Findings of the Sinton Independent School District Board of Trustees under the Texas Economic Development Act on the Application Submitted by Buffalo, LLC (#1354)

June 27, 2019

FINDINGS OF THE
SINTON INDEPENDENT SCHOOL DISTRICT
BOARD OF TRUSTEES
UNDER THE
TEXAS ECONOMIC DEVELOPMENT ACT
ON THE APPLICATION SUBMITTED BY
BUFFALO, LLC (#1354)

JUNE 27, 2019

FINDINGS OF THE SINTON INDEPENDENT SCHOOL DISTRICT BOARD OF TRUSTEES UNDER THE TEXAS ECONOMIC DEVELOPMENT ACT ON THE APPLICATION SUBMITTED BY BUFFALO, LLC (#1354)

STATE OF TEXAS §

COUNTY OF SAN PATRICIO §

On the 27th day of June 2019, a public meeting of the Board of Trustees of the Sinton Independent School District ("District") was held. The meeting was duly posted in accordance with the provisions of the Texas Open Meetings Act, Chapter 551, Texas Government Code. At the meeting, the Board of Trustees took up and considered the application of Buffalo, LLC ("Applicant") for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code. The Board of Trustees solicited input into its deliberations on the Application from interested parties within the District. The Board of Trustees has considered the economic impact analysis and the project certification issued by the Texas Comptroller of Public Accounts. After hearing presentations from the District's administrative staff, and from consultants retained by the District to advise the Board in this matter, and after considering the relevant documentary evidence, the Board of Trustees makes the following findings with respect to application from Applicant, and the economic impact of that application:

On March 15, 2019, the Superintendent of the District, acting as agent of the Board of Trustees, and the Texas Comptroller of Public Accounts ("Comptroller") received an Application from Applicant for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code. The Application was determined to be complete as of May 13, 2019. A copy of the Application is attached as **Attachment A**.

The Applicant, (Texas Taxpayer Id. 32070026441), is an entity subject to Chapter 171, Texas Tax Code, and is certified to be an active franchise taxpayer by the Comptroller. See **Attachment B**.

The Board of Trustees acknowledged receipt of the Application, along with the requisite application fee, established pursuant to Texas Tax Code § 313.025(a)(1) and Local District Policy.

The Application was delivered to the Comptroller for review pursuant to Texas Tax Code § 313.025(d). A copy of the Application was delivered to the San Patricio County Appraisal District for review pursuant to 34 Tex. Admin. Code § 9.1054.

The Application was reviewed by the Comptroller pursuant to Texas Tax Code §313.026, and a Comptroller Certificate was issued on June 5, 2019, in which the Comptroller has determined, inter alia, that: 1) Application is subject to the provisions of Chapter 171, Texas Tax Code; 2) the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised values; 3) the proposed project is reasonably likely to generate tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement before the 25th anniversary of the beginning of the limitation period; and, 4) the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state. A copy of the Certificate is attached to the findings as **Attachment C**.

The Board of Trustees has previously directed that a specific financial analysis be conducted concerning the impact of the proposed value limitation on the finances of District. A copy of the report prepared by Moak, Casey & Associates, Inc., is attached to these findings as **Attachment D**.

The Board of Trustees has confirmed that the taxable value of property in the District for the preceding tax year, as determined under Subchapter M, Chapter 403, Government Code, is as stated in **Attachment E**.

The Texas Education Agency has evaluated the impact of the project on the District's facilities. TEA's determination is to be attached to these findings as **Attachment F.**

The Board has adopted the Texas Economic Development Agreement (Form 50-826) as promulgated by the Comptroller's Office. Form 50-826 has been altered only in accordance only the provisions of the template that the Comptroller permitted. The proposed Agreement is attached to these findings as **Attachment G**.

In response to a request from the District, the Company provided additional information on its approach to community activities and addressing environmental concerns. This information is included as **Attachment K.**

After review of the Comptroller's Certificate and economic analysis, and in consideration of its own studies the Board finds:

Board Finding Number 1.

> **The Board finds that the property described in the Application meets the requirements of Tex. Tax Code §313.024 for eligibility for a limitation on appraised value.**

In support of Finding 1, the Application indicates that:

> The proposed Sinton project would include construction throughout 2019-2021 of a state of the art flat roll steel mill manufacturing and coating facility utilizing scrap metal as the primary raw material input using electric arc furnace technology. The facility will be capable of producing approximately 3 million tons of steel coils annually and will include the ability to further process and/or coat the steel to create value added products according to customer requirements. . .. Flat roll steel is used by a variety of, customers in the construction, building products, automotive, energy, HVAC, appliance, heavy equipment and agricultural industries in both the United States and Mexico.

Property used for manufacturing is eligible for a limitation under §313.024(b)(1).

Board Finding Number 2.

> **The project proposed by the applicant is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue, including state tax revenue, school district maintenance and operations ad valorem tax revenue attributable to the project, and any other tax revenue attributable to the effect of the project on the economy of the state, in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement (as detailed in Attachment B of the Comptroller's Certification).**

Board Finding Number 3.

> **Based on the information certified by the Comptroller, the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state (as detailed in Attachment C of the Comptroller's Certification).**

Board Finding Number 4.

The Board finds that the Application Fee received was reasonable and only in such an amount as was necessary to cover the District's costs of processing the Application under consideration.

In support of Finding 4, the Board reviewed the Application Fee payment included in the Application at Attachment A, the contract with the District's consultants and the internal costs for processing the application, if any.

Board Finding Number 5.

Based upon the Application and in the Comptroller's Economic Impact Evaluation and Certification, Attachment A, the Board finds that the number of jobs to be created and the wages to be paid comply with the requirements of statute; and, the Board further finds that the Chapter 313 Tax Limitation Agreement (Attachment G) contains all required provisions and information related to job creation requirements, to wit: the provisions set forth in Subsections 9.1C&D of such Agreement.

In its Application, the Applicant has committed to creating five hundred (500) new qualifying jobs. The average salary level of qualifying jobs committed to by the applicant will total at least $74,600 per year. The review of the application by the Comptroller's indicated that this amount—based on Texas Workforce Commission data—complies with current Tex. Tax Code §313.021(3) requirement that qualifying jobs must pay at least 110 percent of the county average manufacturing wage. As defined in Section 313.021 of the Tax Code, "Qualifying Job" means a permanent full-time job that:

(A) requires at least 1,600 hours of work a year;

(B) is not transferred from one area in this state to another area in this state;

(C) is not created to replace a previous employee;

(D) is covered by a group health benefit plan for which the business offers to pay at least 80 percent of the premiums or other charges assessed for employee-only coverage under the plan, regardless of whether an employee may voluntarily waive the coverage; and

(E) pays at least 110 percent of the county average weekly wage for manufacturing jobs in the county where the job is located.

Board Finding Number 6.

> **The Applicant does not intend to create any non-qualifying jobs.**

In its Application, Applicant has indicated that it does not intend to create any non-qualifying jobs. For any non-qualifying jobs the Applicant should create, the Applicant will be required to pay at least the county average wage of $48,530 for all jobs in the county in accordance with the provisions of Tex. Tax Code §313.024(d).

Board Finding Number 7.

> **The revenue gains that will be realized by the school district if the Application is approved will be significant in the long-term, with special reference to revenues used for supporting school district debt.**

In support of this finding, the analysis prepared by Moak, Casey & Associates projects that the project would initially add $1.6 billion to the tax base that would be available for debt service purposes at the peak investment level for the 2022-23 school year, which will clearly benefit the District and its taxpayers. This level of expansion in the I&S tax base lays the foundation for meeting future facility needs based on enrollment growth that could potentially accompany the local economic expansion created by the Buffalo, LLC project.

Board Finding Number 8.

> **The effect of the applicant's proposal, if approved, on the number or size of needed school district instructional facilities could place substantial demands on the District's educational facilities.**

The summary of financial impact prepared by Moak, Casey & Associates, Inc., included the following assessment of future facility needs:

> Given that the Buffalo project reflects a commitment to 500 qualifying jobs once the plant begins full-time operations, the expansion of the housing stock within SISD could result in increased enrollment on the District's campuses. While it is too early to assess the impact of these changes on the scale or timing of future enrollment in SISD, the growth in the underlying tax base associated with the Buffalo project provides the District with the potential to meet its future educational facility needs, as developments in the Sinton community unfold.

This finding is confirmed by the TEA evaluation of this project's impact on the number and size of school facilities in the District as stated in **Attachment F**.

Board Finding Number 9.

> **The Board finds that with the adoption of District Policy CCGB (Local), implemented in conformance with both Comptroller and Texas Education Agency Rules governing Chapter 313 Agreements, it has developed a process to verify, either directly or through its consultants, the accuracy and completeness of information in annual eligibility reports and biennial progress reports regarding (1) the reported number of jobs created and (2) the reported amount invested in the property.**

Board Finding Number 10.

> **The Board of Trustees hired consultants to review and verify the information in the Application. Based upon the consultants' review, the Board has determined that the information provided by the Applicant is true and correct.**

The Board has developed a written policy CCGB (Local) which requires, upon the filing of an Application under Tax Code Chapter 313, the retention of consultants in order to verify: (1) that Applicant's information contained in the Application as to existing facts is true and correct; (2) that Applicant's information contained in the Application with respect to projections of future events are commercially reasonable and within the ability of Applicant to execute; (3) that information related to job creation is commercially reasonable and within the ability of Applicant to execute; (4) that Applicant's representations concerning and economic incentives being offered, if any, and (5) the proposed project meets eligibility requirements.

As a part of its verification process the Board notes that the Chapter 313 Application for which these Findings are being made has been submitted by the Applicant under oath. Chapter 313 Applications are governmental records under Tex. Penal Code §37.01(2)(A); as a result, all statements contained therein are representations of fact within the meaning of Tex. Penal Code § 37.01(3). Since Board action upon the adoption of these Findings

and the approval of the Chapter 313 Tax Limitation Agreement (**Attachment G**) is an "official proceeding," a false statement on a Chapter 313 application constitutes perjury under Tex. Penal Code § 37.03.

The Board finds that sworn statements are routinely used as an acceptable verification method for reliance by fact finders in each of the three separate branches of government, including trials.

The consultants have prepared signed statements that the consultants have reviewed and verified the contents of the Application and have determined that the current statements of fact contained in the Application are true and correct. (**Attachment H**) The Board finds that reliance by the Board and its consultants upon verified statements of the Applicant, especially as to Applicant's future intentions which cannot be objectively verified is reasonable and within the intent of Chapter 313, Texas Tax Code.

Board Finding Number 11.

> **The Board of Trustees has determined that the Tax Limitation Amount requested by Applicant is currently Twenty Million Dollars, which is consistent with the minimum values currently set out by Tax Code, § 313.054(a).**

The Board finds that the Chapter 313 Tax Limitation Agreement (**Attachment G**), in accordance with Comptroller's Form 50-826, contains all required provisions and information related to the required investment amount, to wit: the amount set forth in Section 2.5 of said Agreement. According to the Texas Comptroller of Public Accounts' School and Appraisal Districts' Property Value Study 2017 Final Findings made under Subchapter M, Chapter 403, Government Code for the preceding tax year **(Attachment E)**. The total industrial value for the District is $85.2 million. The District is categorized as Subchapter C, which applies only to a school district that has territory in a strategic investment area, as defined under Subchapter O, Chapter 171, Tax Code or in a county: (1) that has a population of less than 50,000 and (2) in which, from 1990 to 2000, according to the federal decennial census, the population: (A) remained the same; (B) decreased; or (C) increased, but at a rate of not more than three percent per annum. The District is

classified as a "rural" district due to its inclusion in a strategic investment area. Given that the value of industrial property is more than $1 million but less than $90 million, it is classified as a Category III district which can offer a minimum value limitation of $20 million.

Board Finding Number 12.

> **The Board finds that the Chapter 313 Tax Limitation Agreement (Attachment G) contains all necessary provisions and information related to establishing the required investment amount, to wit: the amount set forth in Section 2.5 of said Agreement.**

The Board relies on the certifications of its consultants and the Comptroller's Approval of the Agreement form to make this Finding. (**Attachment I**)

Board Finding Number 13.

> **The Applicant (Taxpayer No. 32070026441) is eligible for the limitation on appraised value of qualified property as an active franchise-tax paying entity.**

The Applicant, (Texas Taxpayer No. 32070026441), is an entity subject to Chapter 171, Texas Tax Code, and is certified to be an active franchise taxpayer by the Comptroller. (See **Attachment B)**. The Board also finds that the Chapter 313 Tax Limitation Agreement (**Attachment G**) contains all required provisions necessary for the Board to assess eligibility of any business to which an agreement is transferred.

Board Finding Number 14.

> **The project will be located within an area that is designated as a reinvestment zone, pursuant to Chapter 312 of the Texas Tax Code.**

Board Finding Number 15.

> **The Agreement for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code, attached hereto as Attachment G, includes adequate and appropriate revenue protection provisions for the District, and such provisions comply with the specific terms of Texas Tax Code, Chapter 313.**

In support of this finding, the report of Moak, Casey & Associates, Inc. shows that the District will incur a revenue loss in the initial year that the value limitation is in effect

without the proposed Agreement under current law. However, with this Agreement, the negative consequences of granting the value limitation are offset through the revenue protection provisions agreed to by the Applicant and the District. The Agreement contains adequate revenue protection measures for the duration of the Agreement. In support of this Finding, the Board relies upon the recommendation of its consultants. (**Attachment H**)

Board Finding Number 16.

> **The Board finds that the Chapter 313 Tax Limitation Agreement (Attachment G) contains all required provisions necessary for the Board to assess performance standards and to require periodic deliverables that will enable it to hold businesses accountable for achieving desired results, to wit: the reporting requirements set forth in Article VIII of said Agreement.**

Board Finding Number 17.

> **The Board finds that there are no conflicts of interest at the time of considering the agreement.**

The Board finds that with the adoption of District Policies BBFA and BBFB, both (Legal) and (Local), set forth https://pol.tasb.org/home/index/1056, that it has taken appropriate action to ensure that all District Trustees and the Superintendent, have disclosed any potential conflicts of interest, and that such disclosures will be made if any conflict of interest arises in the future, in compliance with the requirements of Texas Local Gov't Code §171.004.

In addition, at the public hearing, the Board caused the statement set forth in **Attachment J** to be read into the public record and that only Board members audibly responding that no conflict of interest existed either deliberated or voted on the Tax Limitation Agreement, these Findings or any matter relating to the Application upon which these Findings have been premised.

The Board finds that with the adoption of District Policies DBD, DGA, DH, and BBFB, both (Legal) and (Local) that it has taken appropriate action to ensure that all District employees and/or consultants, have disclosed any potential conflicts of interest, and that

such disclosures will be made if any conflict of interest arises in the future, in compliance with the requirements of Texas Local Gov't Code §171.004.

The Board finds that that no non-disclosed conflicts of interest exist as to the Application for which these Findings are being made, as of the time of action on these Findings.

Board Finding Number 18.

> **The Board directs that a link on its Web site to the Comptroller's Office's Web site where appraisal limitation related documents are made available to the public.**

Board Finding Number 19.

> **Considering the purpose and effect of the law and the terms of the Agreement, that it is in the best interest of the District and the State to enter into the attached Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes.**

It is therefore ORDERED that the Agreement attached hereto as **Attachment G** is approved and herby authorized to be executed and delivered by and on behalf of the District. It is further ORDERED that these findings and the Attachments referred to herein be attached to the Official Minutes of this meeting, and maintained in the permanent records of the Board of Trustees of the District.

Dated the 27th day of June 2019.

SINTON INDEPENDENT SCHOOL DISTRICT

By: Carol Reagan
President, Board of Trustees

ATTEST:

By: Janice B
Secretary, Board of Trustees

Attachment A

Application

Grant Thornton

Mr. Chad Jones
Superintendent
Sinton Independent School District
322 S. Archer
Sinton, TX 78387

Grant Thornton LLP
700 Milam Street, Suite 300
Houston, Texas 77002

T 832.476.3600
www.GrantThornton.com

March 4, 2019

Re: **Chapter 313 Application for Appraised Value Limitation on Qualified Property**
Buffalo, LLC
Flat Roll Steel Mill Project

Dear Mr. Jones:

Enclosed is a Chapter 313 application for a flat roll steel mill manufacturing and coating project proposed by Buffalo, LLC, a wholly owned subsidiary of Steel Dynamics, Inc. ("Steel Dynamics"), in San Patricio County. Steel Dynamics seeks support from the Sinton Independent School District Board and asks that you forward the application to the Texas Comptroller of Public Accounts for review and certification. Steel Dynamics values its relationship with the Sinton community and looks forward to working with you on this project.

If you have any questions regarding this application, please do not hesitate to contact me at (832)476-3763.

Sincerely

Tam Vo
Director

CC:
Richard Poinsatte, Vice Pres. & Treasurer, Steel Dynamics, Inc.

Buffalo, LLC

Chapter 313 Application

For Appraised Value Limitation

By Sinton Independent School District

March 4, 2019

Table of Contents

Chapter 313 Application..... Tab 1

Application Fee..... Tab 2

Combined Group..... Tab 3

Project Description..... Tab 4

Limitation as Determining Factor..... Tab 5

Multiple Districts..... Tab 6

Qualified Investment Description..... Tab 7

Qualified Property Description..... Tab 8

Land description..... Tab 9

Description of Not Eligible Property..... Tab 10

Maps..... Tab 11

Job Creation Waiver..... Tab 12

Average Wages..... Tab 13

Schedules A1, A2, B, C, and D..... Tab 14

Economic Impact Analysis..... Tab 15

Reinvestment Zone Description..... Tab 16

Signature and Certification..... Tab 17

Tab 1

Chapter 313 Application

Application for Appraised Value Limitation on Qualified Property

(Tax Code, Chapter 313, Subchapter B or C)

INSTRUCTIONS: This application must be completed and filed with the school district. In order for an application to be processed, the governing body (school board) must elect to consider an application, but — by Comptroller rule — the school board may elect to consider the application only after the school district has received a completed application. Texas Tax Code, Section 313.025 requires that any completed application and any supplemental materials received by the school district must be forwarded within seven days to the Comptroller of Public Accounts.

If the school board elects to consider the application, the school district must:

- notify the Comptroller that the school board has elected to consider the application. This notice must include:
  - the date on which the school district received the application;
  - the date the school district determined that the application was complete;
  - the date the school board decided to consider the application; and
  - a request that the Comptroller prepare an economic impact analysis of the application;
- provide a copy of the notice to the appraisal district;
- must complete the sections of the application reserved for the school district and provide information required in the Comptroller rules located at 34 Texas Administrative Code (TAC) Section 9.1054; and
- forward the original hard copy of the completed application to the Comptroller in a three-ring binder with tabs, as indicated on page 9 of this application, separating each section of the documents, in addition to an electronic copy on CD. See 34 TAC Chapter 9, Subchapter F.

The governing body may, at its discretion, allow the applicant to supplement or amend the application after the filing date, subject to the restrictions in 34 TAC Chapter 9, Subchapter F.

When the Comptroller receives the notice and required information from the school district, the Comptroller will publish all submitted application materials on its website. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules. For more information, see guidelines on Comptroller's website.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. Pursuant to 9.1053(a)(1)(C), requested information shall be provided within 20 days of the date of the request. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, issue a certificate for a limitation on appraised value to the school board regarding the application and prepare an economic impact evaluation by the 90th day after the Comptroller receives a complete application—as determined by the Comptroller.

The school board must approve or disapprove the application not later than the 150th day after the application review start date (the date the application is finally determined to be complete), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to issue a certificate, complete the economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's website to find out more about the program at comptroller.texas.gov/economy/local/ch313/. There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School DIstrict Information

1. Authorized School District Representative

March 4, 2019
Date Application Received by District

Chad
First Name

Jones
Last Name

Superintendent
Title

Sinton Independent School District
School District Name

322 S. Archer
Street Address

322 S. Archer
Mailing Address

Sinton
City

TX
State

78387
ZIP

361-364-6800
Phone Number

361-364-6905
Fax Number

N/A
Mobile Number (optional)

cjones@sintonisd.net
Email Address

2. Does the district authorize the consultant to provide and obtain information related to this application? . . . . . ☑ Yes ☐ No

SECTION 1: School DIstrict Information *(continued)*

3. Authorized School District Consultant ***(If Applicable)***

First Name: Dan
Last Name: Casey
Title: Partner
Firm Name: Moak, Casey & Associates
Phone Number: 512-485-7878
Fax Number:
Mobile Number *(optional)*: N/A
Email Address: dcasey@moakcasey.com

4. On what date did the district determine this application complete? ..... March 15, 2019

5. Has the district determined that the electronic copy and hard copy are identical? ..... [X] Yes [ ] No

SECTION 2: Applicant Information

1. Authorized Company Representative ***(Applicant)***

First Name: Richard
Last Name: Poinsatte
Title: Vice President & Treasurer
Organization: Steel Dynamics, Inc.
Street Address: 7575 W Jefferson Blvd.
Mailing Address: 7575 W Jefferson Blvd.
City: Fort Wayne
State: Indiana
ZIP: 46804
Phone Number: 260-969-3560
Fax Number: 260-969-3592
Mobile Number *(optional)*: N/A
Business Email Address: rick.poinsatte@steeldynamics.com

2. Will a company official other than the authorized company representative be responsible for responding to future information requests? ..... [✓] Yes [ ] No

2a. If yes, please fill out contact information for that person.

First Name: Matthew
Last Name: Peters
Title: Vice President - Tax
Organization: Steel Dynamics, Inc.
Street Address: 7575 W Jefferson Blvd.
Mailing Address: 7575 W Jefferson Blvd.
City: Fort Wayne
State: Indiana
ZIP: 46804
Phone Number: 260-469-4334
Fax Number: 260-969-3592
Mobile Number *(optional)*: N/A
Business Email Address: matt.peters@steeldynamics.com

3. Does the applicant authorize the consultant to provide and obtain information related to this application? ..... [✓] Yes [ ] No

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant *(If Applicable)*

First Name: Tam
Last Name: Vo
Title: Director
Firm Name: Grant Thornton LLP
Phone Number: 832-476-3763
Fax Number: 832-476-3740
Business Email Address: Tam.Vo@us.gt.com

SECTION 3: Fees and Payments

1. Has an application fee been paid to the school district? ☑ Yes ☐ No

   The total fee shall be paid at time of the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.

   1a. If yes, attach in **Tab 2** proof of application fee paid to the school district.

For the purpose of questions 2 and 3, "payments to the school district" include any and all payments or transfers of things of value made to the school district or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the agreement for limitation on appraised value.

2. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)? ☐ Yes ☑ No ☐ N/A
3. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)? ☐ Yes ☑ No ☐ N/A

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? Buffalo, LLC
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 *(11 digits)* 32070026441
3. List the NAICS code 331111
4. Is the applicant a party to any other pending or active Chapter 313 agreements? ☐ Yes ☑ No

   4a. If yes, please list application number, name of school district and year of agreement

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant *(corporation, limited liability corporation, etc)* Limited Liability Company
2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? ☑ Yes ☐ No

   2a. If yes, attach in **Tab 3** a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.
3. Is the applicant current on all tax payments due to the State of Texas? ☑ Yes ☐ No
4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? ☑ Yes ☐ No ☐ N/A
5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. *(If necessary, attach explanation in **Tab 3**)*

Newly-formed business without any operations yet.

SECTION 6: Eligibility Under Tax Code Chapter 313.024

1. Are you an entity subject to the tax under Tax Code, Chapter 171? ☑ Yes ☐ No
2. The property will be used for one of the following activities:
   - (1) manufacturing ☑ Yes ☐ No
   - (2) research and development ☐ Yes ☑ No
   - (3) a clean coal project, as defined by Section 5.001, Water Code ☐ Yes ☑ No
   - (4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code ☐ Yes ☑ No
   - (5) renewable energy electric generation ☐ Yes ☑ No
   - (6) electric power generation using integrated gasification combined cycle technology ☐ Yes ☑ No
   - (7) nuclear electric power generation ☐ Yes ☑ No
   - (8) a computer center that is used as an integral part or as a necessary auxiliary part for the activity conducted by applicant in one or more activities described by Subdivisions (1) through (7) ☐ Yes ☑ No
   - (9) a Texas Priority Project, as defined by 313.024(e)(7) and TAC 9.1051 ☐ Yes ☑ No
3. Are you requesting that any of the land be classified as qualified investment? ☐ Yes ☑ No
4. Will any of the proposed qualified investment be leased under a capitalized lease? ☐ Yes ☑ No
5. Will any of the proposed qualified investment be leased under an operating lease? ☐ Yes ☑ No
6. Are you including property that is owned by a person other than the applicant? ☐ Yes ☑ No
7. Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment? ☐ Yes ☑ No

SECTION 7: Project Description

1. In **Tab 4**, attach a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.
2. Check the project characteristics that apply to the proposed project:
   - ☐ Land has no existing improvements
   - ☑ Land has existing improvements *(complete Section 13)*
   - ☐ Expansion of existing operation on the land *(complete Section 13)*
   - ☐ Relocation within Texas

SECTION 8: Limitation as Determining Factor

1. Does the applicant currently own the land on which the proposed project will occur? ☐ Yes ☑ No
2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project? ☐ Yes ☑ No
3. Does the applicant have current business activities at the location where the proposed project will occur? ☐ Yes ☑ No
4. Has the applicant made public statements in SEC filings or other documents regarding its intentions regarding the proposed project location? ☐ Yes ☑ No
5. Has the applicant received any local or state permits for activities on the proposed project site? ☐ Yes ☑ No
6. Has the applicant received commitments for state or local incentives for activities at the proposed project site? ☑ Yes ☐ No
7. Is the applicant evaluating other locations not in Texas for the proposed project? ☑ Yes ☐ No
8. Has the applicant provided capital investment or return on investment information for the proposed project in comparison with other alternative investment opportunities? ☐ Yes ☑ No
9. Has the applicant provided information related to the applicant's inputs, transportation and markets for the proposed project? ☐ Yes ☑ No
10. Are you submitting information to assist in the determination as to whether the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in Texas? ☑ Yes ☐ No

Chapter 313.026(e) states "the applicant may submit information to the Comptroller that would provide a basis for an affirmative determination under Subsection (c)(2)." If you answered "yes" to any of the questions in Section 8, attach supporting information in Tab 5.

SECTION 9: Projected Timeline

1. Application approval by school board ..... August 2019
2. Commencement of construction ..... 4th Quarter of 2019
3. Beginning of qualifying time period ..... January 1, 2021
4. First year of limitation ..... January 1, 2022
5. Begin hiring new employees ..... June 2019
6. Commencement of commercial operations ..... December 2021
7. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date *(date your application is finally determined to be complete)*? ..... ☑ Yes ☐ No

   Note: Improvements made before that time may not be considered qualified property.
8. When do you anticipate the new buildings or improvements will be placed in service? ..... December 2021

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located: San Patricio
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property: San Patricio County Appraisal District
3. Will this CAD be acting on behalf of another CAD to appraise this property? ..... ☐ Yes ☑ No
4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:

County:	San Patricio County, 0.468521, 100%	City:	N/A
	(Name, tax rate and percent of project)		*(Name, tax rate and percent of project)*
Hospital District:	N/A	Water District:	San Patricio Co Drain Dist, 0.069607, 100%
	(Name, tax rate and percent of project)		*(Name, tax rate and percent of project)*
Other *(describe)*:	See Tab 6	Other *(describe)*:	See Tab 6
	(Name, tax rate and percent of project)		*(Name, tax rate and percent of project)*

5. Is the project located entirely within the ISD listed in Section 1? ..... ☑ Yes ☐ No

   5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? ..... ☐ Yes ☑ No

   6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

NOTE: The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as Subchapter B or Subchapter C, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's website at **comptroller.texas.gov/economy/local/ch313/**.

