

**Mayor's Office of
Economic Development**

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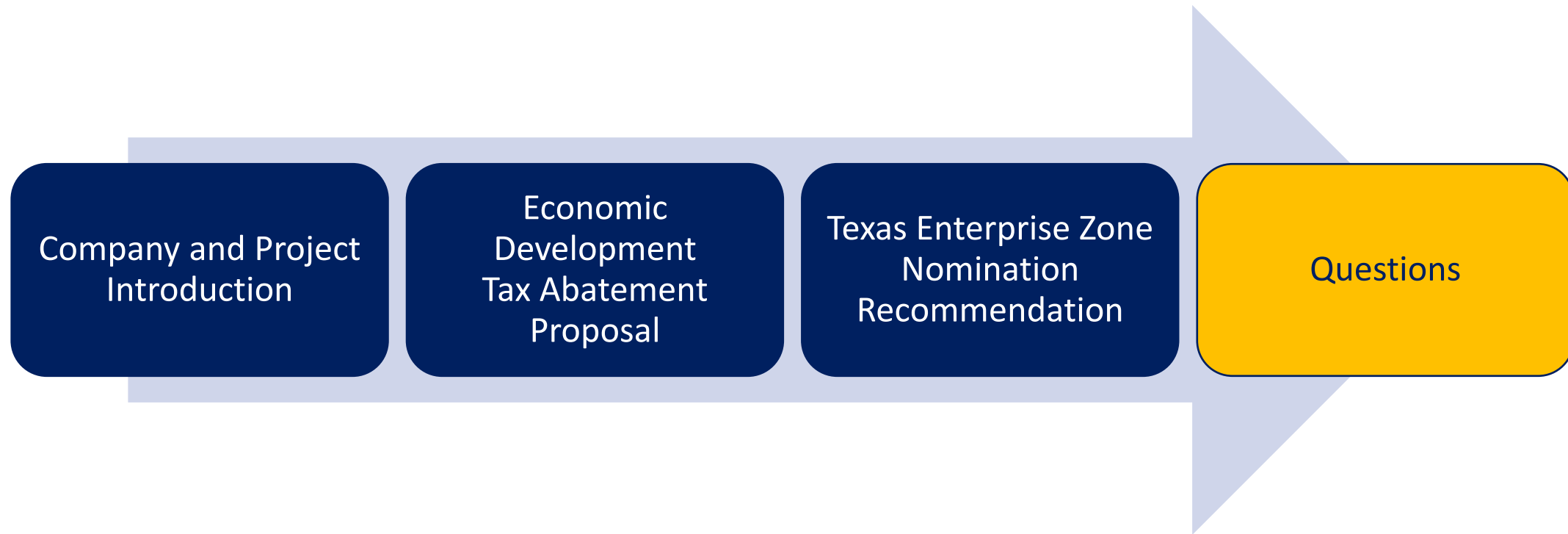
Incentive Proposal for Owens Corning Roofing and Asphalt, LLC

Economic Development Committee

October 30, 2025



Presentation Outline





About the company

- Owens Corning was formed in 1938 and is now a Fortune 500 company
- Headquartered in Toledo, OH with two manufacturing sites in Texas

About their work

- Well known for their pink fiberglass insulation
- Also manufactures roofing materials, doors, and composite materials
- Introducing a new roofing materials technology to the United States

October 17, 2024

- The Greater Houston Partnership introduced MOED to the project

November 25, 2024

- Company submitted a Tax Abatement application to MOED

February 2025

- Company submitted a Texas Enterprise Fund (TEF) application to the Governor's Office

July 2025

- Governor's Office granted TEF award to the Company

September 2025

- Company and Governor's Office finalized the TEF agreement

Today

- MOED recommends tax abatement to meet TEF local incentive requirement
- MOED recommends TEZ nomination

Owens Corning Roofing and Asphalt, LLC

8360 Market St, Houston 77029

Proposed Development

- Located in District B
- Current Site: Manufacturing & Distribution
- Proposed: A new product manufacturing line
- Investment: \$39M
- Construction Begins: Late 2025/Early 2026
- Estimated Completion: Spring/Summer 2026

