

November 1, 2016

Mr. Andrew McGilvray
Executive Secretary
Foreign Trade Zone Board
1401 Constitution Ave., NW, Room 2111
Washington, DC 20230

Dear Mr. McGilvray,

The purpose of this letter is to document the support of the County of Hidalgo for the establishment of a special purpose subzone for Universal Metal Products, Inc. located at 101 W. Eldora Road in Pharr, TX. We also understand that this means that Universal Metal Products will be able to apply for Foreign Trade Zone Board authority to operate a manufacturing facility within the city limits based on trade related needs.

Regarding state or local taxes (such as inventory tax) for which collections may be affected by FTZ subzone designation, this letter serves as our acknowledgment that the County of Hidalgo understands it would have no right to tax revenue as described in the Foreign Trade Zones Act of 1934, 19 U.S.C. 810(e).

This letter is not intended to provide a position on the local ad valorem taxes for any other parties potentially affected by the subzone designation, which parties will need to provide their own correspondence indicating their views on the impact on tax collections related to their jurisdiction.

Respectfully submitted,

Ramon Garcia
Hidalgo County Judge