1. At the time of application, what is the estimated minimum qualified investment required for this school district? 10,000,000.00
2. What is the amount of appraised value limitation for which you are applying? 20,000,000.00

   Note: The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? ..... ☑ Yes ☐ No
4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
   a. a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
   b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
   c. a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).
5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? ..... ☑ Yes ☐ No

SECTION 12: Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:
   - 1a. a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 8**);
   - 1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (**Tab 8**); and
   - 1c. a map of the qualified property showing location of new buildings or new improvements with vicinity map (**Tab 11**).
2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? . . . . . ☑ Yes ☐ No
   - 2a. If yes, attach complete documentation including:
     - a. legal description of the land (**Tab 9**);
     - b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (**Tab 9**);
     - c. owner (**Tab 9**);
     - d. the current taxable value of the land. Attach estimate if land is part of larger parcel (**Tab 9**); and
     - e. a detailed map showing the location of the land with vicinity map (**Tab 11**).
3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? . . . . ☑ Yes ☐ No
   - 3a. If yes, attach the applicable supporting documentation:
     - a. evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (**Tab 16**);
     - b. legal description of reinvestment zone (**Tab 16**);
     - c. order, resolution or ordinance establishing the reinvestment zone (**Tab 16**);
     - d. guidelines and criteria for creating the zone (**Tab 16**); and
     - e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (**Tab 11**)
   - 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? . . . . . _____

SECTION 13: Information on Property Not Eligible to Become Qualified Property

1. In **Tab 10**, attach a specific and detailed description of all **existing property**. This includes buildings and improvements existing as of the application review start date (the date the application is determined to be complete by the Comptroller). The description must provide sufficient detail to locate all existing property on the land that will be subject to the agreement and distinguish existing property from future proposed property.

2. In **Tab 10**, attach a specific and detailed description of all **proposed new property that will not become new improvements** as defined by TAC 9.1051. This includes proposed property that: functionally replaces existing or demolished/removed property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property; or is otherwise ineligible to become qualified property. The description must provide sufficient detail to distinguish existing property (question 1) and all proposed new property that cannot become qualified property from proposed qualified property that will be subject to the agreement (as described in Section 12 of this application).

3. For the property not eligible to become qualified property listed in response to questions 1 and 2 of this section, provide the following supporting information in **Tab 10**:
   - a. maps and/or detailed site plan;
   - b. surveys;
   - c. appraisal district values and parcel numbers;
   - d. inventory lists;
   - e. existing and proposed property lists;
   - f. model and serial numbers of existing property; or
   - g. other information of sufficient detail and description.

4. Total estimated market value of existing property (that property described in response to question 1): . . . . . $ 270,237.00
5. In **Tab 10**, include an appraisal value by the CAD of all the buildings and improvements existing as of a date within 15 days of the date the application is received by the school district.

6. Total estimated market value of proposed property not eligible to become qualified property *(that property described in response to question 2)*: . . . . . $ 0.00

Note: Investment for the property listed in question 2 may count towards qualified investment in Column C of Schedules A-1 and A-2, if it meets the requirements of 313.021(1). Such property cannot become qualified property on Schedule B.

SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 0

2. What is the last complete calendar quarter before application review start date:

   ☐ First Quarter ☐ Second Quarter ☐ Third Quarter ☑ Fourth Quarter of 2018 (year)

3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? 0

   Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).

4. What is the number of new qualifying jobs you are committing to create? 500

5. What is the number of new non-qualifying jobs you are estimating you will create? 0

6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? ..... ☐ Yes ☑ No

   6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.

7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).

   a. Average weekly wage for all jobs (all industries) in the county is 933.25

   b. 110% of the average weekly wage for manufacturing jobs in the county is 2,125.48

   c. 110% of the average weekly wage for manufacturing jobs in the region is 1,275.12

8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? ..... ☐ §313.021(5)(A) or ☑ §313.021(5)(B)

9. What is the minimum required annual wage for each qualifying job based on the qualified property? 60,278.40

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 76,167.00

11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? ..... ☑ Yes ☐ No

12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? ..... ☐ Yes ☑ No

    12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).

13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? ..... ☐ Yes ☑ No

    13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

1. Complete and attach Schedules A1, A2, B, C, and D in **Tab 14**. Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.
2. Attach an Economic Impact Analysis, if supplied by other than the Comptroller's Office, in **Tab 15**. *(not required)*
3. If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, attach a separate schedule showing the amount for each year affected, including an explanation, in **Tab 15**.

Tab 2

Application Fee

00036988

7575 West Jefferson Boulevard, Fort Wayne, Indiana 46804

Steel Dynamics, Inc.

0011436 Sinton Independent School Distri00000000000071785 2/26/2019

36988

INVOICE NO.	DATE	DESCRIPTION	PAID AMOUNT	DISCOUNT	APPLIED AMOUNT
SISD2019	2/28/2019	Project Buffalo	$75,000.00	$0.00	$75,000.00

INTERNAL NO.	VENDOR			
	Sinton Independent School Dist	TOTALS $75,000.00	$0.00	$75,000.00

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER, MICROPRINT FOR THE SIGNATURE LINE AND THE BACK HAS AN ARTIFICIAL WATERMARK

Steel Dynamics, Inc.

7575 West Jefferson Boulevard
Fort Wayne, Indiana 46804
(260) 969-3528

HARRIS CENTRAL N.A.
ROSELLE, ILLINOIS

70-1558/719

DATE	CHECK NO.
2/26/2019	36988

COPY

AMOUNT

$75,000.00

PAY TO THE ORDER OF

Seventy Five Thousand Dollars And 00 Cents

Sinton Independent School District
322 S. Archer Street

Sinton TX 78387

⑈036988⑈ ⑆071915580⑆ 04⑈416⑈929⑈8⑈

Tab 3

Combined Group

Tab 3
Combined Group

The Applicant is a newly formed entity with no current business operations. If this project proceeds, the Applicant will file as part of a combined group under Steel Dynamics Sales North America, Inc. (Taxpayer ID 13200420399).

Tab 4

Project Description

Tab 4
Detailed Project Description

The Applicant, Buffalo, LLC ("Buffalo" or the "Company"), a wholly owned subsidiary of Steel Dynamics, Inc. ("Steel Dynamics"), was formed to construct and operate a new southwest flat roll steel facility. Steel Dynamics, founded in 1993, is one of the largest domestic steel producers and metal recyclers based on estimated annual steelmaking and metal recycling capabilities, with facilities located throughout the United States and Mexico. Steel Dynamics produces steel products, including hot roll, cold roll, and coated sheet steel, structural steel beams and shapes, rail, engineered special-bar-quality steel, cold finished steel, merchant bar products, specialty steel sections and steel joists and deck. In addition, the company produces liquid pig iron, processes, and sells ferrous and nonferrous scrap. In 2018, Steel Dynamics' annual revenues reached $11.8 billion.

The proposed Sinton project would include construction throughout 2019-2021 of a state of the art flat roll steel mill manufacturing and coating facility utilizing scrap metal as the primary raw material input using electric arc furnace technology. The facility will be capable of producing approximately 3 million tons of steel coils annually and will include the ability to further process and/or coat the steel to create value added products according to customer requirements. In addition to the production facilities, this semi-autonomous business unit will include sales, administration, engineering, transportation logistics and various other support functions. Flat roll steel is used by a variety of customers in the construction, building products, automotive, energy, HVAC, appliance, heavy equipment and agricultural industries in both the United States and Mexico.

This proposed Sinton project would result in the creation of approximately 500 new Texas jobs with annual average wages of approximately $76,167. If constructed in Texas, this state-of-the-art flat roll steel mill would utilize new technologies that would help to increase Steel Dynamic's steelmaking capacity, further serving the growing flat roll steel mill-consuming region.

Tab 5

Limitation as Determining Factor

Press Release

Steel Dynamics, Inc.
7575 W. Jefferson Blvd.
Fort Wayne, IN 46804

Steel Dynamics Announces a New Organic Flat Roll Steel Mill Investment

FORT WAYNE, Ind., Nov. 26, 2018 /PRNewswire/ -- Steel Dynamics, Inc. (NASDAQ/GS: STLD) today announced that its Board of Directors has authorized the company to construct a new state-of-the-art, electric-arc-furnace (EAF) flat roll steel mill in the United States. The facility is anticipated to have an annual production capacity of approximately 3.0 million tons with the capability to produce the latest generation of Advanced High Strength Steel products. The project will include value-added finishing lines, including a galvanizing line with an annual capacity of 450,000 tons, and a paint line with an annual coating capacity of 250,000 tons. The product offering is anticipated to include various flat roll steel products, including hot roll, cold roll, galvanized, Galvalume® and painted steel, primarily serving the energy, automotive, construction, and appliance sectors. The current estimated investment is $1.7 billion to $1.8 billion, with anticipated direct job creation of approximately 600 well-paying positions, and numerous opportunities for indirect job growth from other support service providers.

The company currently expects to locate the facility in the southwestern United States, to cost effectively serve not only the southern United States, but also the underserved Mexican flat roll steel market. Determination of the final site location is subject to state and local government infrastructure and incentive support. Upon final site selection and the receipt of required environmental and operating permits, the company would expect to begin construction in 2020, followed by the commencement of operations in the second half of 2021.

"We believe our unique operating culture, coupled with our considerable experience in successfully constructing and operating cost-effective and highly profitable steel mills, positions us well to execute this greenfield opportunity, and to deliver strong long-term value creation," said Mark. D. Millett, President and Chief Executive Officer. "We plan to utilize new technologies that will further reduce the gap between existing EAF and integrated steel mill production capabilities. We are excited to announce this investment, which is a culmination of our intentional focus to cost effectively further serve the customers in this growing flat roll steel consuming region, while increasing our steelmaking capacity and value-added product capability. As a site location is finalized and equipment negotiations are completed, we look forward to updating you on this important strategic initiative."

The company believes this planned growth investment is differentiated and supported by the following key competitive and strategic advantages:

- Safety and Culture
  - This investment will benefit from Steel Dynamics' focus on safety, its low-cost operating framework and entrepreneurial performance-based incentive culture.
- Geographic Diversification
  - The new facility will serve the growing southern U.S. energy and construction sectors, which consume considerable amounts of flat roll steel products.
  - The new facility will also serve the growing steel consuming northern and mid-central regions of Mexico, which consume considerable amounts of flat roll steel products for the automotive and appliance sectors.
  - The site will have a significant competitive edge in the region, with meaningful regional freight cost and logistics advantages.
- Product Quality and Diversification
  - The new facility will be designed with state-of-the-art technologies to produce the highest strength steels available to more comprehensively serve the automotive, energy and equipment sectors.
  - The new technology will allow for greater steel product optionality, including the use of thicker slabs and greater width capabilities, to increase product quality and finished product application alternatives.
- Organic Growth Success Track Record
  - Steel Dynamics' employees and its executive leadership have extensive experience constructing and operating EAF steel mills and downstream value-add finishing lines.
- Sustainability
  - This project will provide meaningful well-paying U.S. jobs and talent development opportunities, with safety and sustainability as a primary focus.
  - Consistent with existing Steel Dynamics' EAF steel mills, this new steel mill will provide an energy efficient, lower environmental impact steelmaking alternative, compared to average typical global steelmaking technologies in use today.

About Steel Dynamics, Inc.
Steel Dynamics is one of the largest domestic steel producers and metals recyclers in the United States based on estimated annual steelmaking and metals recycling capability, with facilities located throughout the United States, and in Mexico. Steel Dynamics produces steel products, including hot roll, cold roll, and coated sheet steel, structural steel beams and shapes, rail, engineered special-bar-quality steel, cold finished steel, merchant bar products, specialty steel sections and steel joists and deck. In addition, the company produces liquid pig iron and processes and sells ferrous and nonferrous scrap.

Forward-Looking Statements
This press release contains some predictive statements about future events, including statements related to conditions in the steel and metallic scrap markets, Steel Dynamics' revenues, costs of purchased materials, future profitability and earnings, and the operation of new or existing facilities. These statements, which we generally precede or accompany by such typical conditional words as "anticipate," "intend," "believe," "estimate," "plan," "seek," "project" or "expect," or by the words "may," "will," or "should," are intended to be made as "forward-looking," subject to many risks and uncertainties, within the safe harbor protections of the Private Securities Litigation Reform Act of 1995. These statements speak only as of this date and are based upon information and assumptions, which we consider reasonable as of this date, concerning our businesses and the environments in which they operate. Such predictive statements are not guarantees of future performance, and we undertake no duty to update or revise any such statements. Some factors that could cause such forward-looking statements to turn out differently than anticipated include: (1) the effects of uncertain economic conditions; (2) cyclical and changing industrial demand; (3) changes in conditions in any of the steel or scrap-consuming sectors of the economy which affect demand for our

products, including the strength of the non-residential and residential construction, automotive, manufacturing, appliance, pipe and tube, and other steel-consuming industries; (4) fluctuation in the cost of key raw materials and supplies (including steel scrap, iron units, and energy costs) and our ability to pass on any cost increases; (5) the impact of domestic and foreign import price competition; (6) unanticipated difficulties in integrating or starting up new or acquired businesses or assets; (7) risks and uncertainties involving product and/or technology development; and (8) occurrences of unexpected plant outages or equipment failures.

More specifically, we refer you to Steel Dynamics' more detailed explanation of these and other factors and risks that may cause such predictive statements to turn out differently, as set forth in our most recent Annual Report on Form 10-K under the headings Special Note Regarding Forward-Looking Statements and Risk Factors, in our quarterly reports on Form 10-Q or in other reports which we from time to time file with the Securities and Exchange Commission. These are available publicly on the SEC website, www.sec.gov, and on the Steel Dynamics website, www.steeldynamics.com: Investors: SEC Filings.

SOURCE Steel Dynamics, Inc.

11/26/2018 6:00:00 PM

Tab 5
Limitation as Determining Factor

The Applicant, Buffalo, LLC ("Buffalo" or the "Company"), a wholly owned subsidiary of Steel Dynamics, Inc. (SDI), was formed to construct and operate a new southwest flat roll steel facility. Steel Dynamics, founded in 1993, is one of the largest domestic steel producers and metal recyclers based on estimated annual steelmaking and metal recycling capabilities, with facilities located throughout the United States and Mexico. Steel Dynamics produces steel products, including hot roll, cold roll, and coated sheet steel, structural steel beams and shapes, rail, engineered special-bar-quality steel, cold finished steel, merchant bar products, specialty steel sections and steel joists and deck. In addition, the company produces liquid pig iron, processes, and sells ferrous and nonferrous scrap. In 2018, Steel Dynamics' annual revenues reached $11.8 billion. Steel Dynamics has limited capital dollars that it invests across the United States into its various locations. To be successful in competition for these dollars, it is imperative that the Sinton management team develops a strong economic argument, which demonstrates sufficient financial return to the organization. Steel Dynamics' board of directors is evaluating this project as well as other capital projects at this time and partnerships with the state and local governments are a critical component of the evaluation process.

Steel Dynamics takes a disciplined, long-term approach to investing, regardless of the economic cycle and the geographic location. They consistently seek new global investment opportunities that create value for their stakeholders. Their business model is to conduct an extensive evaluation before they make any final investment decisions. A project team is evaluating these opportunities with a focus on global logistic capabilities, efficiency, scale, and site integration. The company has made no public announcements of a definitive intent to construct the proposed flat roll steel mill at the Sinton location. With respect to potential locations in North America, the Applicant is also reviewing possible sites in Louisiana.

Competitive abatement programs for the proposed new flat roll steel facility exist in alternative locations. The impact of the property tax burden on the economic return of the proposed new facility is an important factor in the Applicant's site selection evaluation and decision, as well as in obtaining approval for the project internally with Steel Dynamics' board of directors. Thus, a limitation on appraised value under Chapter 313 of the Texas Tax Code is a determining factor in the Applicant's decision to invest capital and construct the Project in the State of Texas.

The decision to make an investment in a particular jurisdiction depends on the economics of the investment in that jurisdiction. Steel Dynamics' decision to proceed with the investment in the proposed project will be based on a number of commercial, regulatory, and financial considerations, including the ability to obtain relief regarding property taxes. Capital investments are allocated to projects and locations based on expected economic return, and projected property tax liabilities associated with the proposed project are a substantial ongoing cost of operation. With all the national project proposals Steel Dynamics is considering, the Applicant is requesting a significant portion of the Steel Dynamics' capital investment budget relative to the Applicant's total portfolio. The projected tax liabilities for the proposed project, without a Chapter 313 appraised value limitation, lower the economic rate of return and detract from the financial attractiveness of the project. In turn, the project becomes less competitive with other capital-intensive projects that deliver higher rates of return on invested capital. Accordingly, securing a Chapter 313 appraised value limitation is critical to establishing a rate of return competitive with other investment opportunities and, therefore, is an important factor affecting Steel Dynamics' final investment decision to construct and operate the proposed project in Texas.

An article published by Steel Dynamics' on their website on November 26, 2018 states that the company currently expects to locate the new facility in the southwestern United States, but that the final site location is subject to the state and local government incentive support received.

A comparison of Sinton ISD's M&O ad valorem taxes with and without the Chapter 313 appraised limitation through the 10th anniversary of the beginning of the limitation period using the current Sinton ISD M&O ad valorem tax rate of $1.17 per $100 of the estimated M&O taxable values on Schedule B is shown below:

M&O Ad Valorem Tax Comparison
For Sinton ISD
With and without Chapter 313 appraised value limitation

Tax Year	M&O Taxes Without 313	M&O Taxes With 313
2021	$18,765,794	$234,000
2022	$17,954,431	$234,000
2023	$17,165,706	$234,000
2024	$16,376,178	$234,000
2025	$15,585,802	$234,000
2026	$14,738,963	$234,000
2027	$13,894,120	$234,000
2028	$13,051,233	$234,000
2029	$12,210,263	$234,000
2030	$11,371,171	$234,000
Total	$151,113,660	**$2,340,000**
Difference		**($148,773,660)**

As shown in the attachment, the Chapter 313 appraised value limitation is projected to result in approximately $149 million in tax savings. These savings have a material impact on the rate of return and discounted cash flow projections for the project and are equivalent to 8.24% of the projected total investment in the proposed project, which is considered material for financial purposes.

The Applicant is jointly applying for the following state or local incentives in the beginning of 2020 if the project is moving forward in Texas:

Incentive Description	Taxing Entity (as applicable)	Duration of Benefit	Annual Incentive
Tax Code Chapter 312	San Patricio	10 years	70% abatement
Freeport Exemptions	City / County	To be determined	To be determined
Enterprise Zone/Project	State of Texas	5 years	$727,500
Texas Enterprise Fund	State of Texas	10 years	Up to $10,000 per job
Skills Development Fund	State of Texas	To be determined	To be determined
Drainage District Abatement	San Patricio	To be determined	To be determined

The Applicant is also in the process of applying for air permits in both Texas and Louisiana. The Applicant intends to apply for water permits in both Texas and Louisiana once more information is finalized.

Tab 6

Multiple Districts

NOT APPLICABLE

Tab 6
Multiple Districts

The project is located entirely (100%) within the boundaries of Sinton ISD and San Patricio County. The project is also located 100% in the following taxing entities and the 2018 tax rate is shown below for each:

JURISDICTION	2018 TAX RATE
San Patricio County	0.468521
San Patricio County Drainage District	0.069607
San Patricio County Road	0.047803
Sinton ISD	1.449000

Tab 7

Qualified Investment Description

Tab 7
Qualified Investment Description

The Applicant currently does not have operations in Texas. The Applicant expects to construct a new facility in the southwestern United States to cost effectively serve the Southern United States and the underserved Mexican flat roll steel markets. If approved, the proposed Sinton capital project involves the construction of a new state-of-the-art electric-arc furnace flat roll steel mill designed to produce the latest in advanced high strength steel products. The construction of the facility and the associated equipment results in a capital investment of approximately $1.755 billion. As part of the project, the facility will include production facilities, sales, administration, engineering, transportation logistics and various other support functions.

Below is a list of the major investments related to the proposed facility for qualified investment:

- Site preparation
- Engineering
- General utilities
- Melt / Cast building
- Hot mill building
- Cold mill / Pickle line building
- Warehouse
- Utility buildings
- Guard house
- Melt shop equipment
- Caster / Tunnel equipment
- Hot mill equipment
- Cold mill equipment
- Dust collection
- Water treatment
- Cranes
- Rail / Scrap yard
- Office building and equipment
- Mobile equipment
- Production equipment

Additional infrastructure to support this property will include access to electricity, natural gas, water, railways, and highways.

The qualified investment will be located on land currently being evaluated by the Applicant for purchase. Additional land details are located in Tab 9.

Construction is proposed to be initiated in September 2019, with the commencement of commercial operations in December 2021. The successful implementation of this project is dependent upon the supportive economic development incentives provided.

Tab 8

Qualified Property Description

Tab 8
Qualified Property Description

The Applicant currently does not have operations in Texas. The Applicant expects to construct a new facility in the southwestern United States to cost effectively serve the Southern United States and the underserved Mexican flat roll steel markets. If approved, the proposed Sinton capital project involves the construction of a new state-of-the-art electric-arc furnace flat roll steel mill designed to produce the latest in advanced high strength steel products. The land, construction of the facility, and the associated equipment results in a total capital investment for qualifying property of approximately $1.805 billion. As part of the project, the facility will include production facilities, sales, administration, engineering, transportation logistics and various other support functions.

Below is a list of the major investments related to the proposed facility for qualified property:

- Site preparation
- Engineering
- General utilities
- Melt / Cast building
- Hot mill building
- Cold mill / Pickle line building
- Warehouse
- Utility buildings
- Guard house
- Melt shop equipment
- Caster / Tunnel equipment
- Hot mill equipment
- Cold mill equipment
- Dust collection
- Water treatment
- Cranes
- Rail / Scrap yard
- Office building and equipment
- Mobile equipment
- Production equipment

Additional infrastructure to support this property will include access to electricity, natural gas, water, railways, and highways.

The qualified investment will be located on land currently being evaluated by the Applicant for purchase. Additional land details are located in Tab 9.

Construction is proposed to be initiated in September 2019, with the commencement of commercial operations in December 2021. The successful implementation of this project is dependent upon the supportive economic development incentives provided.

Tab 9

Land Description

Tab 9
Land Description

The land upon which the new buildings and new improvements will be built will be part of the qualified property described by 313.021(2)(A).

The project requires undeveloped land with access to electricity, natural gas, water, railways, and highways. The project will be located on the following land parcels in San Patricio County, Texas:

PROPERTY ID	GEOGRAPHIC ID NO.	LAND (ACRES)	2018 MARKET VALUE
66791	1361-0000-0000-010	2	$23,500
66896	1361-0001-0000-010	774.513	$779,948
109823	1361-0004-0000-000	873.86	$1,588,678
109825	1361-0020-0000-000	873.86	$1,683,911
1032225	1361-0001-0000-011	97.347	$203,364
	Totals	**2,621.598**	**$4,279,401**

See attached CCAD account details and Tab 11 for map.

San Patricio CAD Property Search

Property ID: 66791 For Year 2018

Property Details

Account	
Property ID:	66791
Legal Description:	PT SEC 1 2 4 & 5 ELIZA H. WELDER 2 ACRES
Geographic ID:	1361-0000-0000-010
Agent Code:	
Type:	Real
Location	
Address:	HWY 77 SINTON, TX 78387
Map ID:	M-4-
Neighborhood CD:	
Owner	
Owner ID:	82126
Name:	HAMILTON-INGLESIDE LIMITED LP
Mailing Address:	1014 SANTA FE ST CORPUS CHRISTI, TX 78404
% Ownership:	100.0%
Exemptions:	For privacy reasons not all exemptions are shown online.

Property Values

Improvement Homesite Value:	$0
Improvement Non-Homesite Value:	$270,237
Land Homesite Value:	$0
Land Non-Homesite Value:	$23,500
Agricultural Market Valuation:	$0
Market Value:	$293,737
Ag Use Value:	$0
Appraised Value:	$293,737
Homestead Cap Loss: ?	$0
Assessed Value:	$293,737

DISCLAIMER:Information provided for research purposes only. Legal descriptions and acreage amounts are for appraisal district use only and should be verified prior to using for legal purpose and or documents. Please contact the Appraisal District to verify all information for accuracy.

Property Taxing Jurisdiction

Entity	Description	Tax Rate	Market Value	Taxable Value	Estimated Tax	Freeze Ceiling
CAD	San Patricio CAD	0.000000	$293,737	$293,737	$0.00	
GSP	aSan Patricio County	0.468521	$293,737	$293,737	$1,376.22	
MUD	aSan Patricio Co Drain Dist	0.069607	$293,737	$293,737	$204.46	
RSP	aSan Patricio County Road	0.047803	$293,737	$293,737	$140.42	
SSI	aISD Sinton	1.449000	$293,737	$293,737	$4,256.25	

Total Tax Rate: 2.034931 **Estimated Taxes With Exemptions:** $5,977.35 **Estimated Taxes Without Exemptions:** $5,977.35

Property Improvement - Building

Description: Orig code: MA **Type:** Residential **State Code:** E1 **Living Area:** 3,496.00sqft **Value:** $270,237

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
GR	GARAGE	GRF			777.00
S17BGP	ORIG CODE: S17BGP	S5			3,200.00
OP	OPEN PORCH	OP-4		1951	252.00
MA	MAIN AREA	FR4	Wood / tarpaper	1984	1,240.00
OP	OPEN PORCH	OP-4		1984	16.00
CP	CARPORT	CPW		1984	78.00
MA	MAIN AREA	FR4	Wood / tarpaper	1951	1,742.00
CP	CARPORT	CPW		1951	480.00
OP	OPEN PORCH	OP-4		1951	96.00
OP	OPEN PORCH	OP-4		1984	168.00
CP	CARPORT	CPW		1984	624.00
MA	MAIN AREA	FR3		1951	294.00
SP	ORIG CODE: SP	GN-A		1951	220.00

Property Land

Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
RUR	ORIG CODE: RUR	2	87,120.00			$23,500	$0

Property Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap Loss	Assessed
2019	N\A	N\A	N\A	N\A	N\A	N\A
2018	$270,237	$23,500	$0	$293,737	$0	$293,737
2017	$270,237	$26,500	$0	$296,737	$0	$296,737
2016	$246,027	$7,400	$0	$253,427	$0	$253,427
2015	$242,601	$7,400	$0	$250,001	$0	$250,001
2014	$233,542	$7,400	$0	$240,942	$0	$240,942
2013	$218,825	$7,400	$0	$226,225	$0	$226,225
2012	$205,255	$7,400	$0	$212,655	$0	$212,655
2011	$161,675	$7,400	$0	$169,075	$0	$169,075

Property Deed History

Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Number
8/2/2012	GWD	GENERAL WD	E H PARTNERSHIP LTD	HAMILTON-INGLESIDE LIMITED LP	620282		620282

DISCLAIMER

DISCLAIMER:Information provided for research purposes only. Legal descriptions and acreage amounts are for appraisal district use only and should be verified prior to using for legal purpose and or documents. Please contact the Appraisal District to verify all information for accuracy.