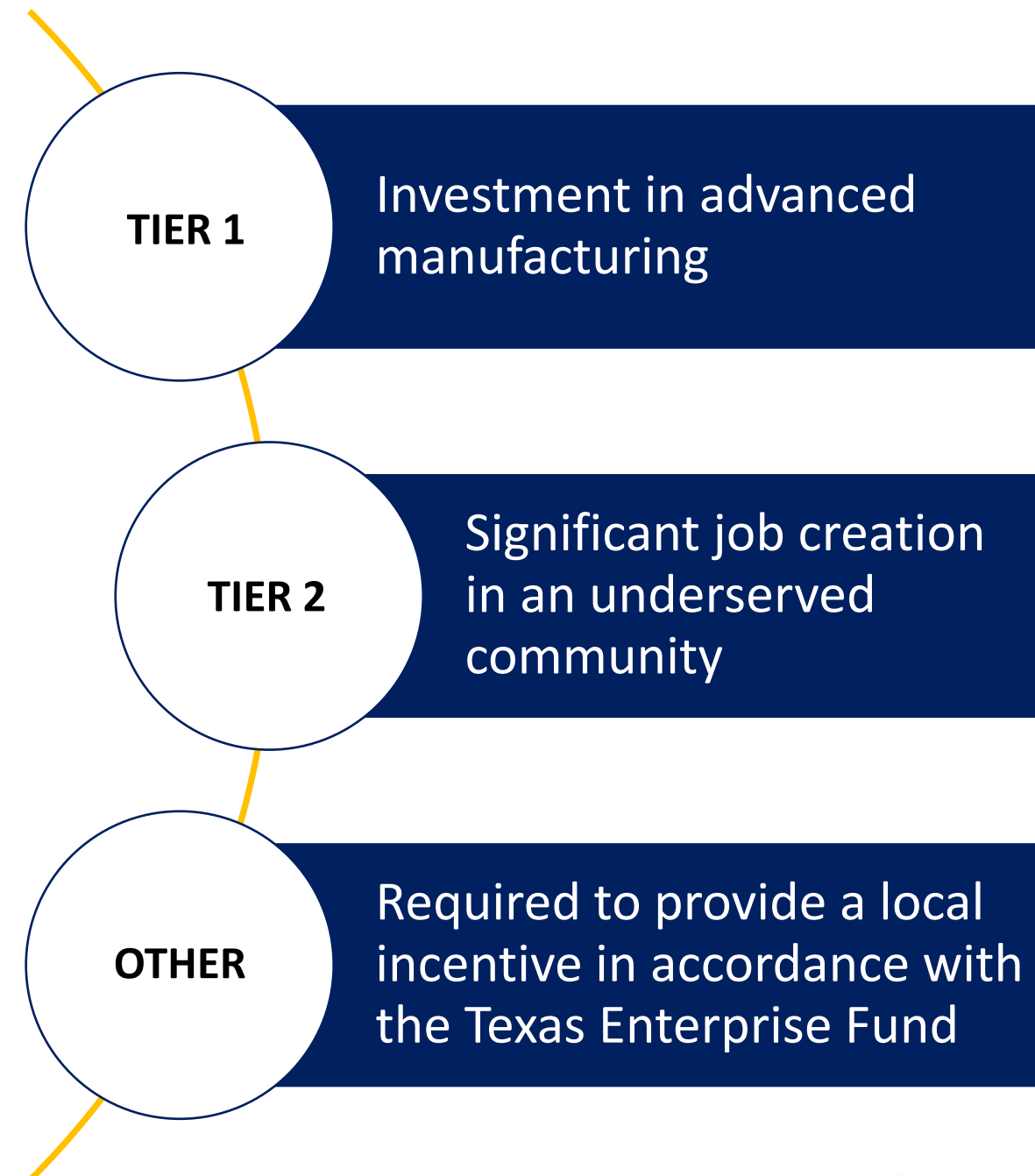
