit to come see for yourself why we say Texarkana is "twice as nice".

Lisa Thompson

Economic Development Administrator



TEXAS AT A GLANCE



10TH LARGEST ECONOMY IN THE WORLD*

*IF TEXAS WERE A NATION

#1 U.S. EXPORTER FOR 18 YEARS IN A ROW

 **\$331B
IN 2019**

27 COMMERCIAL AIRPORTS

16 SEA PORTS

NO PERSONAL OR CORPORATE INCOME TAX



TEXAS IS THE LARGEST ENERGY-PRODUCING STATE IN THE NATION

11 INTERSTATE HIGHWAYS

32 FOREIGN TRADE ZONES



46 FREIGHT RAILROADS

624 MILES OF COASTLINE

14 MILLION
PEOPLE IN THE CIVILIAN LABOR FORCE




TEXAS IS THE LEADING DESTINATION FOR COMPANIES RELOCATING FROM OTHER STATES

#1 JOBS CREATOR
IN THE NATION
In 2019, Texas added **342,800** JOBS



TEXAS' HIGH SCHOOL GRADUATION RATE IS AMONG THE TOP 5 HIGHEST IN THE NATION, WITH AN 89.7% COMPLETION RATE



TEXAS LEADS THE NATION IN HIGH TECH EXPORTS FOR THE 7TH CONSECUTIVE YEAR

THE LONE STAR STATE IS HOME TO **49** FORTUNE 500 COMPANY HQs



For the 8th consecutive year, Texas was awarded the 'Site Selection Governor's Cup'



Texas named the nation's 'Best State for Business' for the 15th consecutive year



Six Texas colleges ranked among the top 100 schools on U.S. News' 'Best National Universities' list for 2019



Texas received Area Development Magazine's '2019 Gold Shovel Award'

Thumbtack

Texas was rated "A" for Small-Business Friendliness by Thumbtack.com

DEMOGRAPHICS		
	NATIONAL AVERAGE	TEXARKANA MSA
Home Value	\$193,500	\$105,345
Household Income	\$57,652	\$44,037
Median Age (Years)	37.8	38.6
Cost of Living	100	85.9
Average Commute Time	25.2 Minutes	18.6 Minutes

13 million+
living within 200
miles of the
Texarkana MSA



HIGHLIGHTS



**NO STATE PERSONAL
INCOME TAX**



RIGHT-TO-WORK STATE

8.25%

BOWIE COUNTY SALES TAX

OPPORTUNITY ZONE DESIGNATION FOR THE REDI REGION

Encompassing nearly the entire region region, Opportunity Zone is a designation created by the Tax Cuts and Jobs Act of 2017 allowing for certain investments in lower income areas to have tax advantages.

**BOWIE COUNTY, TX MEDIAN
PROPERTY TAX**

\$1,189

Transportation

REGIONAL ACCESS



Situated roughly halfway between Dallas, Texas and Little Rock, Arkansas, the Texarkana MSA is a major transportation corridor intersected by 106 miles of interstate and four regional highways.



Texarkana's rail infrastructure has long been a key driver of economic development in our region. Union Pacific Railroad and Kansas City Southern Railroad have north-south routes through Texarkana, and the Texas Northeastern short line railroad provides service east to west.



Served by American Airlines and equipped with more than 6,600 feet of runway, the Texarkana Regional Airport is located just minutes away from the downtown area, local industries and tourist spots. The airport offers rail service and convenient access to Interstate 30, Loop 245 and four U.S. Highways. Additionally, TAC Air provides fixed base operation (FBO) services for private aircraft.



Located in Shreveport, Louisiana, the inland Port of Caddo-Bossier lies less than 90 miles from the Texarkana MSA. This 2,300-acre distribution center links customers to domestic and international markets via the Mississippi River and the U.S. Gulf Intracoastal Waterway, and offers ready access to barge, rail, motor freight and air transportation services.



SITE LOCATION AND POTENTIAL INCENTIVES FOR TEXARKANA USA

POTENTIAL INCENTIVES

The City of Texarkana offers a variety of Economic Development incentives designed to create jobs, new capital investment and spur redevelopment within our community. Incentive offerings are provided on a case-by-case basis and are designed to meet the specific needs of each client. Therefore, the following list of incentive offerings is designed simply as a starting point for further discussions with our experienced Economic Development staff members.