San Patricio CAD Property Search

Property ID: 66896 For Year 2018

Property Details

Account	
Property ID:	66896
Legal Description:	PT SEC 1 2 4 & 5 ELIZA H. WELDER 774.513 ACRES
Geographic ID:	1361-0001-0000-010
Agent Code:	
Type:	Real
Location	
Address:	HWY 77 SINTON, TX 78387
Map ID:	M-4-
Neighborhood CD:	
Owner	
Owner ID:	82126
Name:	HAMILTON-INGLESIDE LIMITED LP
Mailing Address:	1014 SANTA FE ST CORPUS CHRISTI, TX 78404
% Ownership:	100.0%
Exemptions:	For privacy reasons not all exemptions are shown online.

Property Values

Improvement Homesite Value:	$0
Improvement Non-Homesite Value:	$0
Land Homesite Value:	$0
Land Non-Homesite Value:	$0
Agricultural Market Valuation:	$779,948
Market Value:	$779,948
Ag Use Value:	$68,213
Appraised Value:	$68,213
Homestead Cap Loss: ?	$0
Assessed Value:	$68,213

DISCLAIMER:Information provided for research purposes only. Legal descriptions and acreage amounts are for appraisal district use only and should be verified prior to using for legal purpose and or documents. Please contact the Appraisal District to verify all information for accuracy.

Property Taxing Jurisdiction

Entity	Description	Tax Rate	Market Value	Taxable Value	Estimated Tax	Freeze Ceiling
CAD	San Patricio CAD	0.000000	$779,948	$68,213	$0.00	
GSP	aSan Patricio County	0.468521	$779,948	$68,213	$319.59	
MUD	aSan Patricio Co Drain Dist	0.069607	$779,948	$68,213	$47.48	
RSP	aSan Patricio County Road	0.047803	$779,948	$68,213	$32.61	
SSI	aISD Sinton	1.449000	$779,948	$68,213	$988.41	

Total Tax Rate: 2.034931 **Estimated Taxes With Exemptions:** $1,388.09 **Estimated Taxes Without Exemptions:** $15,871.40

Property Improvement - Building

Property Land

Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
IMPR	IMPROVED PASTURELAND	303.195	13,206,956.40			$308,677	$21,345
NATP	NATIVE PASTURELAND	471.318	20,530,612.08	0.00	0.00	$471,271	$46,868

Property Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap Loss	Assessed
2019	N\A	N\A	N\A	N\A	N\A	N\A
2018	$0	$779,948	$68,213	$68,213	$0	$68,213
2017	$0	$779,948	$56,010	$56,010	$0	$56,010
2016	$0	$929,960	$78,021	$78,021	$0	$78,021
2015	$0	$917,303	$77,224	$77,224	$0	$77,224
2014	$0	$634,975	$79,749	$79,749	$0	$79,749
2013	$0	$616,479	$79,749	$79,749	$0	$79,749
2012	$0	$616,479	$78,318	$78,318	$0	$78,318
2011	$0	$579,066	$66,588	$66,588	$0	$66,588

Property Deed History

Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Number
8/2/2012	GWD	GENERAL WD	E H PARTNERSHIP LTD	HAMILTON-INGLESIDE LIMITED LP	620282		620282

DISCLAIMER

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San Patricio CAD Property Search

Property ID: 109823 For Year 2018

Property Details

Account	
Property ID:	109823
Legal Description:	PT SEC 4 5 20 & 21 ELIZA H. WELDER ACRES 873.86
Geographic ID:	1361-0004-0000-000
Agent Code:	
Type:	Real
Location	
Address:	HWY 77 SINTON, TX 78387
Map ID:	M-4-
Neighborhood CD:	
Owner	
Owner ID:	47925
Name:	EDWARDS 1976 TRUST "A" DAVID EDWAR
Mailing Address:	% FIRST VICTORIA NANTIONAL BANK TRU PO BOX 1338 VICTORIA, TX 77902
% Ownership:	100.0%
Exemptions:	For privacy reasons not all exemptions are shown online.

Property Values

Improvement Homesite Value:	$0
Improvement Non-Homesite Value:	$0
Land Homesite Value:	$0
Land Non-Homesite Value:	$0
Agricultural Market Valuation:	$1,588,678
Market Value:	$1,588,678
Ag Use Value:	$101,722
Appraised Value:	$101,722
Homestead Cap Loss: ?	$0
Assessed Value:	$101,722

DISCLAIMER:Information provided for research purposes only. Legal descriptions and acreage amounts are for appraisal district use only and should be verified prior to using for legal purpose and or documents. Please contact the Appraisal District to verify all information for accuracy.

Property Taxing Jurisdiction

Entity	Description	Tax Rate	Market Value	Taxable Value	Estimated Tax	Freeze Ceiling
CAD	San Patricio CAD	0.000000	$1,588,678	$101,722	$0.00	
GSP	aSan Patricio County	0.468521	$1,588,678	$101,722	$476.59	
MUD	aSan Patricio Co Drain Dist	0.069607	$1,588,678	$101,722	$70.81	
RSP	aSan Patricio County Road	0.047803	$1,588,678	$101,722	$48.63	
SSI	aISD Sinton	1.449000	$1,588,678	$101,722	$1,473.95	

Total Tax Rate: 2.034931 **Estimated Taxes With Exemptions:** $2,069.97 **Estimated Taxes Without Exemptions:** $32,328.50

Property Improvement - Building

Property Land

Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
NATP	NATIVE PASTURELAND	198.666	8,654,065.20			$361,175	$19,755
NATP	NATIVE PASTURELAND	270.666	11,790,385.20			$492,071	$26,915
DLCP-B	DRYLAND CROPLAND CLASS B	99.333	4,326,814.80			$180,587	$33,566
IMPR	IMPROVED PASTURELAND	305.195	13,294,076.40			$554,845	$21,486

Property Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap Loss	Assessed
2019	N\A	N\A	N\A	N\A	N\A	N\A
2018	$0	$1,588,678	$101,722	$101,722	$0	$101,722
2017	$0	$1,588,678	$92,809	$92,809	$0	$92,809
2016	$0	$1,683,911	$92,809	$92,809	$0	$92,809
2015	$0	$2,237,899	$104,803	$104,803	$0	$104,803
2014	$0	$1,507,391	$103,394	$103,394	$0	$103,394
2013	$0	$1,463,096	$103,394	$103,394	$0	$103,394
2012	$0	$1,433,297	$99,920	$99,920	$0	$99,920
2011	$0	$691,638	$91,171	$91,171	$0	$91,171

Property Deed History

Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Number

DISCLAIMER

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San Patricio CAD Property Search

Property ID: 109825 For Year 2018

Property Details

Account	
Property ID:	109825
Legal Description:	PT SEC 20 21 22 & 23 ELIZA H . WELDER ACRES 873.86
Geographic ID:	1361-0020-0000-000
Agent Code:	
Type:	Real
Location	
Address:	HWY 77 SINTON, TX 78387
Map ID:	M-4-
Neighborhood CD:	
Owner	
Owner ID:	47917
Name:	FORD-POWERS FAMILY PROPERTIES LTD
Mailing Address:	4225 AVALON CORPUS CHRISTI, TX 78412
% Ownership:	100.0%
Exemptions:	For privacy reasons not all exemptions are shown online.

Property Values

Improvement Homesite Value:	$0
Improvement Non-Homesite Value:	$0
Land Homesite Value:	$0
Land Non-Homesite Value:	$0
Agricultural Market Valuation:	$1,683,911
Market Value:	$1,683,911
Ag Use Value:	$101,722
Appraised Value:	$101,722
Homestead Cap Loss: ?	$0
Assessed Value:	$101,722

DISCLAIMER:Information provided for research purposes only. Legal descriptions and acreage amounts are for appraisal district use only and should be verified prior to using for legal purpose and or documents. Please contact the Appraisal District to verify all information for accuracy.

Property Taxing Jurisdiction

Entity	Description	Tax Rate	Market Value	Taxable Value	Estimated Tax	Freeze Ceiling
CAD	San Patricio CAD	0.000000	$1,683,911	$101,722	$0.00	
GSP	aSan Patricio County	0.468521	$1,683,911	$101,722	$476.59	
MUD	aSan Patricio Co Drain Dist	0.069607	$1,683,911	$101,722	$70.81	
RSP	aSan Patricio County Road	0.047803	$1,683,911	$101,722	$48.63	
SSI	aISD Sinton	1.449000	$1,683,911	$101,722	$1,473.95	

Total Tax Rate: 2.034931 **Estimated Taxes With Exemptions:** $2,069.97 **Estimated Taxes Without Exemptions:** $34,266.43

Property Improvement - Building

Property Land

Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
NATP	NATIVE PASTURELAND	198.666	8,654,065.20			$382,825	$19,755
NATP	NATIVE PASTURELAND	270.666	11,790,385.20			$521,568	$26,915
DLCP-B	DRYLAND CROPLAND CLASS B	99.333	4,326,814.80			$191,413	$33,566
IMPR	IMPROVED PASTURELAND	305.195	13,294,076.40			$588,105	$21,486

Property Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap Loss	Assessed
2019	N\A	N\A	N\A	N\A	N\A	N\A
2018	$0	$1,683,911	$101,722	$101,722	$0	$101,722
2017	$0	$841,956	$46,405	$46,405	$0	$46,405
2016	$0	$841,956	$46,405	$46,405	$0	$46,405
2015	$0	$830,530	$52,402	$52,402	$0	$52,402
2014	$0	$574,913	$51,697	$51,697	$0	$51,697
2013	$0	$558,170	$51,697	$51,697	$0	$51,697
2012	$0	$558,170	$49,960	$49,960	$0	$49,960
2011	$0	$345,819	$45,586	$45,586	$0	$45,586

Property Deed History

Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Number
9/27/2016	GWD	GENERAL WD	FORD-ALLEN FAMILY PROPERTIES LTD	FORD-POWERS FAMILY PROPERTIES LTD	660507		660507
9/27/2016	GWD	GENERAL WD	FORD-ALLEN FAMILY PROPERTIES LTD	FORD-ALLEN FAMILY PROPERTIES LTD	660507		660507

DISCLAIMER

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San Patricio CAD Property Search

Property ID: 1032225 For Year 2018

Property Details

Account	
Property ID:	1032225
Legal Description:	PT SEC 1 & 5 ELIZA H. WE LDER 97.347 ACRES
Geographic ID:	1361-0001-0000-011
Agent Code:	
Type:	Real
Location	
Address:	HWY 77 SINTON, TX 78387
Map ID:	M-4-
Neighborhood CD:	
Owner	
Owner ID:	40401
Name:	THOMAS HUGHES C
Mailing Address:	PO BOX 610 SINTON, TX 78387
% Ownership:	100.0%
Exemptions:	For privacy reasons not all exemptions are shown online.

Property Values

Improvement Homesite Value:	$0
Improvement Non-Homesite Value:	$0
Land Homesite Value:	$0
Land Non-Homesite Value:	$0
Agricultural Market Valuation:	$203,364
Market Value:	$203,364
Ag Use Value:	$9,680
Appraised Value:	$9,680
Homestead Cap Loss: ?	$0
Assessed Value:	$9,680

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Property Taxing Jurisdiction

Entity	Description	Tax Rate	Market Value	Taxable Value	Estimated Tax	Freeze Ceiling
CAD	San Patricio CAD	0.000000	$203,364	$9,680	$0.00	
GSP	aSan Patricio County	0.468521	$203,364	$9,680	$45.35	
MUD	aSan Patricio Co Drain Dist	0.069607	$203,364	$9,680	$6.74	
RSP	aSan Patricio County Road	0.047803	$203,364	$9,680	$4.63	
SSI	aISD Sinton	1.449000	$203,364	$9,680	$140.26	

Total Tax Rate: 2.034931 **Estimated Taxes With Exemptions:** $196.98 **Estimated Taxes Without Exemptions:** $4,138.32

Property Improvement - Building

Property Land

Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
NATP	NATIVE PASTURELAND	97.347	4,240,435.32	0.00	0.00	$203,364	$9,680

Property Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap Loss	Assessed
2019	N\A	N\A	N\A	N\A	N\A	N\A
2018	$0	$203,364	$9,680	$9,680	$0	$9,680
2017	$0	$203,364	$8,262	$8,262	$0	$8,262

Property Deed History

Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Number
3/11/2015	GWD	GENERAL WD	HAMILTON-INGLESIDE LIMITED LP	THOMAS HUGHES C	646120		646120

DISCLAIMER

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Tab 10

Description of Not Eligible Property

Tab 10
Description of All Property Not Eligible to Become Qualified Property

The anticipated site selected for the proposed project includes existing improvements on property identification number 66791 that will not be part of the qualified property.

The existing improvements are comprised of a garage, carports, porch areas, and a main area.

These existing improvements are wholly unrelated to the proposed project as the new flat roll steel facility will be considered newly constructed property. Existing improvements will remain during the construction period and may be removed pending final site and plant designs.

as School District Locator

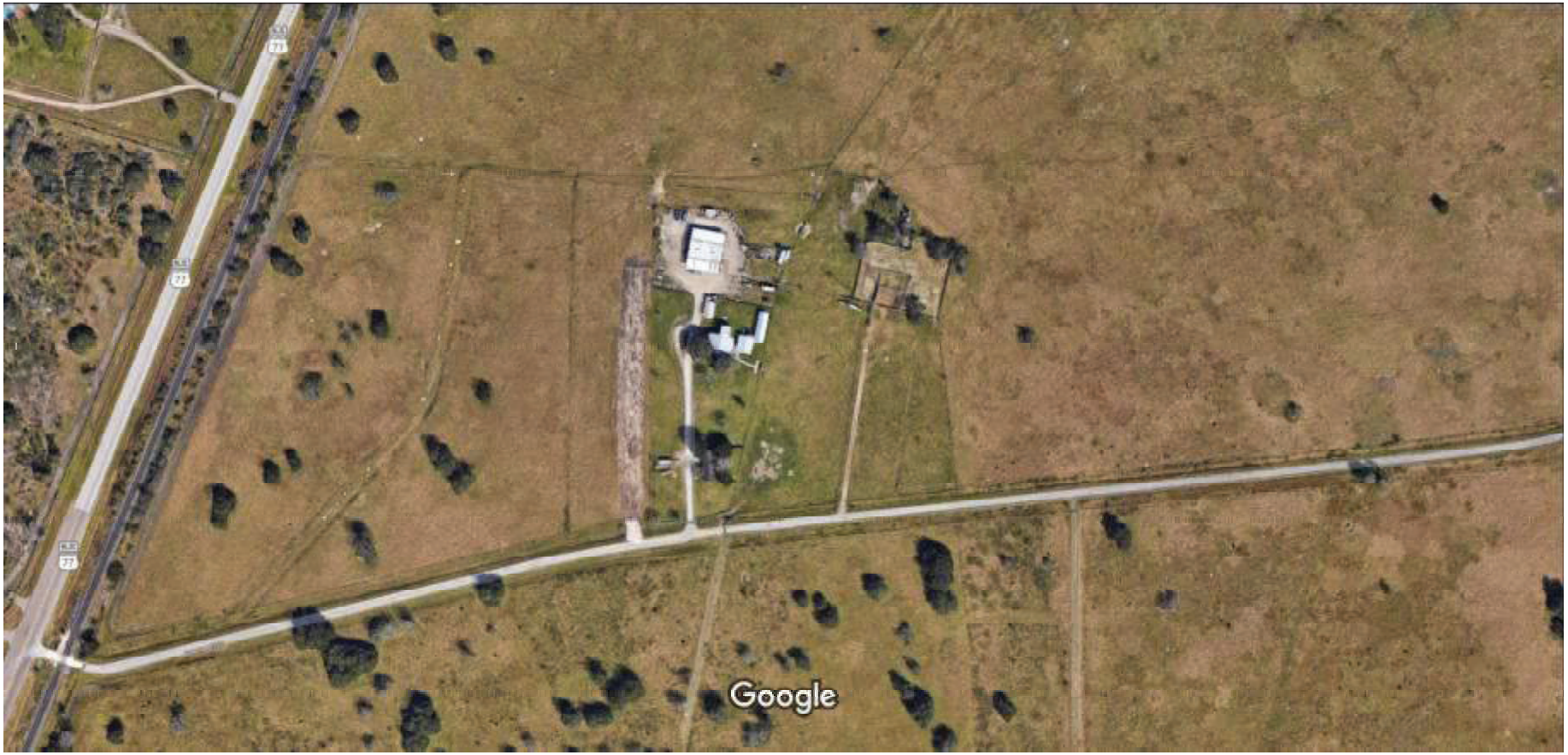
Existing Improvements (Not qualified Property)

Existing Improvements (Not qualified Property)

Google Maps

Sinton

Existing Improvements Property ID: 66791



Imagery ©2019 Google, Map data ©2019 Google 200 ft

San Patricio CAD Property Search

Property ID: 66791 For Year 2018

Property Details

Account

Property ID:	66791
Legal Description:	PT SEC 1 2 4 & 5 ELIZA H. WELDER 2 ACRES
Geographic ID:	1361-0000-0000-010
Agent Code:	
Type:	Real

Location

Address:	HWY 77 SINTON, TX 78387
Map ID:	M-4-
Neighborhood CD:	

Owner

Owner ID:	82126
Name:	HAMILTON-INGLESIDE LIMITED LP
Mailing Address:	1014 SANTA FE ST CORPUS CHRISTI, TX 78404
% Ownership:	100.0%
Exemptions:	For privacy reasons not all exemptions are shown online.

Property Values

Improvement Homesite Value:	$0
Improvement Non-Homesite Value:	$270,237
Land Homesite Value:	$0
Land Non-Homesite Value:	$23,500
Agricultural Market Valuation:	$0
Market Value:	$293,737
Ag Use Value:	$0
Appraised Value:	$293,737
Homestead Cap Loss:	$0
Assessed Value:	$293,737

DISCLAIMER:Information provided for research purposes only. Legal descriptions and acreage amounts are for appraisal district use only and should be verified prior to using for legal purpose and or documents. Please contact the Appraisal District to verify all information for accuracy.

Property Taxing Jurisdiction

Entity	Description	Tax Rate	Market Value	Taxable Value	Estimated Tax	Freeze Ceiling
CAD	San Patricio CAD	0.000000	$293,737	$293,737	$0.00	
GSP	aSan Patricio County	0.468521	$293,737	$293,737	$1,376.22	
MUD	aSan Patricio Co Drain Dist	0.069607	$293,737	$293,737	$204.46	
RSP	aSan Patricio County Road	0.047803	$293,737	$293,737	$140.42	
SSI	aISD Sinton	1.449000	$293,737	$293,737	$4,256.25	

Total Tax Rate: 2.034931 **Estimated Taxes With Exemptions:** $5,977.35 **Estimated Taxes Without Exemptions:** $5,977.35

Property Improvement - Building

Description: Orig code: MA **Type:** Residential **State Code:** E1 **Living Area:** 3,496.00sqft **Value:** $270,237

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
GR	GARAGE	GRF			777.00
S17BGP	ORIG CODE: S17BGP	S5			3,200.00
OP	OPEN PORCH	OP-4		1951	252.00
MA	MAIN AREA	FR4	Wood / tarpaper	1984	1,240.00
OP	OPEN PORCH	OP-4		1984	16.00
CP	CARPORT	CPW		1984	78.00
MA	MAIN AREA	FR4	Wood / tarpaper	1951	1,742.00
CP	CARPORT	CPW		1951	480.00
OP	OPEN PORCH	OP-4		1951	96.00
OP	OPEN PORCH	OP-4		1984	168.00
CP	CARPORT	CPW		1984	624.00
MA	MAIN AREA	FR3		1951	294.00
SP	ORIG CODE: SP	GN-A		1951	220.00

Property Land

Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
RUR	ORIG CODE: RUR	2	87,120.00			$23,500	$0

Property Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap Loss	Assessed
2019	N\A	N\A	N\A	N\A	N\A	N\A
2018	$270,237	$23,500	$0	$293,737	$0	$293,737
2017	$270,237	$26,500	$0	$296,737	$0	$296,737
2016	$246,027	$7,400	$0	$253,427	$0	$253,427
2015	$242,601	$7,400	$0	$250,001	$0	$250,001
2014	$233,542	$7,400	$0	$240,942	$0	$240,942
2013	$218,825	$7,400	$0	$226,225	$0	$226,225
2012	$205,255	$7,400	$0	$212,655	$0	$212,655
2011	$161,675	$7,400	$0	$169,075	$0	$169,075

Property Deed History

Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Number
8/2/2012	GWD	GENERAL WD	E H PARTNERSHIP LTD	HAMILTON-INGLESIDE LIMITED LP	620282		620282

DISCLAIMER

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Tab 11

Maps

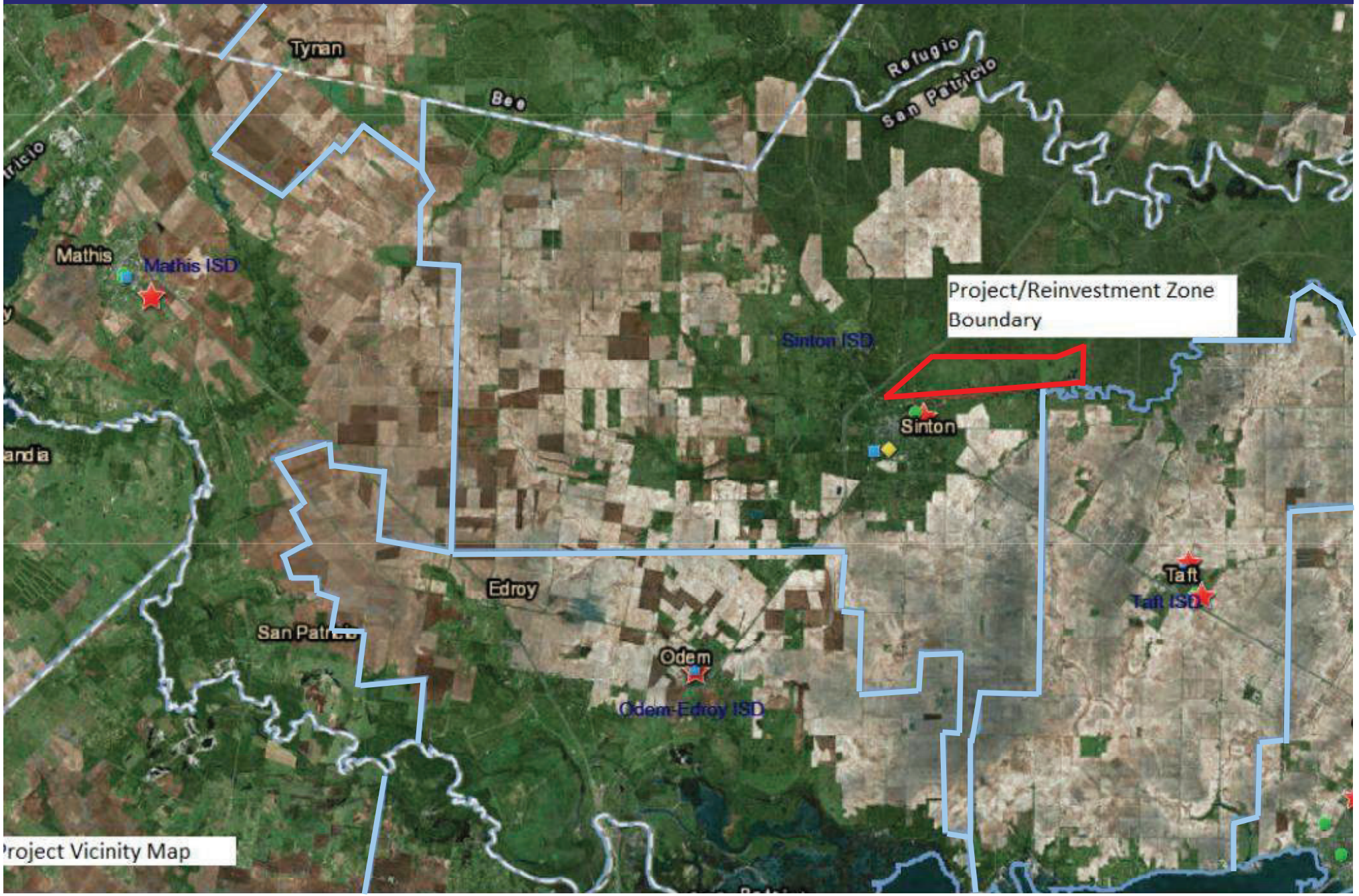
a) Project vicinity
b) Qualified investment including location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period
c) Qualified property including location of new buildings or new improvements
d) Existing property - NOT APPLICABLE
e) Land location within vicinity map
f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size

Tab 11 Contents

a) Project vicinity
b) Qualified investment including location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period See note below
c) Qualified property including location of new buildings or new improvements See note below
d) Existing property - NOT QUALIFYING
e) Land location within vicinity map
f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size

AT THE REQUEST OF THE APPLICANT, SUPPORTING DOCUMENTS FOR THE ITEMS B AND C TO TAB 11 ARE CONSIDERED PROPRIETARY AND CONFIDENTIAL PURSUANT TO SECTION 313.028 OF THE TEXAS TAX CODE AND SECTION 52.101 OF THE TEXAS GOVERNMENT CODE, DUE TO THE NATURE OF THE FINANCIAL INFORMATION AND ANALYSIS SUBMITED. Applicant has separately submitted Proprietary and Confidential Site Map detail showing the proposed plant site and layout. These models are confidential.