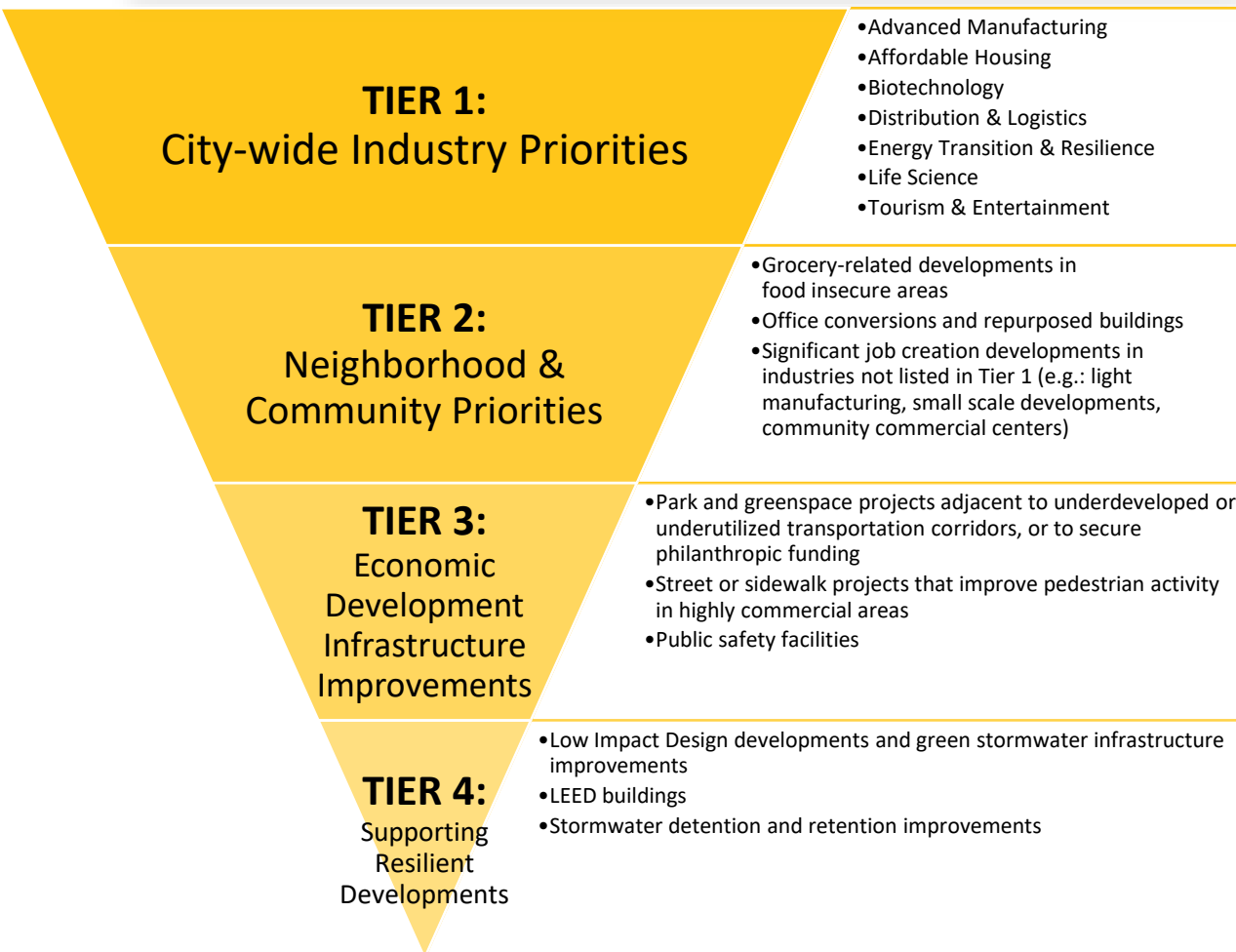
Economic Benefits