- Income Tax
- City and County Tax Abatement
- Infrastructure Participation
- Fee Waivers
- Texas Enterprise Fund
- Texas Enterprise Zone Program
- Tax Exemptions
- Tax Increment Financing District (TIF)/Tax Increment Reinvestment Zones
- Industry Training Grants
- PACE (Property Assessed Clean Energy) Program
- New Market Tax Credit Portfolio

INCOME TAX

Texas has no state income tax and Texarkana has no municipal personal income tax.

TAX ABATEMENTS - CITY OF TEXARKANA

Tax abatement may be granted for eligible facilities on all or a portion of the increased taxable value of real and/or personal property over the Base Year Value. The City Council shall have final decision-making authority on a tax abatement request.

TAX ABATEMENTS - BOWIE COUNTY

Projects may be eligible for an abatement of County taxes on the value added to real or new business personal property. A separate application for abatement of County taxes must be filed with the County Judge's Office. The Bowie County Commissioners' Court has final authority on the level and term of the abatement program.

INFRASTRUCTURE PARTICIPATION

The City of Texarkana has a track record of facilitating development through enhancement of water, sewer, and roadway infrastructure relevant to sites selected for significant projects as needed.

FEE WAIVERS

The City of Texarkana may provide for a full or partial waiver of all development fees including Platting, Building Permit, Electrical, Mechanical, and Plumbing on eligible projects.

TEXAS ENTERPRISE FUND - STATE OF TEXAS

The City of Texarkana can pursue grant funding for eligible projects under the Texas Enterprise Fund. The 78th Texas Legislature established the Texas Enterprise Fund to provide financial resources to help strengthen the state's economy. The Governor, Lieutenant Governor, and the Speaker of the House must unanimously agree to support the use of the Texas Enterprise Fund for each specific project.

Projects that are considered for Enterprise Fund support must demonstrate a project's worthiness, maximize the benefit to the State of Texas and realize a significant rate of return of the public dollars being used for economic development in Texas. Capital investment, job creation, wages generated, financial strength of the

applicant, applicant's business history, analysis of the relevant business sector, and federal and local government and private sector financial support of a project will all be significant factors in approving the use of the Enterprise Fund.

TEXAS ENTERPRISE ZONE PROGRAM - STATE OF TEXAS

The City of Texarkana can nominate projects as an enterprise project under the Texas Enterprise Zone Program. Upon the City's designating a business as an enterprise project, and upon that project's designation being approved by the state, the business would be eligible for the following incentives:

An enterprise project is eligible for a refund of state sales and use taxes paid for building materials, machinery and equipment, electricity and natural gas purchased and consumed in the normal course of business and depending on investment amount and number of jobs created/retained.

Further eligible items include tangible personal property purchased and consumed in the normal course of business and taxable services.

TAX EXEMPTIONS

Projects could be eligible for state sales and use tax exemptions on leased or purchased machinery, equipment, replacement parts, and accessories that have a useful life of more than six months, and that are used or consumed in the manufacturing, processing, fabricating, or repairing of tangible personal property for ultimate sale.

Texas businesses are exempt from paying state sales and use tax on labor for constructing new facilities. Texas businesses are exempt from paying state sales and use tax on the purchase of machinery exclusively used in processing, packing, or marketing agricultural products by the original producer at a location operated by the original producer.

Texas companies are exempt from paying state sales and use tax on electricity and natural gas used in manufacturing, processing, or fabricating tangible personal property. The company must complete a "predominant use study" that shows that at least 50% of the electricity or natural gas consumed by the business directly causes a physical change to a product.

TAX INCREMENT FINANCING DISTRICT (TIF)/TAX INCREMENT REINVESTMENT ZONES (TIRZ)

The terms "TIF," "Tax Increment Finance District," "TIRZ," and "Tax Increment Reinvestment Zone," are terms used interchangeably. Tax Increment Reinvestment Zones are created by authority of the Tax Increment Financing Act, Texas Tax Code, Chapter 311.