Project Vicinity/Land Location within Vicinity Map

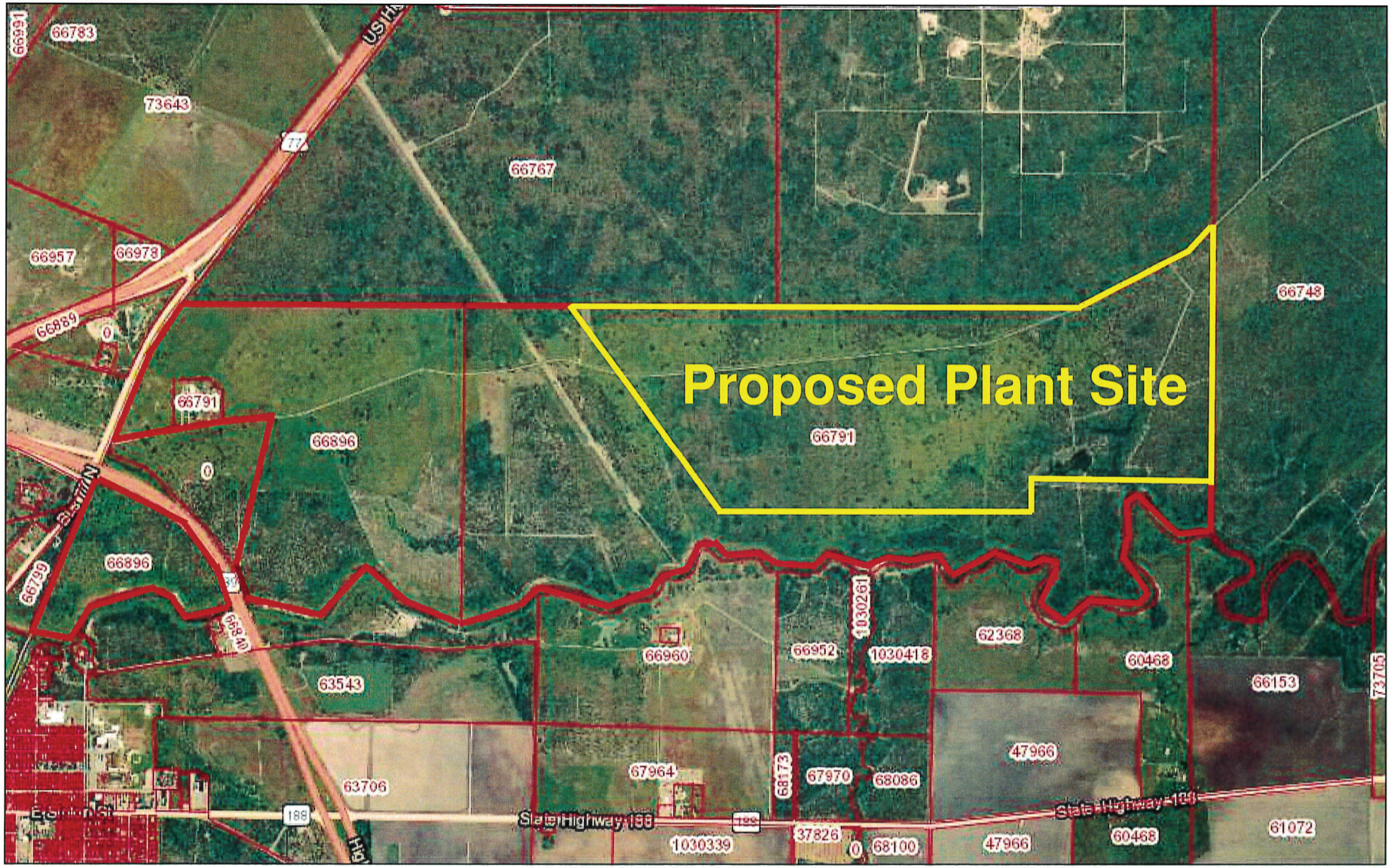


San Patricio County Line

Sinton ISD Boundary

Project/Reinvestment Zone Boundary

Proposed Qualified Investment/Qualified Property location



February 13, 2019

Disclaimer: This product is for informational purposes only and has not been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of boundaries

1:36,112

0 0.3 0.6 1.2 mi

0 0.5 1 2 km

Parcels

World Transportation

PrEsri, HERE, Garmin, © OpenStreetMap contributors
Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus

https://gis.bisclient.com/SanPatriciocad/

San Patricio Central Appraisal District; BIS Consulting - www.bisconsultants.com
Esri, HERE | TX Orthoimagery Program, USDA FSA, DigitalGlobe, GeoEye, CNES/Airbus DS |

as School District Locator

Existing Improvements (Not qualified Property)

Existing Improvements (Not qualified Property)

Google Maps

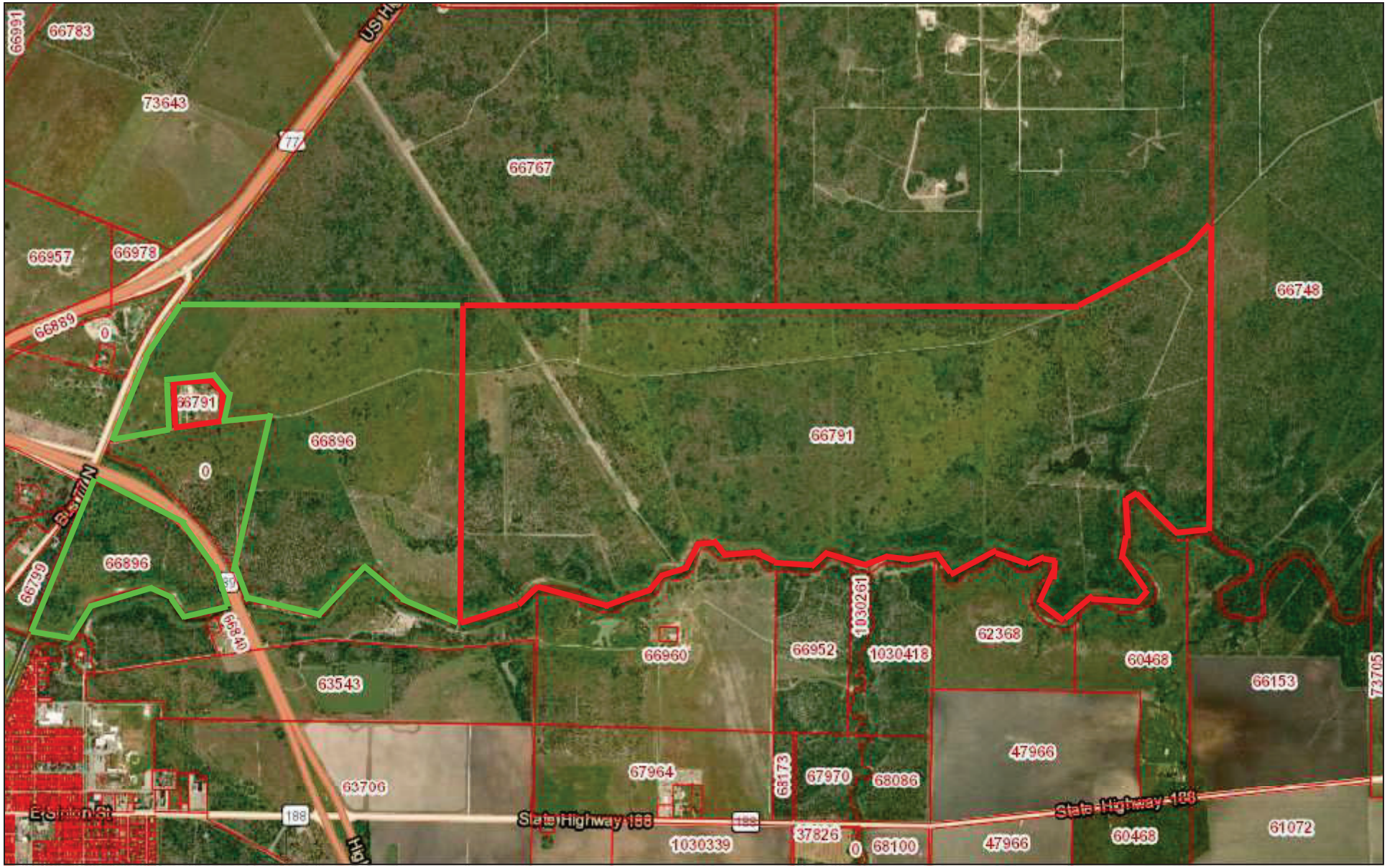
Sinton

Existing Improvements Property ID: 66791

Imagery ©2019 Google, Map data ©2019 Google 200 ft

Land Location - Parcel Map

US Highway 77 & Highway 89 - Property #66791 & #66896



February 13, 2019

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Parcels

World Transportation

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0 0.3 0.6 1.2 mi

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Esri, HERE, Garmin, © OpenStreetMap contributors
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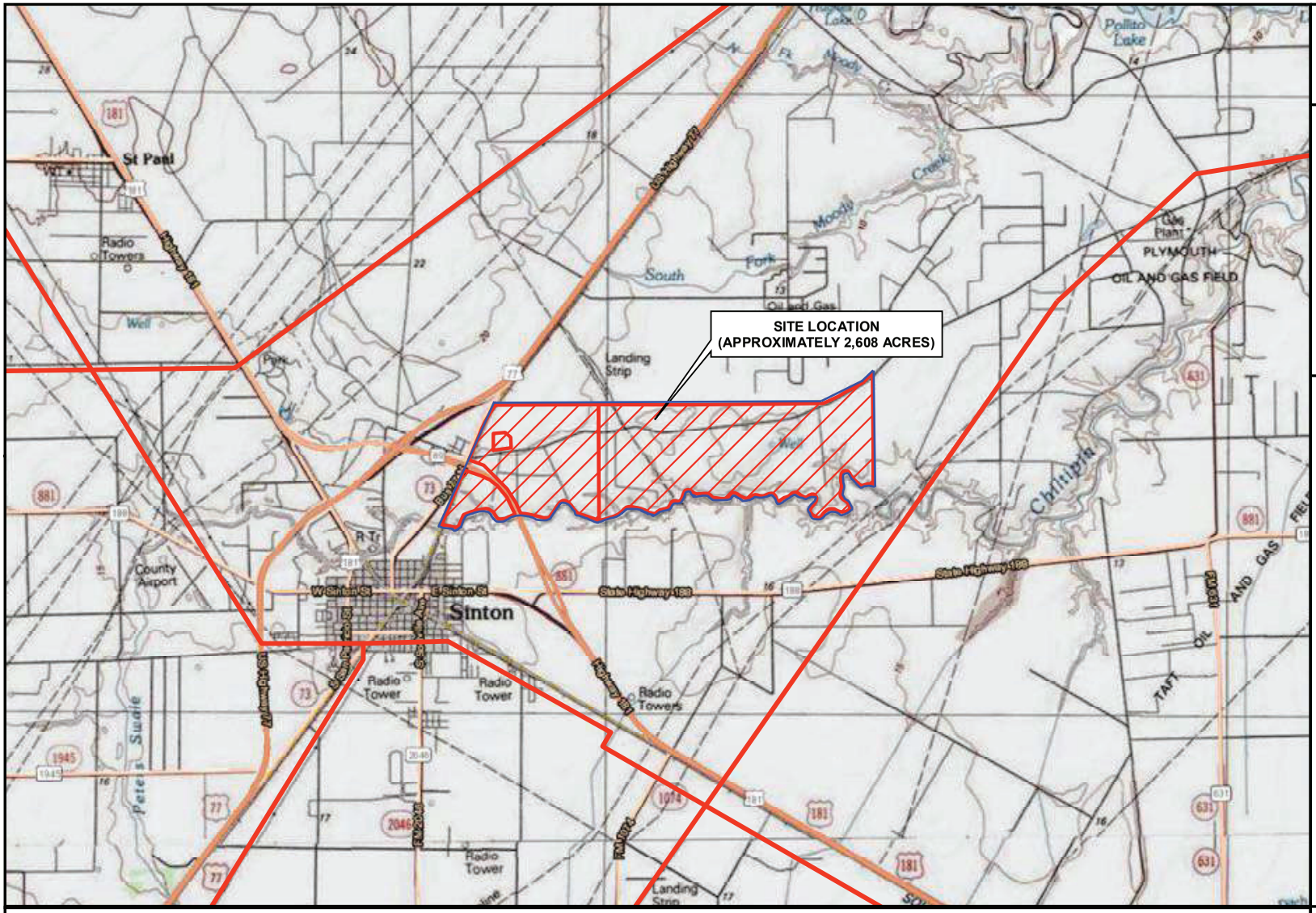
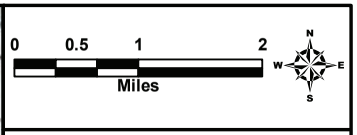
https://gis.bisclient.com/SanPatriciocad/

San Patricio Central Appraisal District; BIS Consulting - www.bisconsultants.com
Esri, HERE | TX Orthoimagery Program, USDA FSA, DigitalGlobe, GeoEye, CNES/Airbus DS |

Reinvestment Zone Map





KEY MAP

LEGEND

- Sinton Property
- AEP Lines

HANSON
Engineering | Planning | Allied Services

Corpus Christi
Regional Economic Development Corporation

Qualified Site

PORT CORPUS CHRISTI

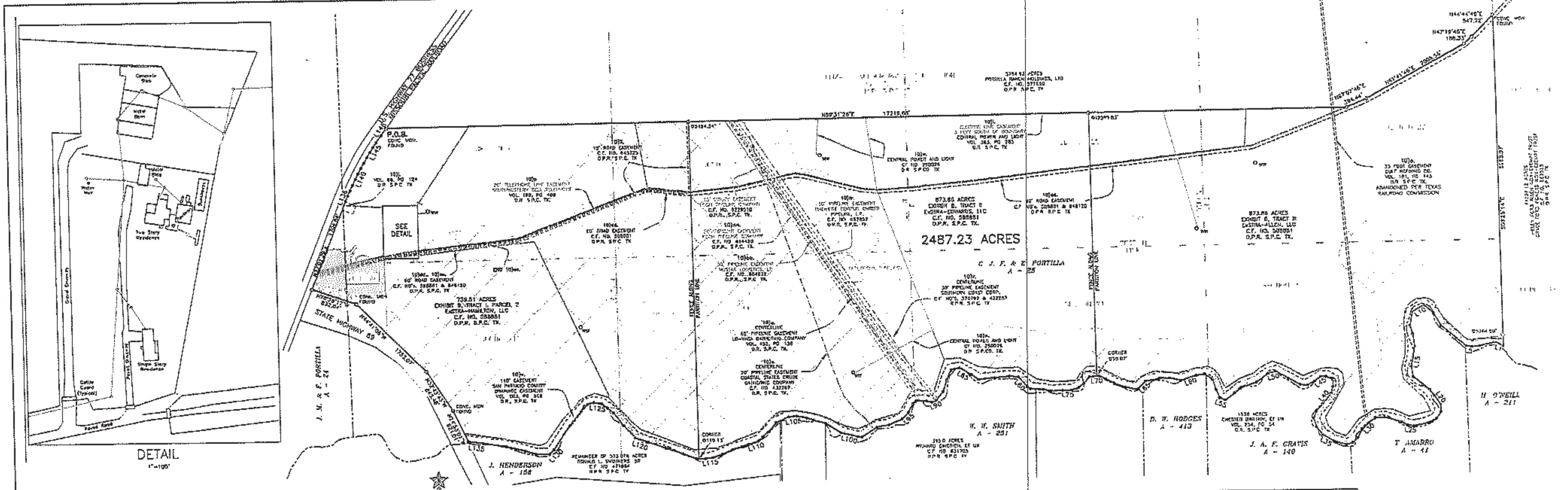
USGS TOPO MAP
DYNAMO PROJECT

SAN PATRICIO COUNTY, TEXAS

6/12/2018

SHEET 5 OF 15

Reinvestment Zone Map



LINE TABLE

[illegible]

SCALE: 1" = 800'

LEGEND

- = 5/8" iron rod with surveyor's cap stamped "RPLS 1907" unless otherwise noted
- = unmarked corner
- = fence
- = overhead electric line(s)
- O_{WW} = water well
- = survey abstract line
- = Flood Zone "A" (no base flood elevation determined)
- = Flood Zone AE (base flood elevation determined)

BOUNDARY RELATED TITLE COMMITMENT SCHEDULE B ITEMS TABLE

10)j. The easement and right-of-way from Mrs. Eliza Welder to St. Louis, Brownsville and Mexican Railway is shown on the plat along the northwest boundary. This easement was for cattle pens to be used to load cattle onto railroad cars. There are no longer any cattle loading pens within the easement.

10)k. The right of way deed from Mrs. Eliza Welder to County of San Patricio DOES NOT affect this parcel.

10)l. The Lease Contract from Mrs. Eliza Welder to Houston Gulf Gas Company DOES NOT affect this parcel

10)m. The Lease from Mrs. Eliza Welder to Plymouth Oil Company DOES NOT affect this parcel

10)o. The Gulf Refining Company pipeline easement DOES affect this parcel and is shown on this plat. However, the Texas Railroad Commission GIS shows the pipeline as abandoned and salvaged

10)p. The 20 foot wide easement to Southwestern Bell Telephone DOES affect this parcel and is shown on this plat along the north side of the east/west road across this parcel

10)q. The Tennessee Gas Transmission Company pipeline easement DOES NOT affect this parcel

10)r. The Southern Coast Corporation pipeline easement DOES affect this parcel and is shown on this plat

10)s. The Coastal States Crude Gathering Company pipeline easement DOES affect this parcel and is shown on this plat

10)t. The Central Power and Light Company electric distribution easement DOES affect this parcel and is shown on this plat. The poles, guys and lines are along and approximately three feet (3') within the north and west boundary lines of this parcel.

10)u. The La-Vaca Gathering Company pipeline easement DOES affect this parcel and is shown on this plat

10)v. The San Patricio County Drainage District easement DOES affect this parcel. It is a one hundred and ten foot (110') wide strip within this parcel along the south boundary and is shown as a shaded area on this plat

BOUNDARY RELATED TITLE COMMITMENT SCHEDULE B ITEMS TABLE (CONTINUED)

10)w. The Central Power and Light Company electric distribution easement DOES affect this parcel and is shown on this plat.

10)x. The condemnation in favor of the State of Texas DOES NOT affect this parcel. The condemned area is within State Highway 89 (shown on this plat) along this parcels southwest boundary.

10)y. The boundary line agreement between Tony Kuntz and Carl C. Shouse DID affect this parcel. It defined their common boundary as the center of Chiltipin Creek.

10)dd. The sixty foot (60') wide access/roadway easement DOES affect this parcel and is shown on this plat.

10)ee. The sixty foot (60') wide access/roadway easement DOES affect this parcel and is shown on this plat

10)ll. This parcel IS SUBJECT to the terms, provisions, easements and reservations contained in the Partition Deed.

10)ll. The fifteen feet (15') wide access/roadway easement to Portilla Ranch Holdings, Ltd DOES affect this parcel and is shown on this plat.

10)nn. The Koch Pipeline Company, L.P. fifty feet (50') wide pipeline easement DOES affect this parcel and is shown on this plat

10)oo. The Nustar Logistics, L.P thirty feet (30') wide pipeline easement DOES affect this parcel and is shown on this plat.

10)pp. The Enterprise GC, L.P. cathodic protection unit DOES NOT affect this parcel.

10)qq. The San Patricio Electric Cooperative electric distribution easement DOES NOT affect this parcel

10)rr. The Cheniere Corpus Christi Pipeline, L.P. fifty feet (50') wide pipeline easement DOES affect this parcel and is shown on this plat.

10)ss. The San Patricio County Drainage District access and disposal easement DOES NOT affect this parcel

NOTES

All bearings refer to the Texas Coordinate System of 1927, South Zone

Distances (U.S. Feet) and areas (Acres) are surface at elevation of 50 feet (NAVD88).

Unless otherwise noted, 5/8" iron re-bar rods with surveyor's caps stamped "RPLS 1907" were found at all corners.

Flood Zones and their boundaries were scaled from the National Flood Insurance Program Flood Insurance Rate Map number 48409C0275C, effective date November 4, 2016.

The southwest, northwest, north and east boundaries of this parcel generally follow perimeter fences.

Access to this parcel from public right-of-way is via an entrance road from the southeast right-of-way line of U. S. Highway 77 Business and across the Missouri Pacific Railroad right-of-way to the northwest line of this parcel. No documents granting an easement across the railroad were found or provided.

Existing pipelines may not be located exactly as shown hereon and there may be existing pipelines not shown on this map. Use the Texas811 system to locate pipelines before performing any excavation on this property

PLAT SHOWING LAND TITLE SURVEY OF
2487.23 ACRES
BEING PART OF
FRACTIONAL SECTIONS 1,2 AND 4
AND SECTIONS 5, 20 AND 23
AND ALL OF
SECTIONS 21 AND 22
ELIZA H. WELDER RANCH SUBDIVISION
ACCORDING TO MAP RECORDED IN
VOLUME 3, PAGE 33, MAP RECORDS
SITUATED IN THE
J. M. AND F. PORTILLA SURVEY, ABSTRACT 24 AND
THE C., J., F. AND E. PORTILLA SURVEY, ABSTRACT 25
SAN PATRICIO COUNTY, TEXAS
FILE NO. FN-60193-TX
SCALE 1" = 800 FEET

I, Gregory A. Houger, Registered Professional Land Surveyor of Texas, do hereby state that this survey substantially complies with the current Texas Society of Professional Surveyors Standards and Specifications for a Category 1A Survey and this plat represents an actual survey completed on the ground on December 26, 2018, under my direction, to the best of my knowledge and ability, this the 31st day of December, 2018.

Gregory A. Houger
Registered Professional Land Surveyor
Texas Registration No. 5639

King & Petrus, Inc
Surveyors & Engineers
Firm No. 10127600
Sinton, Texas

H:\gen\25300\25380\25380.dwg

Tab 12

Job Creation Waiver

NOT APPLICABLE

Tab 12
Job Creation

No request will be made for a waiver of job creation.

Tab 13

Average Wages

Calculations of Wages for San Patricio County

Based on Most Recent Data Available

Average Weekly Wage for all jobs in the County			
Year	**Period**	**Wages All Industries**	**Wages Manufacturing Jobs**
2017	4th Qtr	$945.00	$1,632.00
2018	1st Qtr	$983.00	$2,500.00
2018	2nd Qtr	$892.00	$1,732.00
2018	3rd Qtr	$913.00	$1,865.00
Average		**$933.25**	**$1,932.25**

Average weekly wage for all jobs (all industries) in the county	**$933.25**

110% of the average weekly wage for manufacturing jobs in the county	**$2,125.48**

110% of the average weekly wage for manufacturing jobs in the region		**$1,275.12**
Coastal Bend Area Council		
Rate per hour	$28.98	
Hours per week	40	
Average weekly wage	$1,159.20	

Minimum required annual wage (52 weeks)	**$60,278.40**

Year	Period	Area	Ownership	Industry Code	Industry	Level	Average Weekly Wage
2017	04	San Patricio	Total All	10	Total, All Industries	0	945
2018	01	San Patricio	Total All	10	Total, All Industries	0	983
2018	02	San Patricio	Total All	10	Total, All Industries	0	892
2018	03	San Patricio	Total All	10	Total, All Industries	0	913

Year	Period	Area	Ownership	Industry Code	Industry	Level	Average Weekly Wage
2017	04	San Patricio	Total All	31-33	Manufacturing	2	1,632
2018	01	San Patricio	Total All	31-33	Manufacturing	2	2,500
2018	02	San Patricio	Total All	31-33	Manufacturing	2	1,732
2018	03	San Patricio	Total All	31-33	Manufacturing	2	1,865

https://texaslmi.com/LMIbyCategory/QCEW
Data pulled 2/27/2019

2017 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations

COG	Wages Hourly	Wages Annual
Texas	**$26.24**	**$54,587**
1. Panhandle Regional Planning Commission	$23.65	$49,190
2. South Plains Association of Governments	$19.36	$40,262
3. NORTEX Regional Planning Commission	$23.46	$48,789
4. North Central Texas Council of Governments	$26.80	$55,747
5. Ark-Tex Council of Governments	$18.59	$38,663
6. East Texas Council of Governments	$21.07	$43,827
7. West Central Texas Council of Governments	$21.24	$44,178
8. Rio Grande Council of Governments	$18.44	$38,351
9. Permian Basin Regional Planning Commission	$26.24	$54,576
10. Concho Valley Council of Governments	$19.67	$40,924
11. Heart of Texas Council of Governments	$21.53	$44,781
12. Capital Area Council of Governments	$31.49	$65,497
13. Brazos Valley Council of Governments	$17.76	$39,931
14. Deep East Texas Council of Governments	$17.99	$37,428
15. South East Texas Regional Planning Commission	$34.98	$72,755
16. Houston-Galveston Area Council	$28.94	$60,202
17. Golden Crescent Regional Planning Commission	$26.94	$56,042
18. Alamo Area Council of Governments	$22.05	$48,869
19. South Texas Development Council	$15.07	$31,343
20. Coastal Bend Council of Governments	$28.98	$60,276
21. Lower Rio Grande Valley Development Council	$17.86	$37,152
22. Texoma Council of Governments	$21.18	$44,060
23. Central Texas Council of Governments	$19.30	$40,146
24. Middle Rio Grande Development Council	$24.07	$50,058

Source: Texas Occupational Employment and Wages
Data published: July 2018
Data published annually, next update will be July 31, 2019

Note: Data is not supported by the Bureau of Labor Statistics (BLS).
Wage data is produced from Texas OES data, and is not to be compared to BLS estimates.
Data intended for TAC 313 purposes only.

Tab 14

Schedules A1, A2, B, C, and D

Schedule A1: Total Investment for Economic Impact (through the Qualifying Time Period)

Date 2/19/2019
Applicant Name Buffalo, LLC
ISD Name Sinton ISD

Form 50-296A
Revised May 2014

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in **tangible personal property** placed in service during this year that will become Qualified Property	New investment made during this year in **buildings or permanent nonremovable components of buildings** that will become Qualified Property	Other new investment made during this year that will not become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	**Total Investment** (Sum of Columns A+B+C+D)
Investment made before filing complete application with district				Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is land.]	
Investment made after filing complete application with district, but before final board approval of application								
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period	0	2019-2020	2019	159,000,000	41,000,000	0	$50,000,000	$250,000,000
Complete tax years of qualifying time period	QTP1	2020-2021	2020	631,000,000	269,000,000	0		$900,000,000
	QTP2	2021-2022	2021	462,000,000	168,000,000	0		$630,000,000
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				1,252,000,000	478,000,000	0	50,000,000	$1,780,000,000
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)				1,730,000,000				

For All Columns: List amount invested each year, not cumulative totals.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

Total Investment: Add together each cell in a column and enter the sum in the blue total investment row. Enter the data from this row into the first row in Schedule A2.

Qualified Investment: For the green qualified investment cell, enter the sum of all the green-shaded cells.

chedule 2 Total Investment for conomic Impact ncluding ualified roperty and other investments

Date **2/19/2019**

Applicant Name **Buffalo, LLC**

ISD Name **Sinton ISD**

Form 50-296A

Revised May 2014

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	**Column B**	**Column C**	**Column D**	**Column E**
	Year	**School Year** (YYYY-YYYY)	**Tax Year** (Fill in actual tax year below) YYYY	New investment (original cost) in **tangible personal property** placed in service during this year that will become Qualified Property	New investment made during this year in **buildings or permanent nonremovable components of buildings** that will become Qualified Property	Other investment made during this year that will not become Qualified Property [SEE NOTE]	Other investment made during this year that will become Qualified Property {SEE NOTE]	**Total Investment** (A+B+C+D)
				Enter amounts from TOTAL row in Schedule A1 in the row below				
Total Investment from Schedule A1*	--	**TOTALS FROM SCHEDULE A1**		1,252,000,000	478,000,000	0	$50,000,000	$1,780,000,000
Each year prior to start of value limitation period** *Insert as many rows as necessary*	0	2019-2020	2019	159,000,000	41,000,000	0	50,000,000	250,000,000
	0	2020-2021	2020	631,000,000	269,000,000	0	0	900,000,000
	0	2021-2022	2021	462,000,000	168,000,000	0	0	630,000,000
Value limitation period***	1	2022-2023	2022	10,000,000	0	0	0	10,000,000
	2	2023-2024	2023	5,000,000	0	0	0	5,000,000
	3	2024-2025	2024	5,000,000	0	0	0	5,000,000
	4	2025-2026	2025	5,000,000	0	0	0	5,000,000
	5	2026-2027	2026	0	0	0	0	0
	6	2027-2028	2027	0	0	0	0	0
	7	2028-2029	2028	0	0	0	0	0
	8	2029-2030	2029	0	0	0	0	0
	9	2030-2031	2030	0	0	0	0	0
	10	2031-2032	2031	0	0	0	0	0
Total Investment made through limitation				1,277,000,000	478,000,000	0	50,000,000	1,805,000,000
Continue to maintain viable presence	11	2032-2033	2032					
	12	2033-2034	2033					
	13	2034-2035	2034					
	14	2035-2036	2035					
	15	2036-2037	2036					
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2037-2038	2037					
	17	2038-2039	2038					
	18	2039-2040	2039					
	19	2040-2041	2040					
	20	2041-2042	2041					
	21	2042-2043	2042					
	22	2043-2044	2043					
	23	2044-2045	2044					
	24	2045-2046	2045					
	25	2046-2047	2046					

* All investments made through the qualifying time period are captured and totaled on Schedule A1 [blue box] and incorporated into this schedule in the **first row.**

** Only investment made during deferrals of the start of the limitation (after the end of qualifying time period but before the start of the Value Limitation Period) should be included in the "year prior to start of value limitation period" row(s). If the limitation starts at the end of the qualifying time period or the qualifying time period overlaps the limitation, no investment should be included on this line.