- Located in Texas Enterprise Zone (high poverty designation)
- Retaining 110 jobs and adding 75 after completion
\$89,992 average annual salary for new jobs
- Committing to job training, local hiring

Hiring Goals	2026	2027	2028
New FTEs (Annual)	15	25	35
All FTEs (Cumulative)	120	145	180

Location	Aiken, SC	Fort Smith, AR	Houston
Estimated Capital Costs	\$39M	\$39M	\$39M
Estimated Total Annual Wage for New Jobs	\$3.48M	\$3.1M	\$5.21M
Local Incentive	-	-	X
State Incentive	-	-	\$750K
Total Estimated Costs with Incentives	\$42.48M	\$42.1M	\$43.46M
Advantage over Houston	\$980K	\$1.36M	--

Alignment with MOED Priorities





Economic Development Tax Abatement Proposal

Tax Abatement Ordinance

Chapter 44 Article IV

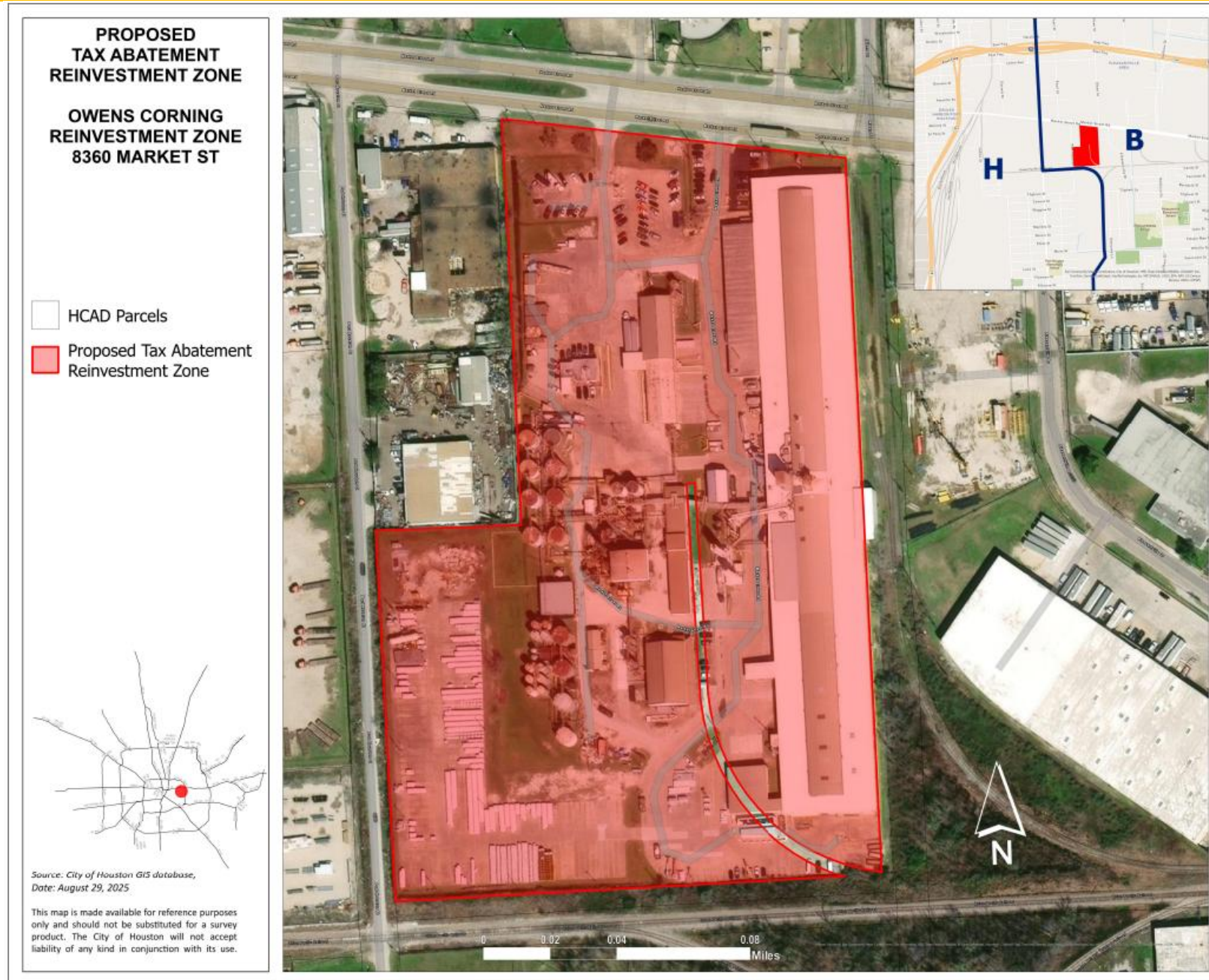
- Ord. 2024-624 established our tax abatement program through 12:00am on August 28, 2026
 - Economic Development Abatement (Sec. 44-127)
 - Brownfield Development Abatement (Sec. 44-129)
 - LEED Tax Abatement (Sec. 44-131)
 - Green Stormwater Infrastructure (GSI) Abatement (Sec. 44-132)
 - Deteriorated/Demolished Property Abatement (Sec. 44-133)

Economic Development Tax Abatement

Chapter 44 Article IV Section 44-127

- Eligibility Criteria:
 - Provide an economic benefit to the City
 - Projected to increase property value by \$1M, or \$500K for deteriorated/demolished property or property in eligible census tract
 - Project will create, retain, or prevent the loss of permanent jobs
- Abatement up to 90% abatement on buildings, structures, fixed machinery & equipment, site improvements, office space and related fixed improvements, and/or tangible personal property
- Requires the company to provide community benefits as a condition of the abatement