The Texarkana City Council created the reinvestment zones, established a Board of Directors for each TIRZ and has granted the boards authority to exercise all powers necessary to implement their respective project and financing plans, consistent with state law.

Texarkana has two Tax Increment Reinvestment Zones (TIRZ) described more fully elsewhere on this site.

INDUSTRY TRAINING GRANTS (Texas Skills Development Fund Grant)

If you are a Texas employer and have a desire to collaborate with other partners and are committed to seeing a project through, then the Skills Development Fund is something for your business to look into.

How does it work?

A business, consortium of businesses, or trade union identifies a training need, and then partners with a public Community or Technical college to fill its specific needs. Businesses work with college partners to submit pro-

posals, develop curricula and conduct training. The Skills Development Fund pays for the training, the college administers the grant, and businesses create new jobs and improve the skills of their current workers.

The Texarkana region is fortunate to have two community colleges leading the charge in industry training.

PACE (Property Assessed Clean Energy) PROGRAM

PACE enables commercial property owners to obtain affordable, long-term loans covering up to 100 percent of the cost for energy efficiency, water conservation, and on site generation technologies.

PACE secures private financing for a term as long as the projected useful life of the improvements, resulting in utility cost savings that exceed the amount of the repayment. You can modernize your facility without fear of over-investment because if you sell the facility, the PACE loan repayment obligation transfers with the property to the new owner. The program is an optional financing tool – a mechanism to enable owners of commercial and industrial property to gain access to funds for projects that will reduce water and energy utility costs under the most flexible and favorable terms.

Typical Examples of Qualified Improvements:

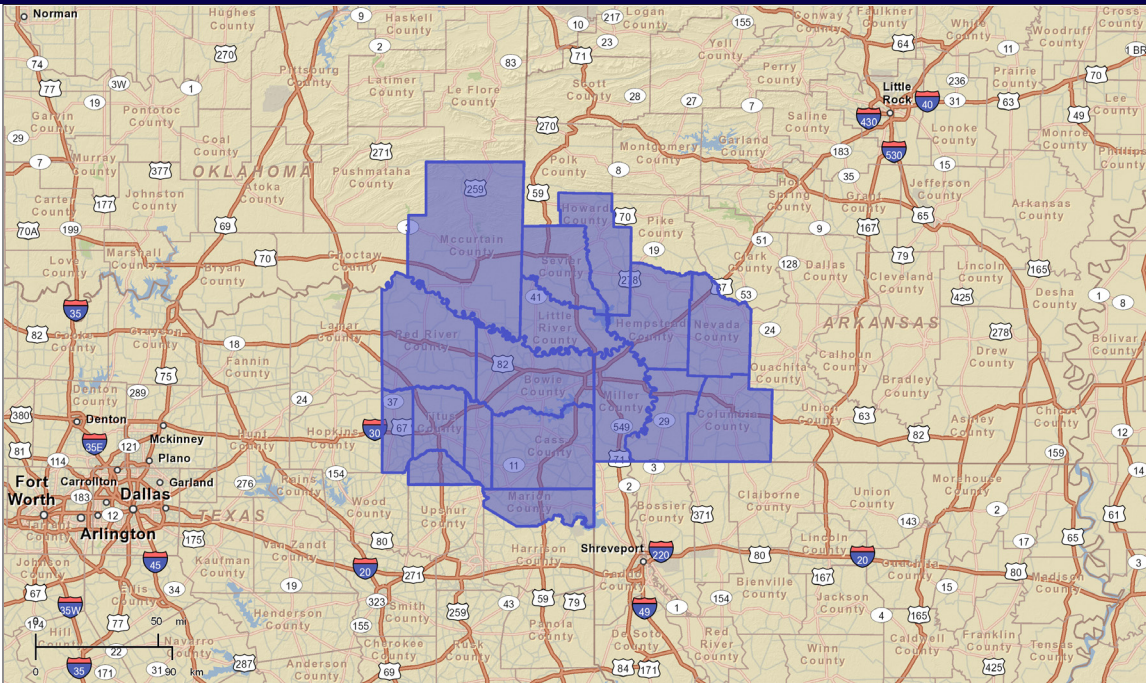
- High efficiency chillers, boilers, and furnaces
- Systems to capture, treat and use other on-site sources of water (condensate, rainwater, reverse osmosis reject water, etc.)
- High efficiency lighting
- Water conservation equipment
- Wastewater onsite reuse systems
- Energy management systems
- Insulation & air sealing
- HVAC systems
- Energy recovery & redistribution systems
- Greywater systems
- High efficiency toilets
- Waterless urinals
- Solar hot water
- Solar photovoltaics