Schedule B: Estimated Market And Taxable Value (of Qualified Property Only)

Date 2/19/2019
Applicant Name Buffalo, LLC
ISD Name Sinton ISD

Form 50-296A
Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property: Estimated Market Value of Land	Qualified Property: Estimated Total Market Value of new buildings or other new improvements	Qualified Property: Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Estimated Taxable Value: Market Value less any exemptions (such as pollution control) and before limitation	Estimated Taxable Value: Final taxable value for I&S after all reductions	Estimated Taxable Value: Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period *Insert as many rows as necessary*	0	2020-2021	2020	$ 4,279,401	$ 41,000,000	$ 159,000,000	$ 204,279,401	$ 204,279,401	$ 204,279,401
	0	2021-2022	2021	$ 4,279,401	$ 303,800,000	$ 750,500,000	$ 1,058,579,401	$ 1,058,579,401	$ 1,058,579,401
Value Limitation Period	1	2022-2023	2022	$ 4,279,401	$ 462,364,000	$ 1,149,900,000	$ 1,616,543,401	$ 1,616,543,401	$ 20,000,000
	2	2023-2024	2023	$ 4,279,401	$ 453,116,720	$ 1,096,800,000	$ 1,554,196,121	$ 1,554,196,121	$ 20,000,000
	3	2024-2025	2024	$ 4,279,401	$ 444,054,386	$ 1,038,450,000	$ 1,486,783,787	$ 1,486,783,787	$ 20,000,000
	4	2025-2026	2025	$ 4,279,401	$ 435,173,298	$ 979,850,000	$ 1,419,302,699	$ 1,419,302,699	$ 20,000,000
	5	2026-2027	2026	$ 4,279,401	$ 426,469,832	$ 921,000,000	$ 1,351,749,233	$ 1,351,749,233	$ 20,000,000
	6	2027-2028	2027	$ 4,279,401	$ 417,940,435	$ 857,150,000	$ 1,279,369,836	$ 1,279,369,836	$ 20,000,000
	7	2028-2029	2028	$ 4,279,401	$ 409,581,627	$ 793,300,000	$ 1,207,161,028	$ 1,207,161,028	$ 20,000,000
	8	2029-2030	2029	$ 4,279,401	$ 401,389,994	$ 729,450,000	$ 1,135,119,395	$ 1,135,119,395	$ 20,000,000
	9	2030-2031	2030	$ 4,279,401	$ 393,362,194	$ 665,600,000	$ 1,063,241,595	$ 1,063,241,595	$ 20,000,000
	10	2031-2032	2031	$ 4,279,401	$ 385,494,950	$ 601,750,000	$ 991,524,351	$ 991,524,351	$ 20,000,000
Continue to maintain viable presence	11	2032-2033	2032	$ 4,279,401	$ 377,785,051	$ 537,900,000	$ 919,964,452	$ 919,964,452	$ 919,964,452
	12	2033-2034	2033	$ 4,279,401	$ 370,229,350	$ 474,050,000	$ 848,558,751	$ 848,558,751	$ 848,558,751
	13	2034-2035	2034	$ 4,279,401	$ 362,824,763	$ 410,200,000	$ 777,304,164	$ 777,304,164	$ 777,304,164
	14	2035-2036	2035	$ 4,279,401	$ 355,568,268	$ 346,350,000	$ 706,197,669	$ 706,197,669	$ 706,197,669
	15	2036-2037	2036	$ 4,279,401	$ 348,456,903	$ 282,500,000	$ 635,236,304	$ 635,236,304	$ 635,236,304
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2037-2038	2037	$ 4,279,401	$ 341,487,765	$ 258,150,000	$ 603,917,166	$ 603,917,166	$ 603,917,166
	17	2038-2039	2038	$ 4,279,401	$ 334,658,009	$ 256,900,000	$ 595,837,410	$ 595,837,410	$ 595,837,410
	18	2039-2040	2039	$ 4,279,401	$ 327,964,849	$ 256,150,000	$ 588,394,250	$ 588,394,250	$ 588,394,250
	19	2040-2041	2040	$ 4,279,401	$ 321,405,552	$ 255,650,000	$ 581,334,953	$ 581,334,953	$ 581,334,953
	20	2041-2042	2041	$ 4,279,401	$ 314,977,441	$ 255,400,000	$ 574,656,842	$ 574,656,842	$ 574,656,842
	21	2042-2043	2042	$ 4,279,401	$ 308,677,892	$ 255,400,000	$ 568,357,293	$ 568,357,293	$ 568,357,293
	22	2043-2044	2043	$ 4,279,401	$ 302,504,334	$ 255,400,000	$ 562,183,735	$ 562,183,735	$ 562,183,735
	23	2044-2045	2044	$ 4,279,401	$ 296,454,248	$ 255,400,000	$ 556,133,649	$ 556,133,649	$ 556,133,649
	24	2045-2046	2045	$ 4,279,401	$ 290,525,163	$ 255,400,000	$ 550,204,564	$ 550,204,564	$ 550,204,564
	25	2046-2047	2046	$ 4,279,401	$ 284,714,660	$ 255,400,000	$ 544,394,061	$ 544,394,061	$ 544,394,061

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation.
Only include market value for eligible property on this schedule.

Schedule C: Employment Information

Date 2/28/2019
Applicant Name Buffalo, LLC
ISD Name Sinton ISD

Form 50-296A
Revised May 2014

				Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A	**Column B**	**Column C**	**Column D**	**Column E**
	Year	**School Year** (YYYY-YYYY)	**Tax Year** (Actual tax year) YYYY	Number of Construction FTE's (Full Time Employees)	**Average** annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	**Average** annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period *Insert as many rows as necessary*	0	2020-2021	2020	150	$64,700	0	40	$121,000
	0	2021-2022	2021	500	$64,700	0	150	$89,900
Value Limitation Period *The qualifying time period could overlap the value limitation period.*	1	2022-2023	2022	300	$64,700	0	300	$74,600
	2	2023-2024	2023	0	$0	0	450	$76,200
	3	2024-2025	2024	0	$0	0	500	$77,800
	4	2025-2026	2025	0	$0	0	500	$79,400
	5	2026-2027	2026	0	$0	0	500	$81,000
	6	2027-2028	2027	0	$0	0	500	$82,600
	7	2028-2029	2028	0	$0	0	500	$84,300
	8	2029-2030	2029	0	$0	0	500	$86,000
	9	2030-2031	2030	0	$0	0	500	$87,700
	10	2031-2032	2031	0	$0	0	500	$89,500
Years Following Value Limitation Period	11 through 25	2032-2047	2032	0	$0	0	500	$91,300

Notes: See TAC 9.1051 for definition of non-qualifying jobs.
Only include jobs on the project site in this school district.

C1. Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25 qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts) ☐ Yes ☒ No

If yes, answer the following two questions:

C1a. Will the applicant request a job waiver, as provided under 313.025(f-1)? ☐ Yes ☒ No

C1b. Will the applicant avail itself of the provision in 313.021(3)(F)? ☐ Yes ☒ No

Schedule D: Other Incentives (Estimated)

Date 2/19/2019

Applicant Name Buffalo, LLC

ISD Name Sinton, ISD

Form 50-296A

Revised May 2014

State and Local Incentives for which the Applicant intends to apply (Estimated)						
Incentive Description	**Taxing Entity (as applicable)**	**Beginning Year of Benefit**	**Duration of Benefit**	**Annual Tax Levy without Incentive**	**Annual Incentive**	**Annual Net Tax Levy**
Tax Code Chapter 311	County:					
	City:					
	Other:					
Tax Code Chapter 312	County: San Patrico	2020	10 years	To be determined	70% abatement	To be determined
	City:					
	Other:					
Local Government Code Chapters 380/381	County:					
	City:					
	Other:					
Freeport Exemptions	City / County	2020	To be determined	To be determined	To be determined	To be determined
Non-Annexation Agreements						
Enterprise Zone/Project	State of Texas	2020	5 years	Not applicable	727,500	Not applicable
Economic Development Corporation						
Texas Enterprise Fund	State of Texas	2020	10 years		Up to $10,000 per job	
Employee Recruitment						
Skills Development Fund	State of Texas	2020	To be determined		To be determined	
Training Facility Space and Equipment						
Infrastructure Incentives						
Permitting Assistance						
Other: Drainage District Abatement	San Patricio County	2020	To be determined		To be determined	
Other:						
Other:						
Other:						
			TOTAL	-	727,500	-

Additional information on incentives for this project:

Tab 15

Economic Impact Analysis, other payments made in the state or other economic information (if applicable)

NOT APPLICABLE

Tab 16

Reinvestment Zone Description

ORDER
THE COMMISSIONERS COURT OF SAN PATRICIO COUNTY, TEXAS
DESIGNATING REINVESTMENT ZONE

AN ORDER DESIGNATING A CERTAIN AREA AS SAN PATRICIO COUNTY BUFFALO STEEL MILL REINVESTMENT ZONE, FOR COMMERCIAL/INDUSTRIAL TAX ABATEMENT IN SAN PATRICIO COUNTY, TEXAS, ESTABLISHING THE BOUNDARIES THEREOF, AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Commissioners Court of San Patricio County, Texas desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a reinvestment zone as authorized by the Property Redevelopment and Tax Abatement Act, as amended (Texas Property Tax Code § 312.001, *et seq.*), and the Guidelines and Criteria of the Commissioners Court of San Patricio County for Granting a Tax Abatement in a Reinvestment Zone Created in San Patricio County, Texas (the "Guidelines"); and

WHEREAS, on February 18, 2019, a hearing before the Commissioners Court of San Patricio County, Texas was held, such date being at least seven (7) days after the date of publication of the notice of such public hearing in *The News of San Patricio County* and the delivery of written notice to the respective presiding officers of each taxing entity that it includes within its boundaries real property that is to be included in the proposed reinvestment zone; and

WHEREAS, the Commissioners Court of San Patricio County, Texas at such public hearing invited any interested person to appear and speak for or against the creation of the reinvestment zone and whether all or part of the territory described should be included in the proposed reinvestment zone; and

WHEREAS, the proponents of the reinvestment zone offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the reinvestment zone and opponents, if any, of the reinvestment zone appeared to contest the creation of the reinvestment zone.

BE IT RESOLVED BY THE COMMISSIONERS COURT OF SAN PATRICIO COUNTY, TEXAS:

SECTION 1. That the facts and recitations contained in the preamble of this Order are hereby found and declared to be true and correct.

SECTION 2. That the Commissioners Court of San Patricio County, Texas, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

(a) That the public hearing on adoption of the San Patricio County Buffalo Steel Mill Reinvestment Zone No. 2019-001 has been properly called, held and conducted and that notice of such hearing has been published as required by law and mailed to the respective presiding officers of the governing bodies of all taxing units overlapping the territory inside the proposed reinvestment zone; and

(b) That the boundaries of the San Patricio County Buffalo Steel Mill Reinvestment Zone No. 2019-001 should be the area within the boundaries described in Exhibit "A" and as depicted in the plat map indicating the boundaries thereof, attached hereto as Exhibit "B," and incorporated herein by reference for all intents and purposes; and,

(c) That creation of the San Patricio County Buffalo Steel Mill Reinvestment Zone No. 2019-001 with boundaries as described in Exhibit "A" and depicted in "B" will result in benefits to the San Patricio County, Texas and to land included in the zone and that the improvements sought are feasible and practical; and

(d) The San Patricio County Buffalo Steel Mill Reinvestment Zone No. 2019-001, as described in Exhibit "A" and depicted in Exhibit "B" meets the criteria set forth in Texas Property Tax Code Chapter 312 for the creation of a reinvestment zone as set forth in the Property Redevelopment and Tax Abatement Act, as amended, and the Guidelines, in that it is reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract investment in the zone that would be a benefit to the property and that would contribute to the economic development of San Patricio County, Texas, and that the entire tract of land is located entirely within an unincorporated area of San Patricio County, Texas.

SECTION 3. That pursuant to the Property Redevelopment and Tax Abatement Act, as amended, and the Guidelines, San Patricio County Commissioner's Court hereby creates San Patricio County Buffalo Steel Mill Reinvestment Zone No. 2019-001; a reinvestment zone for commercial-industrial tax abatement encompassing only the area within the boundaries described in "Exhibit A" and that is depicted in the plat map thereof in Exhibit "B," and such reinvestment zone is hereby designated and shall hereafter be referred to as San Patricio County Buffalo Steel Mill Reinvestment Zone No. 2019-001.

SECTION 4. That San Patricio County Buffalo Steel Mill Reinvestment Zone No. 2019-001 shall take effect on February 18, 2019 and shall remain designated as a commercial-industrial reinvestment zone for a period of five (5) years from such date of designation, and may be renewed for an additional five (5) year period thereafter.

SECTION 5. That if any section, paragraph, clause or provision of this Order shall for any reason beheld to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this

Order.

SECTION 6. That it is hereby found, determined and declared that a sufficient notice of the date, hour, place and subject, of the meeting of the San Patricio County Commissioners Court at which this Order was adopted was posted at a place convenient and readily accessible at all times as required by the Texas Open Government Act, Texas Government Code, Chapter 551, as amended, and that a public hearing was held prior to the designation of such reinvestment zone and that proper notice of the hearing was published in the official newspaper of general circulation within the County, and furthermore, such notice was in fact delivered to the presiding officer of any affected taxing entity as prescribed by the Property Redevelopment and Tax Abatement Act.

PASSED, APPROVED AND ADOPTED on this 18th day of February, 2019.

David R. Krebs
David R. Krebs, County Judge
San Patricio County, Texas

Nina G. Trevino
Nina Trevino
Commissioner, Precinct 1

Gary Moore Sr
Gary Moore, Sr.
Commissioner, Precinct 2

Alma V. Moreno
Alma V. Moreno
Commissioner, Precinct 3

Howard Gillespie
Howard Gillespie
Commissioner, Precinct 4

Attest:

Gracie Alaniz-Gonzales
County Clerk
San Patricio County, Texas

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY INCLUDED IN THE REINVESTMENT ZONE

The property includes approximately 2487.23 acre parcel of land that is situated 2.00 miles due east of the intersection of SH89 and US77 and extends out to 4.77 miles from that same intersection. The south boundary is Chiltipin Creek and the north boundary runs east west above Marathon Road until it intersects the road at 4.50 miles. The legal description is PT SEC 1 2 4 & 5 Eliza H. Welder

METES AND BOUNDS DESCRIPTION:

FILE NO. FN-60193-TX

Field notes of a 2487.23 acre parcel of land, being all of that 739.51 acres of land described as Tract I, Parcel 2, conveyed to ExTra-Hamilton LLC, all of that 873.86 acres of land described as Tract II conveyed to ExStra-Edwards LLC and all of that 873.86 acres of land described as Tract III conveyed to ExStra Allen LLC, by and between the foregoing parties by Partition Deed recorded March 13, 2009 as Clerk's File Number 588881 in the Official Public Records of San Patricio County, Texas;

Said 2487.23 acre parcel is comprised of a portion of Fractional Sections 1 and 2 and 4, all of Fractional Sections 21 and 22, and part of Sections 20 and 23 of the Eliza H. Welder Ranch Subdivision as shown on map recorded in Volume 3, Page 33 of the Map Records of San Patricio County, Texas;

Said 2487.23 acre parcel is out of the Jose Maria and Felipe Portilla Survey, Abstract 24 and the Calixto, Juan, Francisco and Encarnacion Portilla Survey, Abstract 25, is situated in San Patricio County, Texas, approximately 1 mile northeast of the town of Sinton, and is described by metes and bounds as follows:

Beginning at a concrete monument found (near a fence corner post) in the southeast right-of-way line of the Missouri Pacific Railroad, the northwest line of said Section 2, at the southwest corner of a 5794.93 acre parcel of land conveyed from the Patrick H. Welder Management Trust to Portilla Ranch Holdings, Ltd. by Special Warranty Deed with Vendor's Lien recorded February 22, 2008 as Clerk's File Number 577696 in the Official Public Records of San Patricio County, Texas; and at the northwest corner of said Tract I, Parcel 2, for the northwest corner of this parcel;

Thence N 89°31'28" E along the south line of said 5794.93 acre parcel, the north line of said Tract I, Parcel 2, and the north line of this parcel, generally following a fence, at 5424.34 feet passing a 5/8" iron rod with surveyor's cap stamped "RPLS 1907" found at the northeast corner of said Tract I, Parcel 2 and at the northwest corner of said Tract II, near a fence corner post, and continuing along the north line of said Tract II, at 12599.83 feet passing a 5/8" iron rod with surveyor's cap stamped "RPLS 1907" found at the northeast corner of said Tract II and the northwest corner of said Tract III, near a fence corner post, and continuing along the north line of said Tract III, in all, a distance of 17219.68 feet to a 5/8" iron rod with surveyor's cap stamped

"RPLS 1907" found (near a fence post) at an angle corner of said 5794.93 acre parcel and an angle corner of said Tract III, for an angle corner of this parcel;

Thence N 67°07'46" E along the southeast line of said 5794.93 acre parcel, the northwest line of said Tract III, and the northwest line of this parcel, generally following a fence, a distance of 394.44 feet to a 5/8" iron rod with surveyor's cap stamped "RPLS 1907" found (near a fence post) at an angle corner of said 5794.93 acre parcel and an angle corner of said Tract III, for an angle corner of this parcel;

Thence N 61°41'46" E continuing along the southeast line of said 5794.93 acre parcel, the northwest line of said Tract III, and the northwest line of this parcel, generally following a fence, a distance of 2005.56 feet to a 5/8" iron rod with surveyor's cap stamped "RPLS 1907" found (near a fence post) at an angle corner of said 5794.93 acre parcel and an angle corner of said Tract III, for an angle corner of this parcel;

Thence N 47°19'46" E continuing along the southeast line of said 5794.93 acre parcel, the northwest line of said Tract III, and the northwest line of this parcel, generally following a fence, a distance of 188.33 feet to a 5/8" iron rod with surveyor's cap stamped "RPLS 1907" found (near a fence post) at an angle corner of said 5794.93 acre parcel and an angle corner of said Tract III, for an angle corner of this parcel;

Thence N 44°44'46" E continuing along the southeast line of said 5794.93 acre parcel, the northwest line of said Tract III, and the northwest line of this parcel, generally following a fence, a distance of 547.22 feet to a concrete monument found in the west line of Section 34 of said Eliza H. Welder Ranch Subdivision and the east line of said Section 23, at the southeast corner of said 5794.93 acre parcel, the northeast corner of said Tract III, and in the west line of a 14,507.12 acre parcel of land conveyed to the Helen Ford Allen Non-Exempt Trust and the Grace Ford Powers Non Exempt Trust by Independent Executors' Distribution Deed Recorded November 28, 2016 as Clerk's File Number 662028 in the Official Public Records of San Patricio County, Texas; for the northeast corner of this parcel;

Thence S 00°25'14" E along the east line of Sections 22 & 23, the west line of said Section 34 and Section 35 of said Eliza H. Welder Ranch Subdivision, the west line of said 14,507.12 acre parcel, the east line of said Tract III, and the east line of this parcel, generally following a fence, at 5764.00 feet pass a 5/8" iron rod with surveyor's cap stamped "RPLS 1907" found for a line marker and continuing, departing said fence and continuing, in all a distance of 5968.97 feet to a point in the center of Chiltipin Creek for a southwest corner of said 14,507.12 acre parcel and the southeast corner of said Tract III, for the southeast corner of this parcel;

Thence in a generally westerly direction with the meanders of the centerline of said Chiltipin Creek, the south line of said Tract III, and the south line of this parcel as follows:

N 62°53'58" W, a distance of 143.66 feet;
S 89°57'14" W, a distance of 47.17 feet;
S 77°54'04" W, a distance of 249.48 feet;
S 80°52'07" W, a distance of 134.34 feet;

N 77°45'55" W, a distance of 117.09 feet;
N 50°17'59" W, a distance of 218.15 feet;
N 49°21'31" W, a distance of 349.64 feet;
N 30°43'48" W, a distance of 259.82 feet;
N 47°20'19" W, a distance of 228.97 feet;
S 59°09'01" W, a distance of 240.13 feet;
S 11°08'05" W, a distance of 254.25 feet;
S 17°35'55" E, a distance of 147.67 feet;
S 07°22'54" E, a distance of 232.40 feet;
S 09°07'01" W, a distance of 197.26 feet;
S 13°30'31" W, a distance of 171.45 feet;
S 09°23'02" E, a distance of 194.05 feet;
S 50°28'51" E, a distance of 215.51 feet;
S 51°47'09" E, a distance of 161.28 feet;
S 35°00'00" E, a distance of 141.76 feet;
S 33°53'16" E, a distance of 185.23 feet;
S 03°26'45" E, a distance of 136.29 feet;
S 34°40'50" W, a distance of 149.74 feet;
S 61°42'01" W, a distance of 164.36 feet;
S 79°41'54" W, a distance of 265.17 feet;
N 83°27'27" W, a distance of 120.09 feet;
N 61°33'18" W, a distance of 117.51 feet;
N 73°33'27" W, a distance of 315.61 feet;
S 86°35'11" W, a distance of 166.03 feet;
S 53°14'25" W, a distance of 135.92 feet;
S 46°49'57" W, a distance of 173.49 feet;
S 27°58'27" W, a distance of 166.50 feet;
S 46°20'47" W, a distance of 130.08 feet;
S 71°38'21" W, a distance of 112.79 feet;
N 75°13'13" W, a distance of 233.77 feet;
N 58°19'22" W, a distance of 240.56 feet;
N 37°10'50" W, a distance of 179.66 feet;
N 18°06'32" W, a distance of 157.13 feet;
N 21°28'07" E, a distance of 142.20 feet;
N 41°08'54" E, a distance of 172.81 feet;
N 38°51'55" E, a distance of 245.98 feet;
N 18°03'19" E, a distance of 129.17 feet;
N 00°41'31" E, a distance of 113.77 feet;
N 57°42'10" W, a distance of 130.58 feet;
N 88°50'18" W, a distance of 96.97 feet;
S 54°59'15" W, a distance of 144.97 feet;
S 61°35'10" W, a distance of 147.03 feet;
N 86°24'36" W, a distance of 129.94 feet;
N 60°36'07" W, a distance of 240.54 feet;
N 60°10'25" W, a distance of 258.07 feet;
S 75°30'41" W, a distance of 132.96 feet;

S 54°28'42" W, a distance of 276.18 feet;
S 71°03'03" W, a distance of 291.88 feet;
S 50°20'04" W, a distance of 146.75 feet;
S 53°33'05" W, a distance of 212.68 feet;
N 67°21'57" W, a distance of 110.28 feet;
N 20°22'36" W, a distance of 158.77 feet;
N 20°40'15" W, a distance of 202.44 feet;
N 53°19'24" W, a distance of 164.55 feet;
S 81°43'34" W, a distance of 146.88 feet;
S 71°52'18" W, a distance of 293.29 feet;
N 77°24'12" W, a distance of 194.94 feet;
N 89°02'57" W, a distance of 195.63 feet;
S 68°13'15" W, a distance of 54.56 feet;
S 80°46'57" W, a distance of 203.84 feet;
S 45°28'05" W, a distance of 208.73 feet;
N 77°45'35" W, a distance of 220.22 feet;
N 70°48'32" W, a distance of 207.46 feet;
N 62°09'20" W, a distance of 166.92 feet;
N 63°08'06" W, a distance of 125.58 feet;

S 89°25'34" W, at 50.07 feet passing the southwest corner of said Tract III and the southeast corner of said Tract II and continuing along the south line of said Tract II, in all, a distance of 108.61 feet;

Thence continuing in a generally westerly direction with the meanders of the centerline of said Chiltipin Creek, the south line of said Tract II, and the south line of this parcel as follows:

S 80°11'14" W, a distance of 70.76 feet;
S 42°37'34" W, a distance of 150.25 feet;
S 50°55'52" W, a distance of 120.30 feet;
S 69°44'25" W, a distance of 138.05 feet;
S 89°17'46" W, a distance of 160.58 feet;
S 87°50'53" W, a distance of 217.34 feet;
N 76°46'21" W, a distance of 128.58 feet;
N 85°27'52" W, a distance of 236.29 feet;
N 54°27'09" W, a distance of 70.81 feet;
N 43°03'02" W, a distance of 234.46 feet;
N 85°03'33" W, a distance of 156.11 feet;
S 85°05'09" W, a distance of 256.32 feet;
S 84°17'06" W, a distance of 304.64 feet;
N 52°42'55" W, a distance of 150.00 feet;
N 59°10'44" W, a distance of 253.86 feet;
S 76°46'33" W, a distance of 148.90 feet;
S 24°26'16" W, a distance of 196.69 feet;
S 18°28'22" W, a distance of 218.66 feet;
S 37°50'00" W, a distance of 206.91 feet;
S 68°21'01" W, a distance of 93.90 feet;

N 74°22'15" W, a distance of 92.90 feet;
N 88°12'39" W, a distance of 184.75 feet;
S 53°54'48" W, a distance of 77.93 feet;
S 25°35'03" W, a distance of 188.44 feet;
S 45°22'14" W, a distance of 170.05 feet;
S 67°13'10" W, a distance of 253.78 feet;
S 80°23'38" W, a distance of 216.30 feet;
S 56°48'56" W, a distance of 325.26 feet;
N 82°51'44" W, a distance of 80.53 feet;
N 76°29'20" W, a distance of 306.79 feet;
N 57°30'44" W, a distance of 328.75 feet;
N 74°28'57" W, a distance of 217.95 feet;
N 72°05'59" W, a distance of 133.45 feet;
N 77°06'13" W, a distance of 166.75 feet;
S 84°43'47" W, a distance of 159.40 feet;
S 65°18'27" W, a distance of 249.55 feet;
S 41°16'14" W, a distance of 215.85 feet;
S 49°44'27" W, a distance of 132.21 feet;
S 44°20'11" W, a distance of 106.55 feet;
S 73°06'42" W, a distance of 186.47 feet;
S 71°43'37" W, a distance of 130.96 feet;
S 74°46'37" W, a distance of 173.91 feet;
S 66°15'28" W, a distance of 200.47 feet;
S 70°02'22" W, a distance of 176.95 feet;
S 83°57'51" W, a distance of 138.88 feet;

S 87°46'43" W, at 119.14 feet passing the southwest corner of said Tract II and the southeast corner of said Tract I, Parcel II and continuing along the south line of said Tract I, Parcel 2, in all, a distance of 151.82 feet;

Thence continuing in a generally westerly direction with the meanders of the centerline of said Chiltipin Creek, the south line of said Tract I, Parcel 2 and the south line of this parcel as follows:

N 68°01'27" W, a distance of 265.03 feet;
N 71°24'13" W, a distance of 333.30 feet;
N 71°15'04" W, a distance of 336.08 feet;
N 70°09'02" W, a distance of 238.63 feet;
N 42°26'09" W, a distance of 298.05 feet;
N 37°34'39" W, a distance of 293.24 feet;
N 47°52'04" W, a distance of 139.66 feet;
N 52°53'56" W, a distance of 127.82 feet;
N 80°19'08" W, a distance of 146.79 feet;
S 75°13'54" W, a distance of 109.00 feet;
S 43°57'15" W, a distance of 180.92 feet;
S 38°45'57" W, a distance of 327.77 feet;
S 34°02'45" W, a distance of 517.81 feet;

S 46°39'20" W, a distance of 107.24 feet;
S 89°58'00" W, a distance of 249.78 feet;
N 72°35'50" W, a distance of 199.60 feet;
N 76°36'40" W, a distance of 349.38 feet;
N 81°01'37" W, a distance of 416.06 feet;
N 83°11'11" W, a distance of 269.71 feet to a point in the northeast right-of-way line of State Highway 89, for the southwest corner of said Tract I, Parcel 2 and the southwest corner of this parcel;