Proposed Tax Abatement Reinvestment Zone



Tax Abatement Proposal

Owens Corning Roofing and Asphalt, LLC
8360 Market St, Houston 77029

Effective Date

- January 1, 2027

Eligible Costs

- Building Improvements: \$2.4M
- Machinery & Equipment: \$31.6M

Abatement Projection

- 1st Year Abatement: \$158,380
- Average Annual Abatement: \$122,119

Abatement Term

- \$1,361,418 or 10 years



10-Year Projection

OWENS CORNING ROOFING & ASPHALT LLC - 8360 MARKET ST

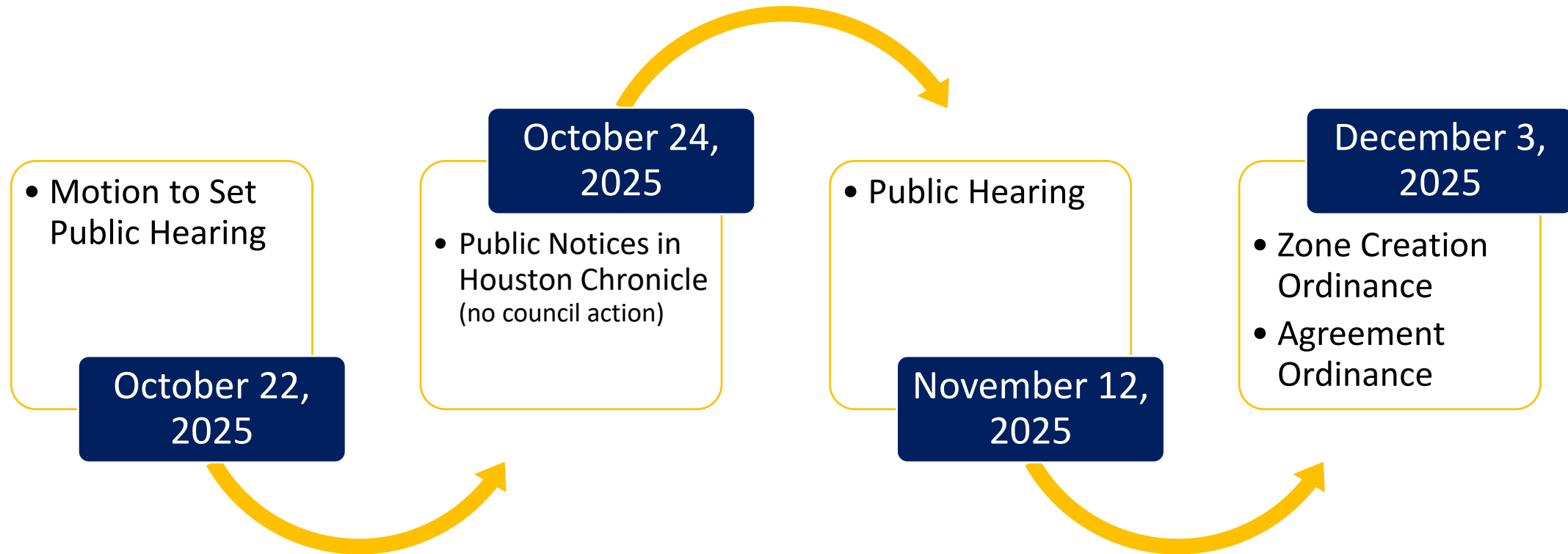
PROPERTY TAX PROJECTION

Building Investments (Including Site Improvements)	\$ 2,437,803
Machinery & Equipment, Office Space, and Personal Property	\$ 31,606,273
Percentage of Investment Applied to Improvement	70%
COH Tax Rate (TY2025)	0.0051919