NEW MARKET TAX CREDIT PORTFOLIO

NMTC investors provide capital to community development entities (CDEs), and in exchange are awarded credits against their federal tax obligations. Investors can claim their allotted tax credits in as little as seven years—5 percent of the investment for each of the first three years and 6 percent of the project for the remaining four years—for a total of 39 percent of the NMTC project. A CDE can be its own investor or find an outside investor. Investors are primarily corporate entities—often large international banks or other regulated financial institutions—but any entity or person is eligible to claim NMTCs.

The City of Texarkana, Texas is actively involved with Bowie County and the ARTX Regional Economic Development Initiative (REDI) to maintain a portfolio of NMTC projects in the Texarkana region. This portfolio is presented to the awarded CDEs in the area to attract potential investments.

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TEXARKANA DRAWS CONSUMERS FROM A 17-COUNTY REGION FOR SHOPPING, EDUCATION, HEALTHCARE AND SERVICES

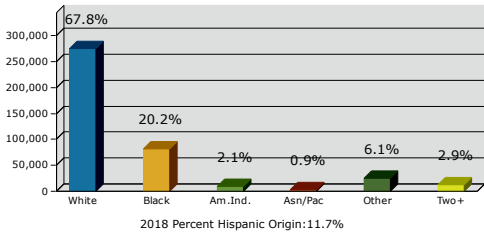


Graphic Profile

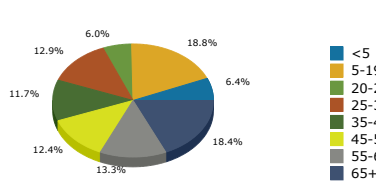
17 Counties
 McCurtain County, OK (40089) et al.
 Geography: County