Thence in a northwesterly direction along the northeast right-of-way line of said State Highway 89, the southwest line of said Tract I, Parcel 2 and the southwest line of this parcel as follows:

N 24°53'01" W, passing a fence corner post and continuing, generally following a fence, a distance of 624.01 feet to a concrete monument found for an angle corner;
N 32°43'43" W, generally following a fence, a distance of 843.48 feet to a 5/8" iron rod with surveyor's cap stamped "RPLS 1907" found for an angle corner;
N 44°41'06" W, generally following a fence, a distance of 1753.07 feet to a concrete monument found for an angle corner;
N 70°28'17" W, generally following a fence, a distance of 832.04 feet to a 5/8" iron rod with surveyor's cap stamped "RPLS 1907" found at the west corner of said Tract I, Parcel 2 in the east line of the Missouri Pacific Railroad right-of-way, for the west corner of this parcel;

Thence along the east right-of-way line of said Missouri Pacific Railroad, the west line of said Tract I, Parcel 2, and the west of this parcel, generally following a fence, as follows:

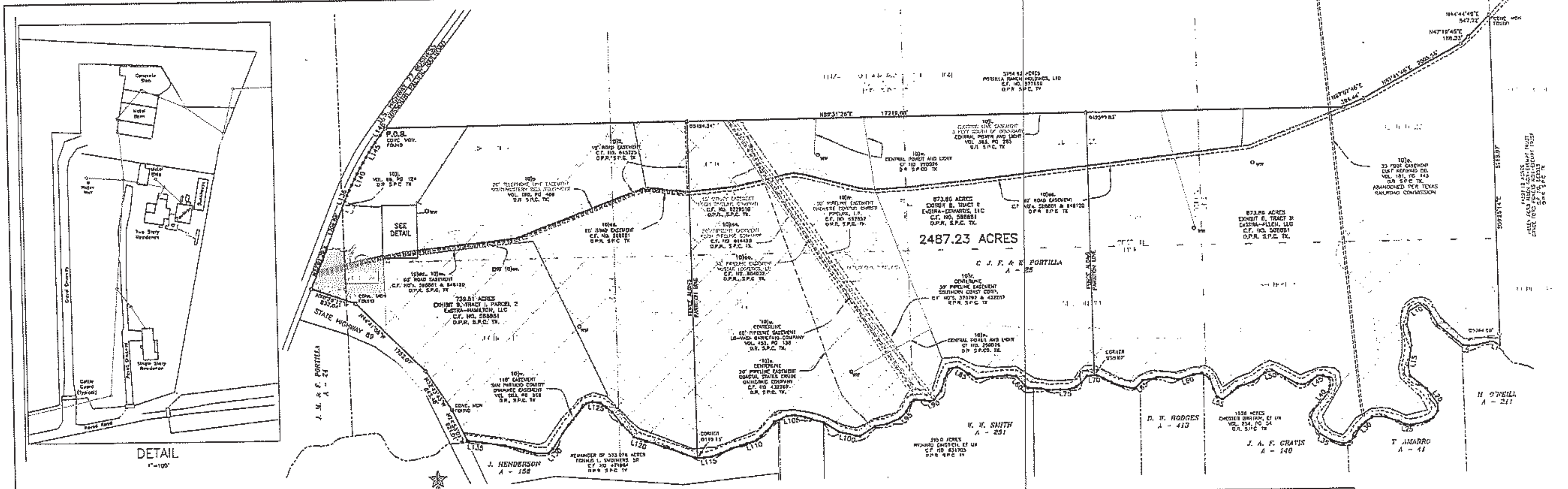
N 22°01'29" E, a distance of 1704.84 feet;
N 22°59'46" E, a distance of 108.44 feet;
N 24°08'46" E, a distance of 108.46 feet;
N 25°12'25" E, a distance of 114.76 feet;
N 26°20'20" E, a distance of 111.39 feet;
N 27°23'24" E, a distance of 111.15 feet;
N 28°27'38" E, a distance of 111.25 feet;
N 29°33'03" E, a distance of 111.11 feet;
N 30°41'09" E, a distance of 109.49 feet;
N 31°44'44" E, a distance of 110.72 feet;
N 32°44'41" E, a distance of 107.20 feet;
N 33°46'17" E, a distance of 104.75 feet;
N 35°07'24" E, a distance of 157.65 feet;
N 36°37'38" E, a distance of 155.50 feet to the place of beginning, containing 2487.23 acres, more or less, subject to all easements of record.

All bearings in this description refer to the Texas Coordinate System of 1927, South Zone.

Distances are U.S. Feet and area is Acres, both being at a surface of average elevation of 50 feet, NAVD88.

EXHIBIT B

(ATTACHED)



SCALE: 1" = 800'

LINE TABLE

LINE	BEARING	LENGTH
L1	N87°25'16"W	143.88
L2	S89°27'14"E	47.12
L3	S77°24'04"W	248.48
L4	S90°02'07"E	134.34
L5	N77°45'55"W	117.08
L6	N90°12'20"W	214.13
L7	N48°21'31"W	319.44
L8	N30°43'40"W	259.07
L9	N47°20'19"W	336.47
L10	S59°09'01"W	246.13
L11	S11°08'03"W	254.25
L12	S11°55'55"E	142.07
L13	S01°22'51"E	332.40
L14	S09°07'01"W	197.28
L15	S12°30'31"W	171.45
L16	S07°21'08"E	194.65
L17	S55°26'41"E	215.51
L18	S51°47'08"E	161.30
L19	S72°59'00"E	141.70
L20	S32°32'14"E	145.73
L21	S07°28'43"E	134.20
L22	S36°20'30"W	148.74
L23	S19°42'01"W	144.38
L24	S29°41'24"W	203.17
L25	N03°27'27"W	120.09
L26	N61°22'18"W	117.51
L27	N37°57'27"W	315.88
L28	S08°35'11"W	164.03
L29	S33°24'20"W	139.67
L30	S14°49'37"E	173.49
L31	S27°38'27"W	186.30
L32	S48°20'47"W	130.58
L33	S71°38'21"W	312.70
L34	N72°17'13"W	233.77
L35	N80°16'22"W	349.58
L36	N37°10'50"W	119.88
L37	N18°08'32"W	157.13
L38	N21°38'07"E	147.20
L39	N61°09'34"E	132.81
L40	N30°31'35"E	345.08
L41	N11°02'19"E	130.17
L42	N00°41'31"E	113.73
L43	N57°47'20"W	130.38
L44	N88°52'16"W	88.97
L45	S55°51'12"W	166.87
L46	S01°35'30"W	141.03
L47	N08°24'38"W	129.84
L48	N88°38'07"W	240.54
L49	N82°10'35"W	259.07
L50	S73°53'41"W	133.88
L51	S54°20'42"W	278.18
L52	S71°02'09"W	291.99
L53	S50°20'04"W	148.75
L54	S03°33'05"W	217.88
L55	N87°21'57"W	110.54
L56	N80°22'38"W	156.77
L57	N28°40'15"W	307.44
L58	N53°19'24"W	184.55
L59	S81°42'34"W	168.88
L60	S21°02'18"W	273.34
L61	N82°24'12"W	104.94
L62	N88°02'07"W	195.63
L63	S88°12'25"W	84.58
L64	S01°48'37"W	303.86
L65	S42°28'05"W	208.73
L66	N32°45'35"W	270.33
L67	N39°48'23"W	307.46
L68	N81°27'20"W	188.92
L69	N43°08'00"W	175.00
L70	S85°21'24"W	108.81
L71	S86°11'14"W	70.78
L72	S42°22'31"W	139.73
L73	S10°03'27"E	120.38
L74	S48°44'29"W	135.65
L75	S40°17'49"W	140.39
L76	S87°20'53"W	117.34
L77	N74°49'21"W	130.68
L78	N61°22'53"W	234.39
L79	N54°22'09"W	70.81
L80	N47°02'02"W	224.49
L81	N03°02'33"W	158.11
L82	S85°59'09"W	258.37
L83	S84°17'06"W	304.84
L84	N52°47'55"W	150.00
L85	N84°10'44"W	253.96
L86	S31°48'33"W	148.90
L87	S74°28'18"W	188.93
L88	S18°28'22"W	219.99
L89	S37°30'00"W	200.91
L90	S88°21'31"W	93.80
L91	N47°22'13"W	97.90
L92	N59°12'18"W	164.35
L93	S52°24'08"W	77.93
L94	S72°33'01"W	188.44
L95	S49°27'14"W	170.03
L96	S87°12'10"W	253.78
L97	S80°23'38"W	214.38
L98	S57°40'58"W	372.24
L99	N67°31'44"W	40.93
L100	N71°23'30"W	304.78
L101	N57°22'44"W	328.75
L102	N14°28'57"W	217.95
L103	N72°02'32"W	133.45
L104	N72°06'13"W	109.75
L105	S82°47'47"W	159.40
L106	S87°18'27"W	249.35
L107	S41°49'14"W	215.93
L108	S46°44'37"W	133.21
L109	S44°30'11"W	108.55
L110	S73°08'42"W	188.47
L111	S72°43'17"W	130.96
L112	S74°28'31"W	173.51
L113	S86°15'28"W	200.47
L114	S70°02'27"W	178.95
L115	S82°37'21"W	138.88
L116	S61°48'41"W	151.82
L117	N48°01'37"W	265.63
L118	N71°24'13"W	335.38
L119	N71°13'04"W	338.88
L103	N72°02'32"W	133.45
L104	N72°06'13"W	188.75
L105	S82°47'47"W	159.40
L106	S87°18'27"W	249.75
L107	S41°49'14"W	215.65
L108	S46°44'37"W	137.21
L109	S44°30'11"W	108.55
L110	S73°08'42"W	188.41
L111	S72°43'17"W	130.96
L112	S74°28'31"W	172.81
L113	S86°15'28"W	200.47
L114	S70°02'27"W	178.95
L115	S82°37'21"W	138.88
L116	S61°48'41"W	151.84
L117	N48°01'37"W	265.63
L118	N71°24'13"W	335.30
L119	N71°13'04"W	338.88
L120	N30°02'02"W	238.94
L121	N42°29'09"W	208.83
L122	S37°24'39"W	203.54
L123	N47°52'04"W	133.86
L124	N32°03'39"W	132.83
L125	N82°11'08"W	146.78
L126	S37°13'54"W	109.00
L127	S40°37'12"W	180.43
L128	S30°45'23"W	331.33
L129	S14°07'45"W	312.81
L130	S48°32'30"W	402.74
L131	S02°25'50"W	249.78
L132	N72°35'36"W	180.00
L133	N78°38'40"W	349.36
L134	N80°01'37"W	418.06
L135	N83°11'11"W	309.71
L136	N22°32'49"E	109.44
L137	N26°06'46"E	108.46
L138	N21°27'22"E	114.78
L139	N78°20'30"E	111.39
L140	N77°23'24"E	111.43
L141	N38°21'30"E	111.25
L142	N12°22'22"E	111.11
L143	N30°41'39"E	101.49
L144	N11°44'44"E	114.17
L145	N32°44'40"E	107.39
L146	N32°49'17"E	104.35
L147	N38°27'24"E	157.65
L148	N60°27'36"E	155.50

800 0 800 1600 2400

LEGEND

- ▫ = 5/8" iron rod with surveyor's cap stamped "RPLS 1907" unless otherwise noted
- • = unmarked corner
- —— = fence
- —e— = overhead electric line(s)
- O WW = water well
- —— = survey abstract line
- = Flood Zone "A" (no base flood elevation determined)
- = Flood Zone AE (base flood elevation determined)

BOUNDARY RELATED TITLE COMMITMENT SCHEDULE B ITEMS TABLE

10)j. The easement and right-of-way from Mrs. Eliza Welder to St. Louis, Brownsville and Mexican Railway is shown on the plat along the northwest boundary. This easement was for cattle pens to be used to load cattle onto railroad cars. There are no longer any cattle loading pens within the easement.

10)k. The right of way deed from Mrs. Eliza Welder to County of San Patricio DOES NOT affect this parcel.

10)l. The Lease Contract from Mrs. Eliza Welder to Houston Gulf Gas Company DOES NOT affect this parcel

10)m. The Lease from Mrs. Eliza Welder to Plymouth Oil Company DOES NOT affect this parcel

10)o. The Gulf Refining Company pipeline easement DOES affect this parcel and is shown on this plat. However, the Texas Railroad Commission GIS shows the pipeline as abandoned and removed

10)p. The 20 feet wide easement to Southwestern Bell Telephone DOES affect this parcel and is shown on this plat along the north side of the east/west road across this parcel

10)q. The Tennessee Gas Transmission Company pipeline easement DOES NOT affect this parcel

10)r. The Southern Coast Corporation pipeline easement DOES affect this parcel and is shown on this plat

10)s. The Coastal States Crude Gathering Company pipeline easement DOES affect this parcel and is shown on this plat

10)t. The Central Power and Light Company electric distribution easement DOES affect this parcel and is shown on this plat. The poles, guys and lines are along and approximately three feet (3') within the north and west boundary lines of this parcel.

10)u. The La-Vaca Gathering Company pipeline easement DOES affect this parcel and is shown on this plat

10)v. The San Patricio County Drainage District easement DOES affect this parcel. It is a one hundred and ten foot (110') wide strip within this parcel along the south boundary and is shown as a shaded area on this plat

BOUNDARY RELATED TITLE COMMITMENT SCHEDULE B ITEMS TABLE (CONTINUED)

10)w. The Central Power and Light Company electric distribution easement DOES affect this parcel and is shown on this plat.

10)x. The condemnation in favor of the State of Texas DOES NOT affect this parcel. The condemned area is within State Highway 89 (shown on this plat) along this parcels southwest boundary.

10)y. The boundary line agreement between Tony Kunitz and Carl C. Shouse DID affect this parcel. It defined their common boundary as the center of Chiltipin Creek.

10)dd. The sixty foot (60') wide access/roadway easement DOES affect this parcel and is shown on this plat.

10)ee. The sixty foot (60') wide access/roadway easement DOES affect this parcel and is shown on this plat

10)ii. This parcel IS SUBJECT to the terms, provisions, easements and reservations contained in the Partition Deed.

10)ll. The fifteen feet (15') wide access/roadway easement to Portilla Ranch Holdings, Ltd DOES affect this parcel and is shown on this plat.

10)nn. The Koch Pipeline Company, L.P. fifty feet (50') wide pipeline easement DOES affect this parcel and is shown on this plat

10)oo. The Nustar Logistics, L.P thirty feet (30') wide pipeline easement DOES affect this parcel and is shown on this plat.

10)pp. The Enterprise GC, L.P. cathodic protection unit DOES NOT affect this parcel.

10)qq. The San Patricio Electric Cooperative electric distribution easement DOES NOT affect this parcel

10)rr. The Cheniere Corpus Christi Pipeline, L.P. fifty feet (50') wide pipeline easement DOES affect this parcel and is shown on this plat.

10)ss. The San Patricio County Drainage District access and disposal easement DOES NOT affect this parcel

NOTES

All bearings refer to the Texas Coordinate System of 1927, South Zone

Distances (U.S. Feet) and areas (Acres) are surface at elevation of 50 feet (NAVD88).

Unless otherwise noted, 5/8" iron re-bar rods with surveyor's caps stamped "RPLS 1907" were found at all corners.

Flood Zones and their boundaries were scaled from the National Flood Insurance Program Flood Insurance Rate Map number 48409C0275E, effective date November 4, 2016.

The southwest, northwest, north and east boundaries of this parcel generally follow perimeter fences.

Access to this parcel from public right-of-way is via an entrance road from the southeast right-of-way line of U. S. Highway 77 Business and across the Missouri Pacific Railroad right-of-way to the northwest line of this parcel. No documents granting an easement across the railroad were found or provided.

Existing pipelines may not be located exactly as shown hereon and there may be existing pipelines not shown on this map. Use the Texas811 system to locate pipelines before performing any excavation on this property

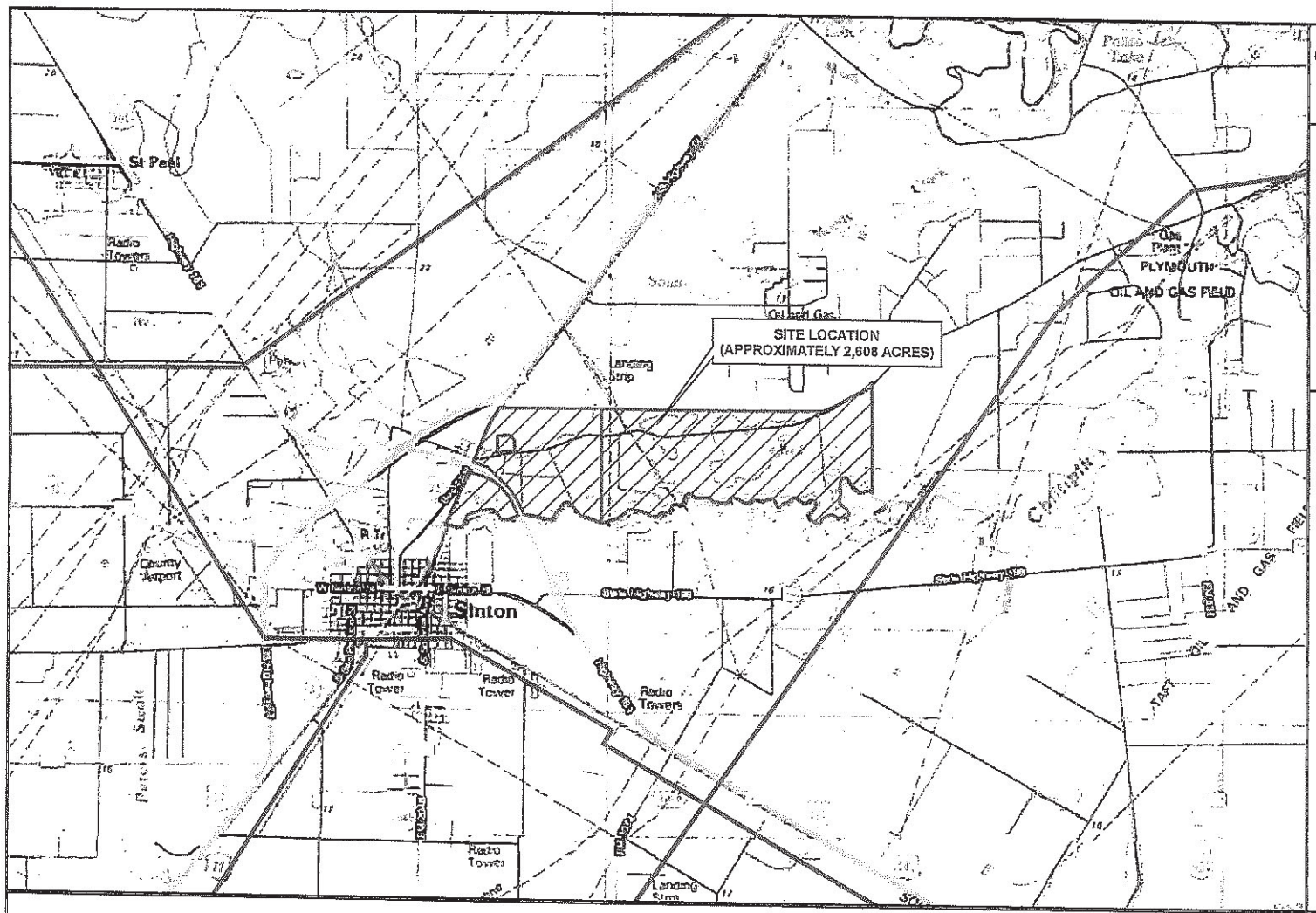
PLAT SHOWING LAND TITLE SURVEY OF
2487.23 ACRES
BEING PART OF
FRACTIONAL SECTIONS 1,2 AND 4
AND SECTIONS 5, 20 AND 23
AND ALL OF
SECTIONS 21 AND 22
ELIZA H. WELDER RANCH SUBDIVISION
ACCORDING TO MAP RECORDED IN
VOLUME 3, PAGE 33, MAP RECORDS
SITUATED IN THE
J. M. AND F. PORTILLA SURVEY, ABSTRACT 24 AND
THE C., J., F. AND E. PORTILLA SURVEY, ABSTRACT 25
SAN PATRICIO COUNTY, TEXAS
FILE NO. FN-60193-TX
SCALE 1" = 800 FEET

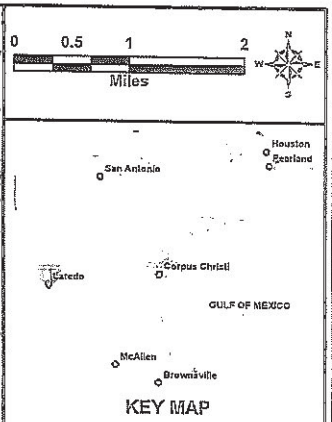
I, Gregory A. Hougar, Registered Professional Land Surveyor of Texas, do hereby state that this survey substantially complies with the current Texas Society of Professional Surveyors Standards and Specifications for a Category 1A Survey and this plat represents an actual survey completed on the ground on December 26, 2018, under my direction, to the best of my knowledge and ability, this the 31st day of December, 2018.

Gregory A. Hougar
Registered Professional Land Surveyor
Texas Registration No. 5639

King & Petrus, Inc
Surveyors & Engineers
Firm No. 10127600
Sinton, Texas

H:\gen\25300\25390\25390.dwg





LEGEND

- Sinton Property
- AEP Lines

HANSON

Engineering | Planning | Allied Services

Corpus Christi

QUALIFIED SITE

PORT CORPUS CHRISTI

USGS TOPO MAP
DYNAMO PROJECT

SAN PATRICIO COUNTY, TEXAS

6/12/2018

SHEET 5 OF 15

Tab 17

Signature and Certification

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in **Tab 17**. **NOTE:** If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

I am the authorized representative for the school district to which this application is being submitted. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code.

print here Chad Jones — Print Name *(Authorized School District Representative)*

Superintendent — Title

sign here Chad Jones — Signature *(Authorized School District Representative)*

3-4-2019 — Date

2. Authorized Company Representative (Applicant) Signature and Notarization

I am the authorized representative for the business entity for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application and schedules is true and correct to the best of my knowledge and belief.

I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

print here Richard Poinsatte — Print Name *(Authorized Company Representative (Applicant))*

Vice President & Treasurer — Title

sign here — Signature *(Authorized Company Representative (Applicant))*

4 March 2019 — Date

POLLY WORKMAN
Notary Public - Seal
State of Indiana
Allen County
My Commission Expires Dec 17, 2022

(Notary Seal)

GIVEN under my hand and seal of office this, the

4 day of March, 2019

Polly Workman
Notary Public in and for the State of ~~Texas~~ IN

My Commission expires: Dec. 17, 2022

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code Section 37.10.

O'HANLON, DEMERATH & CASTILLO
ATTORNEYS AND COUNSELORS AT LAW

808 WEST AVENUE
AUSTIN, TEXAS 78701
TELEPHONE: (512) 494-9949
FACSIMILE: (512) 494-9919

March 19, 2019

Local Government Assistance & Economic Analysis
Texas Comptroller of Public Accounts
P.O. Box 13528
Austin, Texas 78711-3528

RE: Supplement001 to Sinton Independent School District from Buffalo, LLC

To the Local Government Assistance & Economic Analysis Division:

Enclosed, please find Supplement001 to Sinton ISD from Buffalo, LLC. The following changes have been made:

1. Section 14: Wage and Employment Information
    - Question 7b: Updated manufacturing wage.
2. Updated Section 13

A copy of supplement001 will be submitted to the San Patricio County Appraisal

District.

Sincerely,

Kevin O'Hanlon
School District Consultant

Cc: San Patricio County Appraisal District
Buffalo, LLC

SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 0

2. What is the last complete calendar quarter before application review start date:

   ☐ First Quarter ☐ Second Quarter ☐ Third Quarter ☑ Fourth Quarter of 2018 (year)

3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? 0

   Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).

4. What is the number of new qualifying jobs you are committing to create? 500

5. What is the number of new non-qualifying jobs you are estimating you will create? 0

6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? . . . . . ☐ Yes ☑ No

   6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.

7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).

   a. Average weekly wage for all jobs (all industries) in the county is 933.25

   b. 110% of the average weekly wage for manufacturing jobs in the county is 2,125.48

   c. 110% of the average weekly wage for manufacturing jobs in the region is 1,275.12

8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? . . . . . ☐ §313.021(5)(A) or ☑ §313.021(5)(B)

9. What is the minimum required annual wage for each qualifying job based on the qualified property? 60,278.40

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 76,167.00

11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? . . . . . ☑ Yes ☐ No

12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? . . . . . ☐ Yes ☑ No

    12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).

13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? . . . . . ☐ Yes ☑ No

    13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

1. Complete and attach Schedules A1, A2, B, C, and D in **Tab 14**. Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.
2. Attach an Economic Impact Analysis, if supplied by other than the Comptroller's Office, in **Tab 15**. *(not required)*
3. If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, attach a separate schedule showing the amount for each year affected, including an explanation, in **Tab 15**.

Tab 13

Average Wages

Calculations of Wages for San Patricio County

Based on Most Recent Data Available

Average Weekly Wage for all jobs in the County			
Year	**Period**	**Wages All Industries**	**Wages Manufacturing Jobs**
2017	4th Qtr	$945.00	$1,632.00
2018	1st Qtr	$983.00	$2,500.00
2018	2nd Qtr	$892.00	$1,732.00
2018	3rd Qtr	$913.00	$1,865.00
Average		**$933.25**	**$1,932.25**

Average weekly wage for all jobs (all industries) in the county	**$933.25**

110% of the average weekly wage for manufacturing jobs in the county	**$2,125.48**

110% of the average weekly wage for manufacturing jobs in the region		**$1,275.12**
Coastal Bend Area Council		
Rate per hour	$28.98	
Hours per week	40	
Average weekly wage	$1,159.20	

Minimum required annual wage (52 weeks)	**$60,278.40**

Year	Period	Area	Ownership	Industry Code	Industry	Level	Average Weekly Wage
2017	04	San Patricio	Total All	10	Total, All Industries	0	945
2018	01	San Patricio	Total All	10	Total, All Industries	0	983
2018	02	San Patricio	Total All	10	Total, All Industries	0	892
2018	03	San Patricio	Total All	10	Total, All Industries	0	913

Year	Period	Area	Ownership	Industry Code	Industry	Level	Average Weekly Wage
2017	04	San Patricio	Private	31-33	Manufacturing	2	1,632
2018	01	San Patricio	Private	31-33	Manufacturing	2	2,500
2018	02	San Patricio	Private	31-33	Manufacturing	2	1,732
2018	03	San Patricio	Private	31-33	Manufacturing	2	1,865

https://texaslmi.com/LMIbyCategory/QCEW
Data pulled 3/18/2019

2017 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations

COG	Wages Hourly	Wages Annual
Texas	**$26.24**	**$54,587**
1. Panhandle Regional Planning Commission	$23.65	$49,190
2. South Plains Association of Governments	$19.36	$40,262
3. NORTEX Regional Planning Commission	$23.46	$48,789
4. North Central Texas Council of Governments	$26.80	$55,747
5. Ark-Tex Council of Governments	$18.59	$38,663
6. East Texas Council of Governments	$21.07	$43,827
7. West Central Texas Council of Governments	$21.24	$44,178
8. Rio Grande Council of Governments	$18.44	$38,351
9. Permian Basin Regional Planning Commission	$26.24	$54,576
10. Concho Valley Council of Governments	$19.67	$40,924
11. Heart of Texas Council of Governments	$21.53	$44,781
12. Capital Area Council of Governments	$31.49	$65,497
13. Brazos Valley Council of Governments	$17.76	$39,931
14. Deep East Texas Council of Governments	$17.99	$37,428
15. South East Texas Regional Planning Commission	$34.98	$72,755
16. Houston-Galveston Area Council	$28.94	$60,202
17. Golden Crescent Regional Planning Commission	$26.94	$56,042
18. Alamo Area Council of Governments	$22.05	$48,869
19. South Texas Development Council	$15.07	$31,343
20. Coastal Bend Council of Governments	$28.98	$60,276
21. Lower Rio Grande Valley Development Council	$17.86	$37,152
22. Texoma Council of Governments	$21.18	$44,060
23. Central Texas Council of Governments	$19.30	$40,146
24. Middle Rio Grande Development Council	$24.07	$50,058

Source: Texas Occupational Employment and Wages
Data published: July 2018
Data published annually, next update will be July 31, 2019

Note: Data is not supported by the Bureau of Labor Statistics (BLS).
Wage data is produced from Texas OES data, and is not to be compared to BLS estimates.
Data intended for TAC 313 purposes only.