	TAX YEAR	FISCAL YEAR	PROJECTED GROWTH	OWENS CORNING ROOFING & ASPHALT						
				BUILDING IMPROVEMENT ASSESSED VALUE	MACHINERY + EQUIPMENT ASSESSED VALUE	BUILDING IMPROVEMENT ABATEMENT (90%)	MACHINERY + EQUIPMENT ABATEMENT (90%)	TOTAL ANNUAL ABATEMENT VALUE	CUMULATIVE ABATEMENT VALUE	COH COLLECTED REVENUE
Base Value of Improvements	2025	2026		\$ 6,294,674.88	\$ 30,874,867.40	\$ -	\$ -	\$ -	\$ -	\$ 192,980.55
First Year of Abatement	2027	2028	4%	\$ 8,583,040.93	\$ 31,606,273.00	\$ 10,692.87	\$ 147,686.95	\$ 158,379.82	\$ 158,379.82	\$ 199,891.69
	2028	2029	4%	\$ 8,926,362.57	\$ 29,499,188.13	\$ 12,297.11	\$ 137,841.15	\$ 150,138.26	\$ 308,518.08	\$ 188,289.35
	2029	2030	4%	\$ 9,283,417.07	\$ 27,392,103.27	\$ 13,965.53	\$ 127,995.35	\$ 141,960.88	\$ 450,478.96	\$ 176,694.13
	2030	2031	4%	\$ 9,654,753.76	\$ 25,285,018.40	\$ 15,700.67	\$ 118,149.56	\$ 133,850.23	\$ 584,329.20	\$ 165,106.33
	2031	2032	4%	\$ 10,040,943.91	\$ 23,177,933.53	\$ 17,505.23	\$ 108,303.76	\$ 125,808.99	\$ 710,138.19	\$ 153,526.25
	2032	2033	4%	\$ 10,442,581.66	\$ 21,070,848.67	\$ 19,381.97	\$ 98,457.97	\$ 117,839.93	\$ 827,978.12	\$ 54,216.84
	2033	2034	4%	\$ 10,860,284.93	\$ 18,963,763.80	\$ 21,333.77	\$ 88,612.17	\$ 109,945.94	\$ 937,924.06	\$ 56,385.51
	2034	2035	4%	\$ 11,294,696.33	\$ 16,856,678.93	\$ 23,363.65	\$ 78,766.37	\$ 102,130.02	\$ 1,040,054.08	\$ 58,640.93
	2035	2036	4%	\$ 11,746,484.18	\$ 14,749,594.07	\$ 25,474.72	\$ 68,920.58	\$ 94,395.30	\$ 1,134,449.38	\$ 60,986.57
Final Year of Abatement	2036	2037	4%	\$ 12,216,343.55	\$ 12,642,509.20	\$ 27,670.24	\$ 59,074.78	\$ 86,745.02	\$ 1,221,194.40	\$ 63,426.03
Cumulative Values						\$ 187,385.76	\$ 1,033,808.64	\$ 1,221,194.40	\$ 1,221,194.40	\$ 1,370,144.19

Estimated Tax Abatement Effective Date: Jan. 1, 2027

Proposed Tax Abatement Council Action Timeline





Texas Enterprise Zone Nomination for December 1 Application Deadline

Texas Enterprise Zone

TX Tax Code Chapter 2303

PROJECT CATEGORIES	LEVEL OF CAPITAL INVESTMENT	MAXIMUM NUMBER OF JOBS ALLOCATED	MAXIMUM POTENTIAL REFUND	MAXIMUM REFUND PER JOB ALLOCATED
Half Enterprise	\$40,000 - \$5,000,000 or more	250 (total new & retained)	\$625,000	\$2,500
Enterprise	\$5,000,000 - \$149,999,999	500 (total new & retained)	\$1,250,000	\$2,500
Double Jumbo	\$150,000,000 - \$249,999,999	500 (new jobs only)	\$2,500,000	\$5,000
Triple Jumbo	\$250,000,000 or more	At Least 500+ (new jobs only)	\$3,750,000	\$7,500

Texas Enterprise Zone

TX Tax Code Chapter 2303

- Program is administered by the State of Texas and has a quarterly rolling application process.
- Reimbursement of state sales/use tax for qualifying projects.
- Both Municipalities and Counties are allotted nine (9) nominations each state biennium. Unused nominations are forfeited at the end of the biennium (August 31, 2027)
 - December 1 is the 2nd nomination round in this biennium cycle. Six nomination rounds remain.
 - No nominated projects so far
 - Proposing to use 1 of our 9 nominations
- Nominations do not require any funding from the municipality.
- A County can only nominate a project through an interlocal agreement with the Municipality in which the project is located.