Prepared by Esri

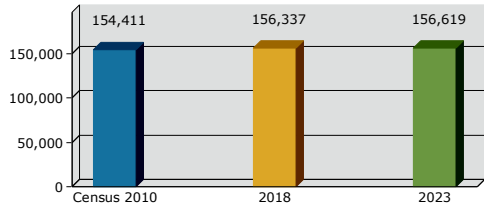
2018 Population by Race



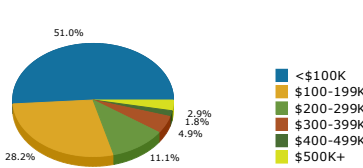
2018 Population by Age



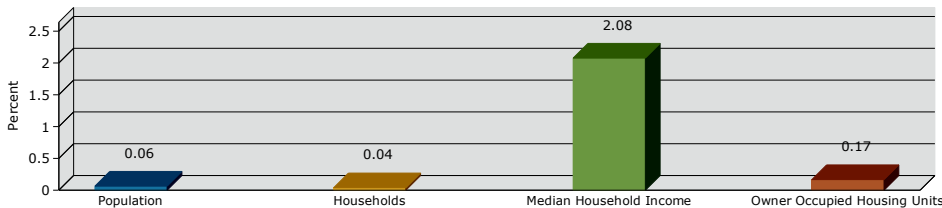
Households



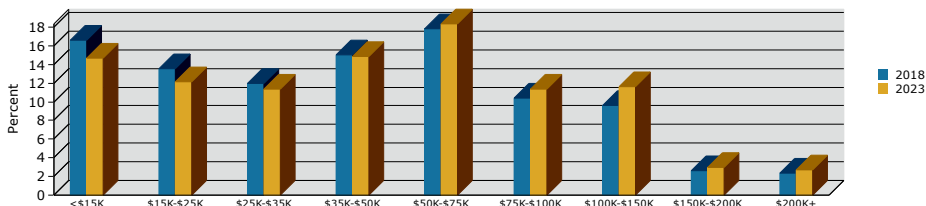
2018 Home Value



2018-2023 Annual Growth Rate

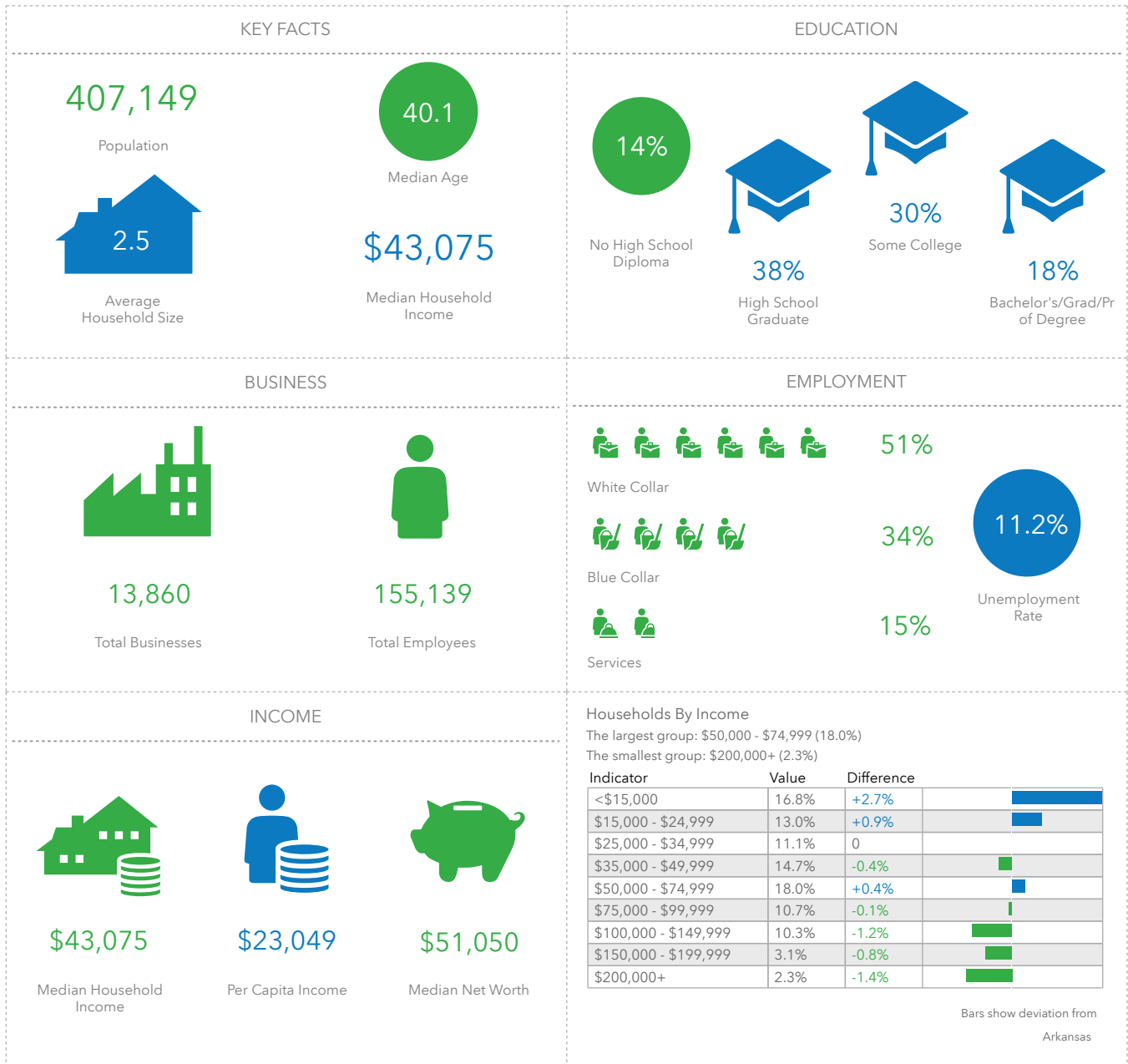


Household Income



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023.