O'HANLON, DEMERATH & CASTILLO
ATTORNEYS AND COUNSELORS AT LAW

808 WEST AVENUE
AUSTIN, TEXAS 78701
TELEPHONE: (512) 494-9949
FACSIMILE: (512) 494-9919

April 18, 2019

Local Government Assistance & Economic Analysis
Texas Comptroller of Public Accounts
P.O. Box 13528
Austin, Texas 78711-3528

RE: Amendment001 to the Sinton Independent School District from Buffalo, LLC

To the Local Government Assistance & Economic Analysis Division:

Enclosed is Amendment001 to Sinton Independent School District from Buffalo, LLC. The following changes have been made:

1. Section 14 Q9. Updated
2. Schedule D: As company has discussed with Stephanie Jones on 4.16.19, these incentives are still under consideration and currently unquantifiable. No revision needed.
3. Tab 11 Maps: Updated Land and Vicinity Map
4. Qualified Property Map– Confidential. Will be delivered separately.
5. The Project area is not consistent in shape or location. The Project area is smaller area within the established reinvestment zone.

The Applicant has requested that a portion of Tab 11, specifically the detailed layout of the planned manufacturing plant, be kept confidential until such time the Board votes to approve the application. In accordance with 34 TAC 9.1053, the information that is the subject of this request is segregated from the materials submitted contemporaneously with this application, that is, the proprietary commercial information regarding the competitive siting decisions for the possible project and proprietary information regarding the proposed layout of the project. The confidential materials are being submitted separately to protect against unintended disclosure. The maps depicting the planned location of the project display proprietary commercial information regarding the specific location of the possible project and the nature of the business that will be conducted at the site. The materials are protected by the trade secret exception set forth in Texas Government Code §552.110.

A copy of the application will be submitted to the San Patricio County Appraisal

District.

Sincerely,

Kevin O'Hanlon
School District Consultant

Cc: San Patricio County Appraisal District
Buffalo, LLC

SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 0

2. What is the last complete calendar quarter before application review start date:

   ☐ First Quarter ☐ Second Quarter ☐ Third Quarter ☑ Fourth Quarter of 2018 (year)

3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? 0

   Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).

4. What is the number of new qualifying jobs you are committing to create? 500

5. What is the number of new non-qualifying jobs you are estimating you will create? 0

6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? . . . . . ☐ Yes ☑ No

   6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.

7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).

   a. Average weekly wage for all jobs (all industries) in the county is 933.25

   b. 110% of the average weekly wage for manufacturing jobs in the county is 2,125.48

   c. 110% of the average weekly wage for manufacturing jobs in the region is 1,275.12

8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? . . . . . ☐ §313.021(5)(A) or ☑ §313.021(5)(B)

9. What is the minimum required annual wage for each qualifying job based on the qualified property? 66,306.24

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 76,167.00

11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? . . . . . ☑ Yes ☐ No

12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? . . . . . ☐ Yes ☑ No

    12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).

13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? . . . . . ☐ Yes ☑ No

    13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

1. Complete and attach Schedules A1, A2, B, C, and D in **Tab 14**. Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.
2. Attach an Economic Impact Analysis, if supplied by other than the Comptroller's Office, in **Tab 15**. *(not required)*
3. If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, attach a separate schedule showing the amount for each year affected, including an explanation, in **Tab 15**.

Calculations of Wages for San Patricio County

Based on Most Recent Data Available

Average Weekly Wage for all jobs in the County			
Year	Period	Wages All Industries	Wages Manufacturing Jobs
2017	4th Qtr	$945.00	$1,632.00
2018	1st Qtr	$983.00	$2,500.00
2018	2nd Qtr	$892.00	$1,732.00
2018	3rd Qtr	$913.00	$1,865.00
Average		**$933.25**	**$1,932.25**

Average weekly wage for all jobs (all industries) in the county	**$933.25**

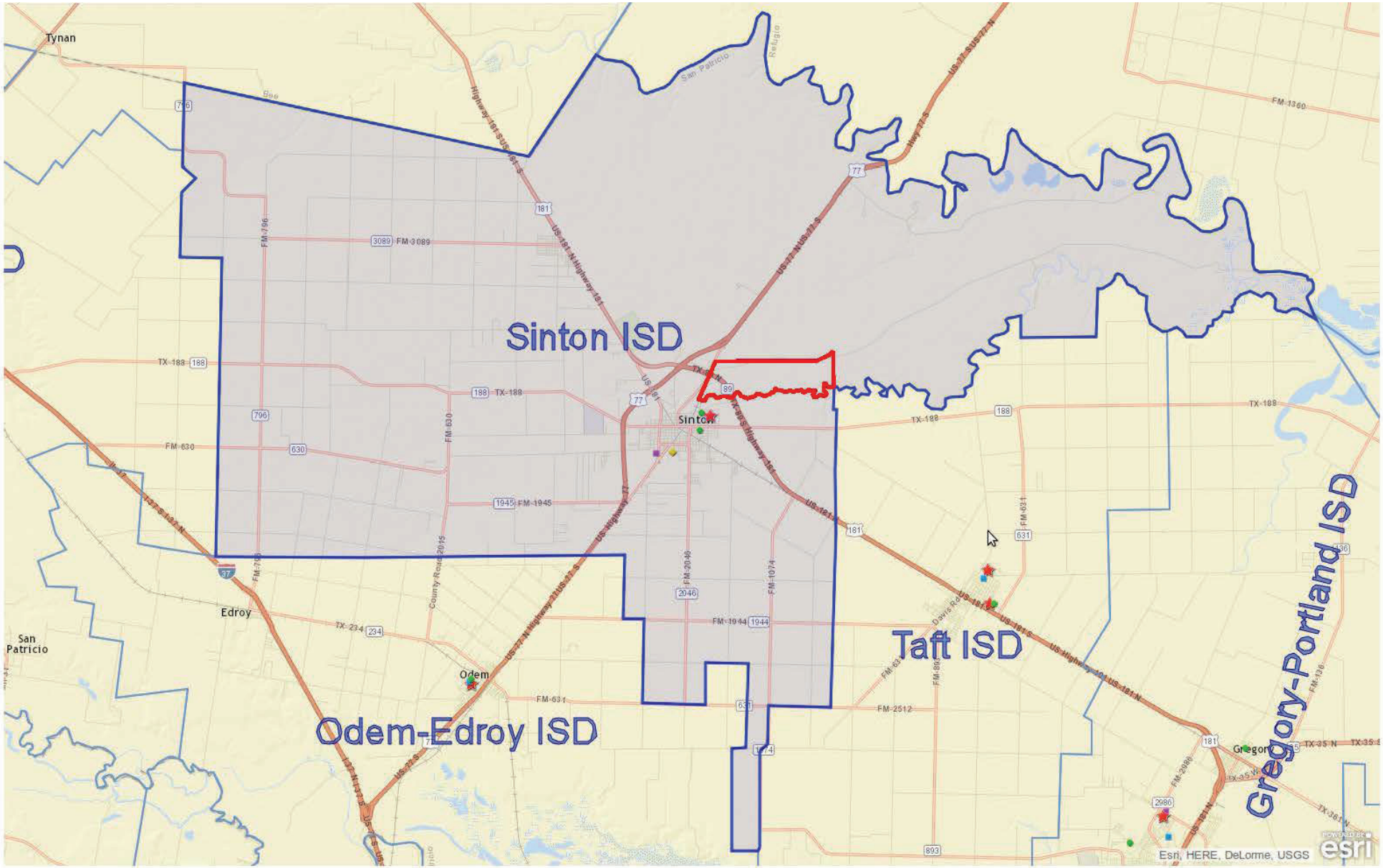
110% of the average weekly wage for manufacturing jobs in the county	**$2,125.48**

110% of the average weekly wage for manufacturing jobs in the region		**$1,275.12**
Coastal Bend Area Council		
Rate per hour	$28.98	
Hours per week	40	
Average weekly wage	$1,159.20	

Minimum required annual wage (52 weeks)	**$66,306.24**

1354-sinton-buffalo-amendment001
April 18, 2019

Land and Vicinity Map



San Patricio County | Sinton ISD | Reinvestment Zone

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in **Tab 17. NOTE:** If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

I am the authorized representative for the school district to which this application is being submitted. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code.

print here Chad Jones — Print Name *(Authorized School District Representative)*

Superintendent — Title

sign here Chad Jones — Signature *(Authorized School District Representative)*

04-18-2019 — Date

2. Authorized Company Representative (Applicant) Signature and Notarization

I am the authorized representative for the business entity for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application and schedules is true and correct to the best of my knowledge and belief.

I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

print here Richard Poinsatte — Print Name *(Authorized Company Representative (Applicant))*

Vice President & Treasurer — Title

sign here — Signature *(Authorized Company Representative (Applicant))*

17 April 2019 — Date

CYNTHIA JEAN LIPOCKY
Seal
Notary Public - State of Indiana
Allen County
My Commission Expires Sep 6, 2024

(Notary Seal)

GIVEN under my hand and seal of office this, the

17 day of April, 2019

Cynthia Lipocky

Notary Public in and for the State of Indiana

My Commission expires: 9-6-2024

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code Section 37.10.

O'HANLON, DEMERATH & CASTILLO
ATTORNEYS AND COUNSELORS AT LAW

808 WEST AVENUE
AUSTIN, TEXAS 78701
TELEPHONE: (512) 494-9949
FACSIMILE: (512) 494-9919

May 21, 2019

Local Government Assistance & Economic Analysis
Texas Comptroller of Public Accounts
P.O. Box 13528
Austin, Texas 78711-3528

RE: Amendment002 to the Sinton Independent School District from Buffalo, LLC

To the Local Government Assistance & Economic Analysis Division:

Enclosed is Amendment002 to Sinton Independent School District from Buffalo, LLC. The following changes have been made:

1. Tab 7 and 8. Under TAC 9.1051 Rail and Mobile Equipment are not Qualify Property, therefore you will need to remove from the qualified property list: Rail description and investment removed from tabs 7 and 8.
    a. You will need to update the Qualified Property Map: Map updated and to be provided separately and confidentially.
2. Schedule C. The first year of limitation has the average lower than the committed wage listed in Section 14 Q10: Section 14 Q10 amended.
3. For further clarification can you include a map where it clearly shows the Project boundary is within the RZ. (For example, you can label this map with the project boundary and RZ): Project and RZ boundaries amended for easier distinction.
4. Schedule D. Wanted to know the status of the tax abatements listed. If they have not been secured, we will keep the application as is, and list that information in the certification packet: Only county abatement pursuant to Chapter 312 has been secured, the terms of which are as follows and reflected on an updated Schedule D:
    a. Years 1-3 subject to 100% abatement
    b. Years 4-10 subject to 70% abatement

The Applicant has requested that a portion of Tab 11, specifically the detailed layout of the planned manufacturing plant, be kept confidential until such time the Board votes to approve the application. In accordance with 34 TAC 9.1053, the information that is the subject of this request is segregated from the materials submitted contemporaneously with this application, that is, the proprietary commercial information regarding the competitive siting decisions for the possible project and proprietary information regarding the proposed layout of the project. The confidential materials are being submitted separately to protect against unintended disclosure. The maps depicting the planned location of the project display proprietary commercial information regarding the specific location of the possible project and the nature of the business that will be conducted at the site. The materials are protected by the trade secret exception set forth in Texas Government Code §552.110.

A copy of the application will be submitted to the San Patricio County Appraisal

District.

Sincerely,

Kevin O'Hanlon
School District Consultant

Cc: San Patricio County Appraisal District
Buffalo, LLC

SECTION 9: Projected Timeline

1. Application approval by school board . . . . . August 2019
2. Commencement of construction . . . . . 4th Quarter of 2019
3. Beginning of qualifying time period . . . . . January 1, 2020
4. First year of limitation . . . . . January 1, 2022
5. Begin hiring new employees . . . . . June 2019
6. Commencement of commercial operations . . . . . December 2021
7. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date *(date your application is finally determined to be complete)*? . . . . . ☑ Yes ☐ No

   Note: Improvements made before that time may not be considered qualified property.
8. When do you anticipate the new buildings or improvements will be placed in service? . . . . . December 2021

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located San Patricio
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property San Patricio County Appraisal District
3. Will this CAD be acting on behalf of another CAD to appraise this property? . . . . . ☐ Yes ☑ No
4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:

   County: San Patricio County, 0.468521, 100% *(Name, tax rate and percent of project)*

   City: N/A *(Name, tax rate and percent of project)*

   Hospital District: N/A *(Name, tax rate and percent of project)*

   Water District: San Patricio Co Drain Dist, 0.069607, 100% *(Name, tax rate and percent of project)*

   Other *(describe)*: See Tab 6 *(Name, tax rate and percent of project)*

   Other *(describe)*: See Tab 6 *(Name, tax rate and percent of project)*
5. Is the project located entirely within the ISD listed in Section 1? . . . . . ☑ Yes ☐ No

   5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? . . . . . ☐ Yes ☑ No

   6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

NOTE: The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as Subchapter B or Subchapter C, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's website at **comptroller.texas.gov/economy/local/ch313/**.

1. At the time of application, what is the estimated minimum qualified investment required for this school district? 10,000,000.00
2. What is the amount of appraised value limitation for which you are applying?. 20,000,000.00

   Note: The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? . . . . . ☑ Yes ☐ No
4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
   a. a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
   b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
   c. a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).
5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? . . . . . ☑ Yes ☐ No

SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 0

2. What is the last complete calendar quarter before application review start date:

   ☐ First Quarter ☐ Second Quarter ☐ Third Quarter ☑ Fourth Quarter of 2018 (year)

3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? 0

   Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).

4. What is the number of new qualifying jobs you are committing to create? 500

5. What is the number of new non-qualifying jobs you are estimating you will create? 0

6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? . . . . . ☐ Yes ☑ No

   6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.

7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).

   a. Average weekly wage for all jobs (all industries) in the county is 933.25

   b. 110% of the average weekly wage for manufacturing jobs in the county is 2,125.48

   c. 110% of the average weekly wage for manufacturing jobs in the region is 1,275.12

8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? . . . . . ☐ §313.021(5)(A) or ☑ §313.021(5)(B)

9. What is the minimum required annual wage for each qualifying job based on the qualified property? 66,306.24

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 74,600.00

11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? . . . . . ☑ Yes ☐ No

12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? . . . . . ☐ Yes ☑ No

    12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).

13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? . . . . . ☐ Yes ☑ No

    13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

1. Complete and attach Schedules A1, A2, B, C, and D in **Tab 14**. Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.
2. Attach an Economic Impact Analysis, if supplied by other than the Comptroller's Office, in **Tab 15**. *(not required)*
3. If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, attach a separate schedule showing the amount for each year affected, including an explanation, in **Tab 15**.

Tab 7
Qualified Investment Description

The Applicant currently does not have operations in Texas. The Applicant expects to construct a new facility in the southwestern United States to cost effectively serve the Southern United States and the underserved Mexican flat roll steel markets. If approved, the proposed Sinton capital project involves the construction of a new state-of-the-art electric-arc furnace flat roll steel mill designed to produce the latest in advanced high strength steel products. The construction of the facility and the associated equipment results in a capital investment of approximately $1.725 billion. As part of the project, the facility will include production facilities, sales, administration, engineering, transportation logistics and various other support functions.

Below is a list of the major investments related to the proposed facility for qualified investment:

- Site preparation
- Engineering
- General utilities
- Melt / Cast building
- Hot mill building
- Cold mill / Pickle line building
- Warehouse
- Utility buildings
- Guard house
- Melt shop equipment
- Caster / Tunnel equipment
- Hot mill equipment
- Cold mill equipment
- Dust collection
- Water treatment
- Cranes
- Office building and equipment
- Production equipment

Additional infrastructure to support this property will include access to electricity, natural gas, water, and highways.

The qualified investment will be located on land currently being evaluated by the Applicant for purchase. Additional land details are located in Tab 9.

Construction is proposed to be initiated in September 2019, with the commencement of commercial operations in December 2021. The successful implementation of this project is dependent upon the supportive economic development incentives provided.

Tab 8
Qualified Property Description

The Applicant currently does not have operations in Texas. The Applicant expects to construct a new facility in the southwestern United States to cost effectively serve the Southern United States and the underserved Mexican flat roll steel markets. If approved, the proposed Sinton capital project involves the construction of a new state-of-the-art electric-arc furnace flat roll steel mill designed to produce the latest in advanced high strength steel products. The land, construction of the facility, and the associated equipment results in a total capital investment for qualifying property of approximately $1.775 billion. As part of the project, the facility will include production facilities, sales, administration, engineering, transportation logistics and various other support functions.

Below is a list of the major investments related to the proposed facility for qualified property:

- Site preparation
- Engineering
- General utilities
- Melt / Cast building
- Hot mill building
- Cold mill / Pickle line building
- Warehouse
- Utility buildings
- Guard house
- Melt shop equipment
- Caster / Tunnel equipment
- Hot mill equipment
- Cold mill equipment
- Dust collection
- Water treatment
- Cranes
- Office building and equipment
- Production equipment

Additional infrastructure to support this property will include access to electricity, natural gas, water, and highways.

The qualified investment will be located on land currently being evaluated by the Applicant for purchase. Additional land details are located in Tab 9.

Construction is proposed to be initiated in September 2019, with the commencement of commercial operations in December 2021. The successful implementation of this project is dependent upon the supportive economic development incentives provided.

Schedule A1: Total Investment for Economic Impact (through the Qualifying Time Period)

Date 2/19/2019
Applicant Name Buffalo, LLC
ISD Name Sinton ISD

1354-sinton-buffalo-amendment002
May 20, 2019 **Form 50-296A**
Revised May 2014

PROPERTY INVESTMENT AMOUNTS

(Estimated Investment in each year. Do not put cumulative totals.)

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in **tangible personal property** placed in service during this year that will become Qualified Property	Column B New investment made during this year in **buildings or permanent nonremovable components of buildings** that will become Qualified Property	Column C Other new investment made during this year that will not become Qualified Property [SEE NOTE]	Column D Other new investment made during this year that may become Qualified Property [SEE NOTE]	Column E **Total Investment** (Sum of Columns A+B+C+D)
Investment made before filing complete application with district				Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is land.]	
Investment made after filing complete application with district, but before final board approval of application								
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period	0	2019-2020	2019	129,000,000	41,000,000	0	$50,000,000	$220,000,000
Complete tax years of qualifying time period	QTP1	2020-2021	2020	631,000,000	269,000,000	0		$900,000,000
	QTP2	2021-2022	2021	462,000,000	168,000,000	0		$630,000,000
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				1,222,000,000	478,000,000	0	50,000,000	$1,750,000,000
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)				1,700,000,000				

For All Columns: List amount invested each year, not cumulative totals.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

Total Investment: Add together each cell in a column and enter the sum in the blue total investment row. Enter the data from this row into the first row in Schedule A2.

Qualified Investment: For the green qualified investment cell, enter the sum of all the green-shaded cells.

Schedule A2: Total Investment for Economic Impact (including Qualified Property and other investments)

Date 2/19/2019
Applicant Name Buffalo, LLC
ISD Name Sinton ISD

1354-sinton-buffalo-amendment002
May 1st, 2019

Form 50-296A
Revised May 2014

PROPERTY INVESTMENT AMOUNTS

(Estimated Investment in each year. Do not put cumulative totals.)

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in **tangible personal property** placed in service during this year that will become Qualified Property	Column B New investment made during this year in **buildings or permanent nonremovable components of buildings** that will become Qualified Property	Column C Other investment made during this year that will not become Qualified Property [SEE NOTE]	Column D Other investment made during this year that will become Qualified Property {SEE NOTE]	Column E **Total Investment** (A+B+C+D)
				Enter amounts from TOTAL row in Schedule A1 in the row below				
Total Investment from Schedule A1*	--	**TOTALS FROM SCHEDULE A1**		1,222,000,000	478,000,000	0	$50,000,000	$1,750,000,000
Each year prior to start of value limitation period** *Insert as many rows as necessary*	0	2019-2020	2019	129,000,000	41,000,000	0	50,000,000	220,000,000
	0	2020-2021	2020	631,000,000	269,000,000	0	0	900,000,000
	0	2021-2022	2021	462,000,000	168,000,000	0	0	630,000,000
Value limitation period***	1	2022-2023	2022	10,000,000	0	0	0	10,000,000
	2	2023-2024	2023	5,000,000	0	0	0	5,000,000
	3	2024-2025	2024	5,000,000	0	0	0	5,000,000
	4	2025-2026	2025	5,000,000	0	0	0	5,000,000
	5	2026-2027	2026	0	0	0	0	0
	6	2027-2028	2027	0	0	0	0	0
	7	2028-2029	2028	0	0	0	0	0
	8	2029-2030	2029	0	0	0	0	0
	9	2030-2031	2030	0	0	0	0	0
	10	2031-2032	2031	0	0	0	0	0
Total Investment made through limitation				1,247,000,000	478,000,000	0	50,000,000	1,775,000,000
Continue to maintain viable presence	11	2032-2033	2032					
	12	2033-2034	2033					
	13	2034-2035	2034					
	14	2035-2036	2035					
	15	2036-2037	2036					
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2037-2038	2037					
	17	2038-2039	2038					
	18	2039-2040	2039					
	19	2040-2041	2040					
	20	2041-2042	2041					
	21	2042-2043	2042					
	22	2043-2044	2043					
	23	2044-2045	2044					
	24	2045-2046	2045					
	25	2046-2047	2046					

* All investments made through the qualifying time period are captured and totaled on Schedule A1 [blue box] and incorporated into this schedule in the **first row.**

** Only investment made during deferrals of the start of the limitation (after the end of qualifying time period but before the start of the Value Limitation Period) should be included in the "year prior to start of value limitation period" row(s). If the limitation starts at the end of the qualifying time period or the qualifying time period overlaps the limitation, no investment should be included on this line.

*** If your qualifying time period will overlap your value limitation period, do not also include investment made during the qualifying time period in years 1 and/or 2 of the value limitation period, depending on the overlap. Only include investments/years that were **not** captured on Schedule A1.

For All Columns: List amount invested each year, not cumulative totals. Only include investments in the remaining rows of Schedule A2 that were not captured on Schedule A1.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

Schedule B: Estimated Market And Taxable Value (of Qualified Property Only)

1354-sinton-buffalo-amendment002

Date 2/19/2019

Applicant Name Buffalo, LLC

ISD Name Sinton ISD

Form 50-296A May 20, 2019

Revised May 2014

				Qualified Property			Estimated Taxable Value		
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period *Insert as many rows as necessary*	0	2020-2021	2020	$ 4,279,401	$ 41,000,000	$ 129,000,000	$ 174,279,401	$ 174,279,401	$ 174,279,401
	0	2021-2022	2021	$ 4,279,401	$ 303,800,000	$ 722,000,000	$ 1,030,079,401	$ 1,030,079,401	$ 1,030,079,401
Value Limitation Period	1	2022-2023	2022	$ 4,279,401	$ 462,364,000	$ 1,122,900,000	$ 1,589,543,401	$ 1,589,543,401	$ 20,000,000
	2	2023-2024	2023	$ 4,279,401	$ 453,116,720	$ 1,071,300,000	$ 1,528,696,121	$ 1,528,696,121	$ 20,000,000
	3	2024-2025	2024	$ 4,279,401	$ 444,054,386	$ 1,014,450,000	$ 1,462,783,787	$ 1,462,783,787	$ 20,000,000
	4	2025-2026	2025	$ 4,279,401	$ 435,173,298	$ 957,350,000	$ 1,396,802,699	$ 1,396,802,699	$ 20,000,000
	5	2026-2027	2026	$ 4,279,401	$ 426,469,832	$ 900,000,000	$ 1,330,749,233	$ 1,330,749,233	$ 20,000,000
	6	2027-2028	2027	$ 4,279,401	$ 417,940,435	$ 837,650,000	$ 1,259,869,836	$ 1,259,869,836	$ 20,000,000
	7	2028-2029	2028	$ 4,279,401	$ 409,581,627	$ 775,300,000	$ 1,189,161,028	$ 1,189,161,028	$ 20,000,000
	8	2029-2030	2029	$ 4,279,401	$ 401,389,994	$ 712,950,000	$ 1,118,619,395	$ 1,118,619,395	$ 20,000,000
	9	2030-2031	2030	$ 4,279,401	$ 393,362,194	$ 650,600,000	$ 1,048,241,595	$ 1,048,241,595	$ 20,000,000
	10	2031-2032	2031	$ 4,279,401	$ 385,494,950	$ 588,250,000	$ 978,024,351	$ 978,024,351	$ 20,000,000
Continue to maintain viable presence	11	2032-2033	2032	$ 4,279,401	$ 377,785,051	$ 525,900,000	$ 907,964,452	$ 907,964,452	$ 907,964,452
	12	2033-2034	2033	$ 4,279,401	$ 370,229,350	$ 463,550,000	$ 838,058,751	$ 838,058,751	$ 838,058,751
	13	2034-2035	2034	$ 4,279,401	$ 362,824,763	$ 401,200,000	$ 768,304,164	$ 768,304,164	$ 768,304,164
	14	2035-2036	2035	$ 4,279,401	$ 355,568,268	$ 338,850,000	$ 698,697,669	$ 698,697,669	$ 698,697,669
	15	2036-2037	2036	$ 4,279,401	$ 348,456,903	$ 276,500,000	$ 629,236,304	$ 629,236,304	$ 629,236,304
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2037-2038	2037	$ 4,279,401	$ 341,487,765	$ 252,150,000	$ 597,917,166	$ 597,917,166	$ 597,917,166
	17	2038-2039	2038	$ 4,279,401	$ 334,658,009	$ 250,900,000	$ 589,837,410	$ 589,837,410	$ 589,837,410
	18	2039-2040	2039	$ 4,279,401	$ 327,964,849	$ 250,150,000	$ 582,394,250	$ 582,394,250	$ 582,394,250
	19	2040-2041	2040	$ 4,279,401	$ 321,405,552	$ 249,650,000	$ 575,334,953	$ 575,334,953	$ 575,334,953
	20	2041-2042	2041	$ 4,279,401	$ 314,977,441	$ 249,400,000	$ 568,656,842	$ 568,656,842	$ 568,656,842
	21	2042-2043	2042	$ 4,279,401	$ 308,677,892	$ 249,400,000	$ 562,357,293	$ 562,357,293	$ 562,357,293
	22	2043-2044	2043	$ 4,279,401	$ 302,504,334	$ 249,400,000	$ 556,183,735	$ 556,183,735	$ 556,183,735
	23	2044-2045	2044	$ 4,279,401	$ 296,454,248	$ 249,400,000	$ 550,133,649	$ 550,133,649	$ 550,133,649
	24	2045-2046	2045	$ 4,279,401	$ 290,525,163	$ 249,400,000	$ 544,204,564	$ 544,204,564	$ 544,204,564
	25	2046-2047	2046	$ 4,279,401	$ 284,714,660	$ 249,400,000	$ 538,394,061	$ 538,394,061	$ 538,394,061

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation.