TEZ Nomination

Owens Corning Roofing and Asphalt, LLC
8360 Market St, Houston 77029

TEZ Nomination

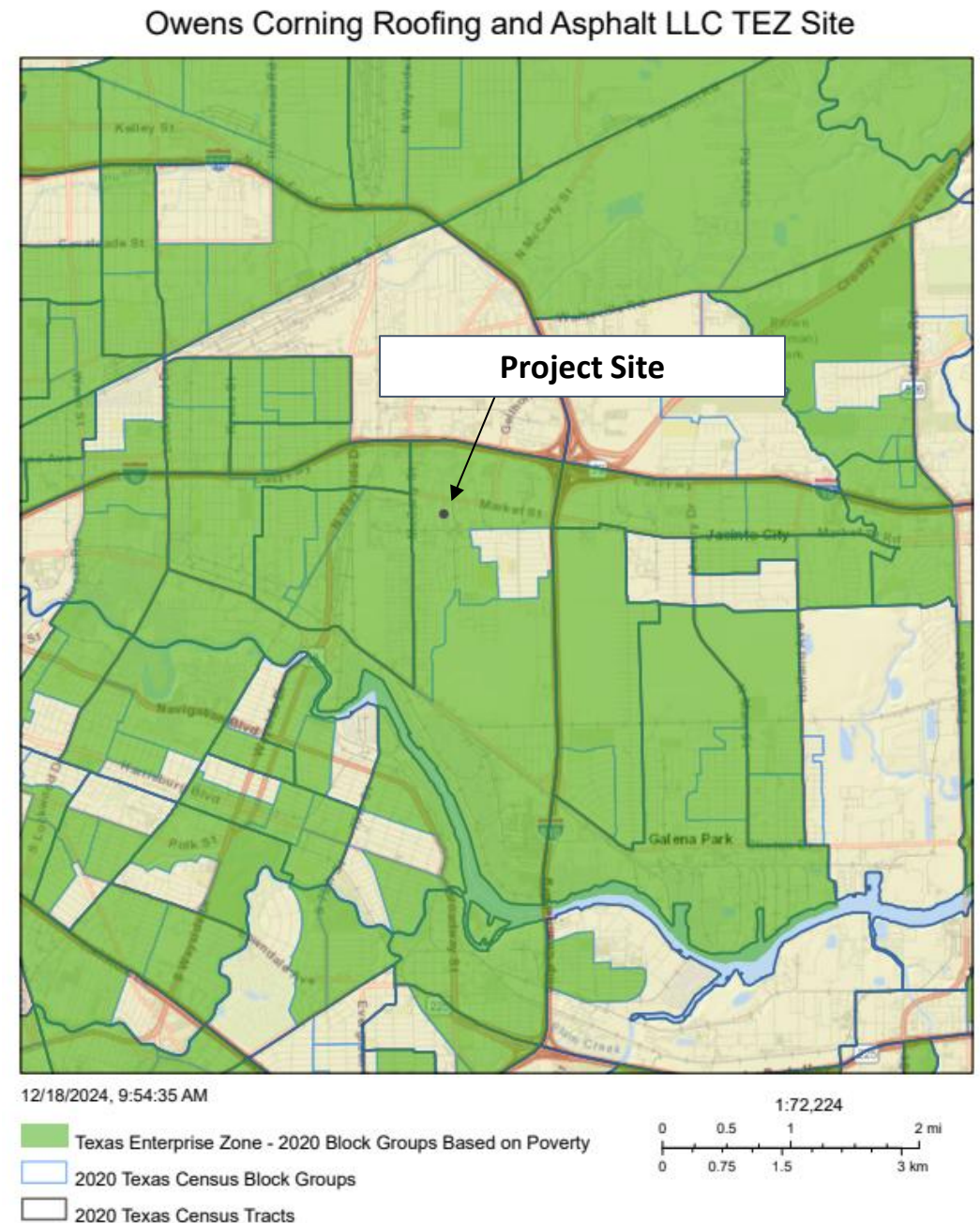
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Project Site:

- ## Project Site:
- Located in District B
 - Located within an Enterprise Zone
 - A census block group with greater than 20% poverty

Project Investment:

- Retaining 110 jobs
 - \$98,264 average salary
- Creating 75 jobs
 - \$89,992 average salary
- \$39M investment
 - Introducing a new advanced manufacturing line to facility



Proposed TEZ Nomination Council Action Timeline