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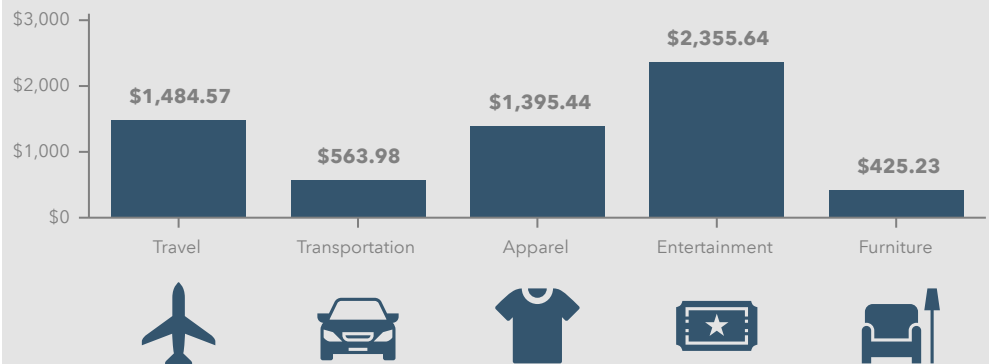


This infographic contains data provided by Esri, Esri and Infogroup. The vintage of the data is 2020, 2025.

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KEY SPENDING FACTS



Education

POST-SECONDARY

TEXAS A&M UNIVERSITY - TEXARKANA

www.tamut.edu



- Enrollment number 2,000
- A&M-Texarkana is a comprehensive regional residential institution dedicated to offering career-oriented studies, awarding undergraduate, graduate and doctoral degrees in the areas of business administration, arts and sciences, technology, engineering, mathematics and education.

TEXARKANA COLLEGE

www.texarkanacollege.edu



- Enrollment number 4,200
- Texarkana College was formed in 1927, as a branch of the Texarkana Independent School District.
- A notable alumnus of Texarkana College is businessman and politician H. Ross Perot, also serving as President of the Student Council.

UNIVERSITY OF ARKANSAS HOPE - TEXARKANA

www.uaht.edu



- Enrollment number 1,500
- UAHT is an open-access institution that enrolls over 1,500 students at its 2 campuses. The college is located on a 72-acre site originally obtained by the citizens of the area for Red River Vocational-Technical School, which was established in 1965.

UNIVERSITY OF ARKANSAS FOR MEDICAL SCIENCES

www.uams.edu



- Enrollment number 3,000
- UAMS is the state's largest basic and applied research institution, with a total budget of \$1.3 billion and more than \$100 million in annual research funding.
- UAMS is the largest public employer in the state with more than 10,000 employees.

SOUTHERN ARKANSAS UNIVERSITY TECH - AVIATION MAINTENANCE

www.sautech.edu



- Enrollment number 200
- Southern Arkansas University Tech's Aviation Maintenance Technology program is designed to provide the skills needed to obtain FAA certification.

Quality of Life

Texarkana is more than a great place to do business. It's a great place to call home. Our scenic landscape is a natural match for outdoor recreation, and our historic downtown offers an array of shopping, dining and entertainment options—all without the hassle of big-city traffic jams.

TEXARKANA SYMPHONY ORCHESTRA

- Hosting performances in the historic Perot Theatre.

FOUR STATES AUTO MUSEUM

- Dedicated to presenting and preserving the history of the automobile.

HOLIDAY SPRINGS WATER PARK

- A seasonal water park and leisure center with a variety of thrilling water slides, swimming pools, wave pools.

PEROT THEATRE

- A jewel of the region, bringing the best of Broadway, classical music, ballet, jazz, modern dance and more to Texarkana.



LET'S GET STARTED! *CONNECT WITH US:*



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RESOURCES:

[HTTPS://ARTXREDI.COM](https://artxredi.com)

[HTTPS://WWW.CI.TEXARKANA.TX.US/255/ECONOMIC-DEVELOPMENT](https://www.ci.texarkana.tx.us/255/economic-development)

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