Only include market value for eligible property on this schedule.

Schedule D: Other Incentives (Estimated)

Date 2/19/2019
Applicant Name Buffalo, LLC
ISD Name Sinton, ISD

Form 50-296A
Revised May 2014

State and Local Incentives for which the Applicant intends to apply (Estimated)						
Incentive Description	**Taxing Entity (as applicable)**	**Beginning Year of Benefit**	**Duration of Benefit**	**Annual Tax Levy without Incentive**	**Annual Incentive**	**Annual Net Tax Levy**
Tax Code Chapter 311	County:					
	City:					
	Other:					
Tax Code Chapter 312	County: San Patrico	2020	10 years	To be determined	To be determined	To be determined
	City:					
	Other:					
Local Government Code Chapters 380/381	County:					
	City:					
	Other:					
Freeport Exemptions	City / County	2020	To be determined	To be determined	To be determined	To be determined
Non-Annexation Agreements						
Enterprise Zone/Project	State of Texas	2020	5 years	Not applicable	727,500	Not applicable
Economic Development Corporation						
Texas Enterprise Fund	State of Texas	2020	10 years		Up to $10,000 per job	
Employee Recruitment						
Skills Development Fund	State of Texas	2020	To be determined		To be determined	
Training Facility Space and Equipment						
Infrastructure Incentives						
Permitting Assistance						
Other: Drainage District Abatement	San Patricio County	2020	Years 1-3 100%, Years 4-7 70%		To be determined	
Other:						
Other:						
Other:						
			TOTAL	-	727,500	-

Additional information on incentives for this project:

Proposed Qualified Investment/Qualified Property location

T3Axisinon-humanamendment002
May 20, 2019

February 13, 2019

Disclaimer: This product is for informational purposes only and has not been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of boundaries

Parcels

World Transportation

1:36,112

0 0.3 0.6 1.2 mi

0 0.5 1 2 km

PrEsri, HERE, Garmin, © OpenStreetMap contributors
Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus

https://gis.bisclient.com/SanPatriciocad/

San Patricio Central Appraisal District; BIS Consulting - www.bisconsultants.com
Esri, HERE | TX Orthoimagery Program, USDA FSA, DigitalGlobe, GeoEye, CNES/Airbus DS |

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in **Tab 17. NOTE:** If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

I am the authorized representative for the school district to which this application is being submitted. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code.

print here Chad Jones — Superintendent
Print Name *(Authorized School District Representative)* — Title

sign here Chad Jones — 5-20-2019
Signature *(Authorized School District Representative)* — Date

2. Authorized Company Representative (Applicant) Signature and Notarization

I am the authorized representative for the business entity for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application and schedules is true and correct to the best of my knowledge and belief.

I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

print here Richard Poinsatte — Vice President & Treasurer
Print Name *(Authorized Company Representative (Applicant))* — Title

sign here — 20 May 2019
Signature *(Authorized Company Representative (Applicant))* — Date

CYNTHIA JEAN LIPOCKY
Seal
Notary Public - State of Indiana
Allen County
My Commission Expires Sep 6, 2024

(Notary Seal)

GIVEN under my hand and seal of office this, the

20 day of May 2019.

Cynthia J Lipocky
Notary Public in and for the State of Texas

My Commission expires: 9-6-2024

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code Section 37.10.

Tab 8
Qualified Property Description

The Applicant currently does not have operations in Texas. The Applicant expects to construct a new facility in the southwestern United States to cost effectively serve the Southern United States and the underserved Mexican flat roll steel markets. If approved, the proposed Sinton capital project involves the construction of a new state-of-the-art electric-arc furnace flat roll steel mill designed to produce the latest in advanced high strength steel products. The land, construction of the facility, and the associated equipment results in a total capital investment for qualifying property of approximately $1.775 billion. As part of the project, the facility will include production facilities, sales, administration, engineering, transportation logistics and various other support functions.

Below is a list of the major investments related to the proposed facility for qualified property:

- General utilities
- Melt / Cast building
- Hot mill building
- Cold mill / Pickle line building
- Warehouse
- Utility buildings
- Guard house
- Melt shop equipment
- Caster / Tunnel equipment
- Hot mill equipment
- Cold mill equipment
- Dust collection
- Water treatment
- Cranes
- Office building and equipment
- Production equipment

Additional infrastructure to support this property will include access to electricity, natural gas, water, and highways.

The qualified investment will be located on land currently being evaluated by the Applicant for purchase. Additional land details are located in Tab 9.

Construction is proposed to be initiated in September 2019, with the commencement of commercial operations in December 2021. The successful implementation of this project is dependent upon the supportive economic development incentives provided.

Proposed Qualified Investment/Qualified Property location

February 13, 2019

Disclaimer: This product is for informational purposes only and has not been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of boundaries

1:36,112

0 0.3 0.6 1.2 mi

0 0.5 1 2 km

Parcels

Project Boundary

PrEsri, HERE, Garmin, © OpenStreetMap contributors
Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus

https://gis.bisclient.com/SanPatriciocad/

San Patricio Central Appraisal District; BIS Consulting - www.bisconsultants.com
Esri, HERE | TX Orthoimagery Program, USDA FSA, DigitalGlobe, GeoEye, CNES/Airbus DS |

O'HANLON, DEMERATH & CASTILLO
ATTORNEYS AND COUNSELORS AT LAW

808 WEST AVENUE
AUSTIN, TEXAS 78701
TELEPHONE: (512) 494-9949
FACSIMILE: (512) 494-9919

June 26, 2019

Local Government Assistance & Economic Analysis
Texas Comptroller of Public Accounts
P.O. Box 13528
Austin, Texas 78711-3528

RE: Supplement003 to the Sinton Independent School District from Buffalo, LLC

To the Local Government Assistance & Economic Analysis Division:

Enclosed is Supplement003 to Sinton Independent School District from Buffalo, LLC. The following changes have been made:

1. Updated Tab 9 with Legal Description of Property Included in the Reinvestment Zone

A copy of the application will be submitted to the San Patricio County Appraisal

District.

Sincerely,

Kevin O'Hanlon
School District Consultant

Cc: San Patricio County Appraisal District
Buffalo, LLC

Tab 9
Land Description

The project requires undeveloped land with access to electricity, natural gas, water, railways, and highways. The project will be located on the following land parcels in San Patricio County, Texas:

PROPERTY ID	GEOGRAPHIC ID NO.	LAND (ACRES)	2018 MARKET VALUE
66791	1361-0000-0000-010	2	$23,500
66896	1361-0001-0000-010	774.513	$779,948
109823	1361-0004-0000-000	873.86	$1,588,678
109825	1361-0020-0000-000	873.86	$1,683,911
1032225	1361-0001-0000-011	97.347	$203,364
	Totals	**2,621.598**	**$4,279,401**

The land upon which the new buildings and new improvements will be built will be part of the qualified property described by 313.021(2)(A).

See attached legal description and CCAD account details.

LEGAL DESCRIPTION OF PROPERTY INCLUDED IN THE REINVESTMENT ZONE

The property includes approximately 2487.23 acre parcel of land that is situated 2.00 miles due east of the intersection of SH89 and US77 and extends out to 4.77 miles from that same intersection. The south boundary is Chiltipin Creek and the north boundary runs east west above Marathon Road until it intersects the road at 4.50 miles. The legal description is PT SEC 1 2 4 & 5 Eliza H. Welder

METES AND BOUNDS DESCRIPTION:

FILE NO. FN-60193-TX

Field notes of a 2487.23 acre parcel of land, being all of that 739.51 acres of land described as Tract I, Parcel 2, conveyed to ExTra-Hamilton LLC, all of that 873.86 acres of land described as Tract II conveyed to ExStra-Edwards LLC and all of that 873.86 acres of land described as Tract III conveyed to ExStra Allen LLC, by and between the foregoing parties by Partition Deed recorded March 13, 2009 as Clerk's File Number 588881 in the Official Public Records of San Patricio County, Texas;

Said 2487.23 acre parcel is comprised of a portion of Fractional Sections 1 and 2 and 4, all of Fractional Sections 21 and 22, and part of Sections 20 and 23 of the Eliza H. Welder Ranch Subdivision as shown on map recorded in Volume 3, Page 33 of the Map Records of San Patricio County, Texas;

Said 2487.23 acre parcel is out of the Jose Maria and Felipe Portilla Survey, Abstract 24 and the Calixto, Juan, Francisco and Encarnacion Portilla Survey, Abstract 25, is situated in San Patricio County, Texas, approximately 1 mile northeast of the town of Sinton, and is described by metes and bounds as follows:

Beginning at a concrete monument found (near a fence corner post) in the southeast right-of-way line of the Missouri Pacific Railroad, the northwest line of said Section 2, at the southwest corner of a 5794.93 acre parcel of land conveyed from the Patrick H. Welder Management Trust to Portilla Ranch Holdings, Ltd. by Special Warranty Deed with Vendor's Lien recorded February 22, 2008 as Clerk's File Number 577696 in the Official Public Records of San Patricio County, Texas; and at the northwest corner of said Tract I, Parcel 2, for the northwest corner of this parcel;

Thence N 89°31'28" E along the south line of said 5794.93 acre parcel, the north line of said Tract I, Parcel 2, and the north line of this parcel, generally following a fence, at 5424.34 feet passing a 5/8" iron rod with surveyor's cap stamped "RPLS 1907" found at the northeast corner of said Tract I, Parcel 2 and at the northwest corner of said Tract II, near a fence corner post, and continuing along the north line of said Tract II, at 12599.83 feet passing a 5/8" iron rod with surveyor's cap stamped "RPLS 1907" found at the northeast corner of said Tract II and the northwest corner of said Tract III, near a fence corner post, and continuing along the north line of said Tract III, in all, a distance of 17219.68 feet to a 5/8" iron rod with surveyor's cap stamped

"RPLS 1907" found (near a fence post) at an angle corner of said 5794.93 acre parcel and an angle corner of said Tract III, for an angle corner of this parcel;

Thence N 67°07'46" E along the southeast line of said 5794.93 acre parcel, the northwest line of said Tract III, and the northwest line of this parcel, generally following a fence, a distance of 394.44 feet to a 5/8" iron rod with surveyor's cap stamped "RPLS 1907" found (near a fence post) at an angle corner of said 5794.93 acre parcel and an angle corner of said Tract III, for an angle corner of this parcel;

Thence N 61°41'46" E continuing along the southeast line of said 5794.93 acre parcel, the northwest line of said Tract III, and the northwest line of this parcel, generally following a fence, a distance of 2005.56 feet to a 5/8" iron rod with surveyor's cap stamped "RPLS 1907" found (near a fence post) at an angle corner of said 5794.93 acre parcel and an angle corner of said Tract III, for an angle corner of this parcel;

Thence N 47°19'46" E continuing along the southeast line of said 5794.93 acre parcel, the northwest line of said Tract III, and the northwest line of this parcel, generally following a fence, a distance of 188.33 feet to a 5/8" iron rod with surveyor's cap stamped "RPLS 1907" found (near a fence post) at an angle corner of said 5794.93 acre parcel and an angle corner of said Tract III, for an angle corner of this parcel;

Thence N 44°44'46" E continuing along the southeast line of said 5794.93 acre parcel, the northwest line of said Tract III, and the northwest line of this parcel, generally following a fence, a distance of 547.22 feet to a concrete monument found in the west line of Section 34 of said Eliza H. Welder Ranch Subdivision and the east line of said Section 23, at the southeast corner of said 5794.93 acre parcel, the northeast corner of said Tract III, and in the west line of a 14,507.12 acre parcel of land conveyed to the Helen Ford Allen Non-Exempt Trust and the Grace Ford Powers Non Exempt Trust by Independent Executors' Distribution Deed Recorded November 28, 2016 as Clerk's File Number 662028 in the Official Public Records of San Patricio County, Texas; for the northeast corner of this parcel;

Thence S 00°25'14" E along the east line of Sections 22 & 23, the west line of said Section 34 and Section 35 of said Eliza H. Welder Ranch Subdivision, the west line of said 14,507.12 acre parcel, the east line of said Tract III, and the east line of this parcel, generally following a fence, at 5764.00 feet pass a 5/8" iron rod with surveyor's cap stamped "RPLS 1907" found for a line marker and continuing, departing said fence and continuing, in all a distance of 5968.97 feet to a point in the center of Chiltipin Creek for a southwest corner of said 14,507.12 acre parcel and the southeast corner of said Tract III, for the southeast corner of this parcel;

Thence in a generally westerly direction with the meanders of the centerline of said Chiltipin Creek, the south line of said Tract III, and the south line of this parcel as follows:

N 62°53'58" W, a distance of 143.66 feet;
S 89°57'14" W, a distance of 47.17 feet;
S 77°54'04" W, a distance of 249.48 feet;
S 80°52'07" W, a distance of 134.34 feet;

N 77°45'55” W, a distance of 117.09 feet;
N 50°17'59” W, a distance of 218.15 feet;
N 49°21'31” W, a distance of 349.64 feet;
N 30°43'48” W, a distance of 259.82 feet;
N 47°20'19” W, a distance of 228.97 feet;
S 59°09'01” W, a distance of 240.13 feet;
S 11°08'05” W, a distance of 254.25 feet;
S 17°35'55” E, a distance of 147.67 feet;
S 07°22'54” E, a distance of 232.40 feet;
S 09°07'01” W, a distance of 197.26 feet;
S 13°30'31” W, a distance of 171.45 feet;
S 09°23'02” E, a distance of 194.05 feet;
S 50°28'51” E, a distance of 215.51 feet;
S 51°47'09” E, a distance of 161.28 feet;
S 35°00'00” E, a distance of 141.76 feet;
S 33°53'16” E, a distance of 185.23 feet;
S 03°26'45” E, a distance of 136.29 feet;
S 34°40'50” W, a distance of 149.74 feet;
S 61°42'01” W, a distance of 164.36 feet;
S 79°41'54” W, a distance of 265.17 feet;
N 83°27'27” W, a distance of 120.09 feet;
N 61°33'18” W, a distance of 117.51 feet;
N 73°33'27” W, a distance of 315.61 feet;
S 86°35'11” W, a distance of 166.03 feet;
S 53°14'25” W, a distance of 135.92 feet;
S 46°49'57” W, a distance of 173.49 feet;
S 27°58'27” W, a distance of 166.50 feet;
S 46°20'47” W, a distance of 130.08 feet;
S 71°38'21” W, a distance of 112.79 feet;
N 75°13'13” W, a distance of 233.77 feet;
N 58°19'22” W, a distance of 240.56 feet;
N 37°10'50” W, a distance of 179.66 feet;
N 18°06'32” W, a distance of 157.13 feet;
N 21°28'07” E, a distance of 142.20 feet;
N 41°08'54” E, a distance of 172.81 feet;
N 38°51'55” E, a distance of 245.98 feet;
N 18°03'19” E, a distance of 129.17 feet;
N 00°41'31” E, a distance of 113.77 feet;
N 57°42'10” W, a distance of 130.58 feet;
N 88°50'18” W, a distance of 96.97 feet;
S 54°59'15” W, a distance of 144.97 feet;
S 61°35'10” W, a distance of 147.03 feet;
N 86°24'36” W, a distance of 129.94 feet;
N 60°36'07” W, a distance of 240.54 feet;
N 60°10'25” W, a distance of 258.07 feet;
S 75°30'41” W, a distance of 132.96 feet;

S 54°28'42" W, a distance of 276.18 feet;
S 71°03'03" W, a distance of 291.88 feet;
S 50°20'04" W, a distance of 146.75 feet;
S 53°33'05" W, a distance of 212.68 feet;
N 67°21'57" W, a distance of 110.28 feet;
N 20°22'36" W, a distance of 158.77 feet;
N 20°40'15" W, a distance of 202.44 feet;
N 53°19'24" W, a distance of 164.55 feet;
S 81°43'34" W, a distance of 146.88 feet;
S 71°52'18" W, a distance of 293.29 feet;
N 77°24'12" W, a distance of 194.94 feet;
N 89°02'57" W, a distance of 195.63 feet;
S 68°13'15" W, a distance of 54.56 feet;
S 80°46'57" W, a distance of 203.84 feet;
S 45°28'05" W, a distance of 208.73 feet;
N 77°45'35" W, a distance of 220.22 feet;
N 70°48'32" W, a distance of 207.46 feet;
N 62°09'20" W, a distance of 166.92 feet;
N 63°08'06" W, a distance of 125.58 feet;

S 89°25'34" W, at 50.07 feet passing the southwest corner of said Tract III and the southeast corner of said Tract II and continuing along the south line of said Tract II, in all, a distance of 108.61 feet;

Thence continuing in a generally westerly direction with the meanders of the centerline of said Chiltipin Creek, the south line of said Tract II, and the south line of this parcel as follows:

S 80°11'14" W, a distance of 70.76 feet;
S 42°37'34" W, a distance of 150.25 feet;
S 50°55'52" W, a distance of 120.30 feet;
S 69°44'25" W, a distance of 138.05 feet;
S 89°17'46" W, a distance of 160.58 feet;
S 87°50'53" W, a distance of 217.34 feet;
N 76°46'21" W, a distance of 128.58 feet;
N 85°27'52" W, a distance of 236.29 feet;
N 54°27'09" W, a distance of 70.81 feet;
N 43°03'02" W, a distance of 234.46 feet;
N 85°03'33" W, a distance of 156.11 feet;
S 85°05'09" W, a distance of 256.32 feet;
S 84°17'06" W, a distance of 304.64 feet;
N 52°42'55" W, a distance of 150.00 feet;
N 59°10'44" W, a distance of 253.86 feet;
S 76°46'33" W, a distance of 148.90 feet;
S 24°26'16" W, a distance of 196.69 feet;
S 18°28'22" W, a distance of 218.66 feet;
S 37°50'00" W, a distance of 206.91 feet;
S 68°21'01" W, a distance of 93.90 feet;

N 74°22'15" W, a distance of 92.90 feet;
N 88°12'39" W, a distance of 184.75 feet;
S 53°54'48" W, a distance of 77.93 feet;
S 25°35'03" W, a distance of 188.44 feet;
S 45°22'14" W, a distance of 170.05 feet;
S 67°13'10" W, a distance of 253.78 feet;
S 80°23'38" W, a distance of 216.30 feet;
S 56°48'56" W, a distance of 325.26 feet;
N 82°51'44" W, a distance of 80.53 feet;
N 76°29'20" W, a distance of 306.79 feet;
N 57°30'44" W, a distance of 328.75 feet;
N 74°28'57" W, a distance of 217.95 feet;
N 72°05'59" W, a distance of 133.45 feet;
N 77°06'13" W, a distance of 166.75 feet;
S 84°43'47" W, a distance of 159.40 feet;
S 65°18'27" W, a distance of 249.55 feet;
S 41°16'14" W, a distance of 215.85 feet;
S 49°44'27" W, a distance of 132.21 feet;
S 44°20'11" W, a distance of 106.55 feet;
S 73°06'42" W, a distance of 186.47 feet;
S 71°43'37" W, a distance of 130.96 feet;
S 74°46'37" W, a distance of 173.91 feet;
S 66°15'28" W, a distance of 200.47 feet;
S 70°02'22" W, a distance of 176.95 feet;
S 83°57'51" W, a distance of 138.88 feet;

S 87°46'43" W, at 119.14 feet passing the southwest corner of said Tract II and the southeast corner of said Tract I, Parcel II and continuing along the south line of said Tract I, Parcel 2, in all, a distance of 151.82 feet;

Thence continuing in a generally westerly direction with the meanders of the centerline of said Chiltipin Creek, the south line of said Tract I, Parcel 2 and the south line of this parcel as follows:

N 68°01'27" W, a distance of 265.03 feet;
N 71°24'13" W, a distance of 333.30 feet;
N 71°15'04" W, a distance of 336.08 feet;
N 70°09'02" W, a distance of 238.63 feet;
N 42°26'09" W, a distance of 298.05 feet;
N 37°34'39" W, a distance of 293.24 feet;
N 47°52'04" W, a distance of 139.66 feet;
N 52°53'56" W, a distance of 127.82 feet;
N 80°19'08" W, a distance of 146.79 feet;
S 75°13'54" W, a distance of 109.00 feet;
S 43°57'15" W, a distance of 180.92 feet;
S 38°45'57" W, a distance of 327.77 feet;
S 34°02'45" W, a distance of 517.81 feet;

S 46°39'20" W, a distance of 107.24 feet;
S 89°58'00" W, a distance of 249.78 feet;
N 72°35'50" W, a distance of 199.60 feet;
N 76°36'40" W, a distance of 349.38 feet;
N 81°01'37" W, a distance of 416.06 feet;
N 83°11'11" W, a distance of 269.71 feet to a point in the northeast right-of-way line of State Highway 89, for the southwest corner of said Tract I, Parcel 2 and the southwest corner of this parcel;

Thence in a northwesterly direction along the northeast right-of-way line of said State Highway 89, the southwest line of said Tract I, Parcel 2 and the southwest line of this parcel as follows:

N 24°53'01" W, passing a fence corner post and continuing, generally following a fence, a distance of 624.01 feet to a concrete monument found for an angle corner;
N 32°43'43" W, generally following a fence, a distance of 843.48 feet to a 5/8" iron rod with surveyor's cap stamped "RPLS 1907" found for an angle corner;
N 44°41'06" W, generally following a fence, a distance of 1753.07 feet to a concrete monument found for an angle corner;
N 70°28'17" W, generally following a fence, a distance of 832.04 feet to a 5/8" iron rod with surveyor's cap stamped "RPLS 1907" found at the west corner of said Tract I, Parcel 2 in the east line of the Missouri Pacific Railroad right-of-way, for the west corner of this parcel;

Thence along the east right-of-way line of said Missouri Pacific Railroad, the west line of said Tract I, Parcel 2, and the west of this parcel, generally following a fence, as follows:

N 22°01'29" E, a distance of 1704.84 feet;
N 22°59'46" E, a distance of 108.44 feet;
N 24°08'46" E, a distance of 108.46 feet;
N 25°12'25" E, a distance of 114.76 feet;
N 26°20'20" E, a distance of 111.39 feet;
N 27°23'24" E, a distance of 111.15 feet;
N 28°27'38" E, a distance of 111.25 feet;
N 29°33'03" E, a distance of 111.11 feet;
N 30°41'09" E, a distance of 109.49 feet;
N 31°44'44" E, a distance of 110.72 feet;
N 32°44'41" E, a distance of 107.20 feet;
N 33°46'17" E, a distance of 104.75 feet;
N 35°07'24" E, a distance of 157.65 feet;
N 36°37'38" E, a distance of 155.50 feet to the place of beginning, containing 2487.23 acres, more or less, subject to all easements of record.

All bearings in this description refer to the Texas Coordinate System of 1927, South Zone.

Distances are U.S. Feet and area is Acres, both being at a surface of average elevation of 50 feet, NAVD88.

1354-Sinton-Buffalo-Supplement003
June 26, 2017

San Patricio CAD Property Search

Property ID: 66791 For Year 2018

Property Details

Account	
Property ID:	66791
Legal Description:	PT SEC 1 2 4 & 5 ELIZA H. WELDER 2 ACRES
Geographic ID:	1361-0000-0000-010
Agent Code:	
Type:	Real
Location	
Address:	HWY 77 SINTON, TX 78387
Map ID:	M-4-
Neighborhood CD:	
Owner	
Owner ID:	82126
Name:	HAMILTON-INGLESIDE LIMITED LP
Mailing Address:	1014 SANTA FE ST CORPUS CHRISTI, TX 78404
% Ownership:	100.0%
Exemptions:	For privacy reasons not all exemptions are shown online.

1354-Sinton-Buffalo-Supplement003
June 26, 2017

Property Values

Improvement Homesite Value:	$0
Improvement Non-Homesite Value:	$270,237
Land Homesite Value:	$0
Land Non-Homesite Value:	$23,500
Agricultural Market Valuation:	$0
Market Value:	$293,737
Ag Use Value:	$0
Appraised Value:	$293,737
Homestead Cap Loss: ?	$0
Assessed Value:	$293,737

DISCLAIMER:Information provided for research purposes only. Legal descriptions and acreage amounts are for appraisal district use only and should be verified prior to using for legal purpose and or documents. Please contact the Appraisal District to verify all information for accuracy.

1354-Sinton-Buffalo-Supplement003
June 26, 2017

Property Taxing Jurisdiction

Entity	Description	Tax Rate	Market Value	Taxable Value	Estimated Tax	Freeze Ceiling
CAD	San Patricio CAD	0.000000	$293,737	$293,737	$0.00	
GSP	aSan Patricio County	0.468521	$293,737	$293,737	$1,376.22	
MUD	aSan Patricio Co Drain Dist	0.069607	$293,737	$293,737	$204.46	
RSP	aSan Patricio County Road	0.047803	$293,737	$293,737	$140.42	
SSI	aISD Sinton	1.449000	$293,737	$293,737	$4,256.25	

Total Tax Rate: 2.034931 **Estimated Taxes With Exemptions:** $5,977.35 **Estimated Taxes Without Exemptions:** $5,977.35

Property Improvement - Building

Description: Orig code: MA **Type:** Residential **State Code:** E1 **Living Area:** 3,496.00sqft **Value:** $270,237

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
GR	GARAGE	GRF			777.00
S17BGP	ORIG CODE: S17BGP	S5			3,200.00
OP	OPEN PORCH	OP-4		1951	252.00
MA	MAIN AREA	FR4	Wood / tarpaper	1984	1,240.00
OP	OPEN PORCH	OP-4		1984	16.00
CP	CARPORT	CPW		1984	78.00
MA	MAIN AREA	FR4	Wood / tarpaper	1951	1,742.00
CP	CARPORT	CPW		1951	480.00
OP	OPEN PORCH	OP-4		1951	96.00
OP	OPEN PORCH	OP-4		1984	168.00
CP	CARPORT	CPW		1984	624.00
MA	MAIN AREA	FR3		1951	294.00
SP	ORIG CODE: SP	GN-A		1951	220.00

1354-Sinton-Buffalo-Supplement003
June 26, 2017

Property Land

Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
RUR	ORIG CODE: RUR	2	87,120.00			$23,500	$0

Property Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap Loss	Assessed
2019	N\A	N\A	N\A	N\A	N\A	N\A
2018	$270,237	$23,500	$0	$293,737	$0	$293,737
2017	$270,237	$26,500	$0	$296,737	$0	$296,737
2016	$246,027	$7,400	$0	$253,427	$0	$253,427
2015	$242,601	$7,400	$0	$250,001	$0	$250,001
2014	$233,542	$7,400	$0	$240,942	$0	$240,942
2013	$218,825	$7,400	$0	$226,225	$0	$226,225
2012	$205,255	$7,400	$0	$212,655	$0	$212,655
2011	$161,675	$7,400	$0	$169,075	$0	$169,075

Property Deed History

Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Number
8/2/2012	GWD	GENERAL WD	E H PARTNERSHIP LTD	HAMILTON-INGLESIDE LIMITED LP	620282		620282

DISCLAIMER

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1354-Sinton-Buffalo-Supplement003
June 26, 2017

San Patricio CAD Property Search

Property ID: 66896 For Year 2018

Property Details

Account	
Property ID:	66896
Legal Description:	PT SEC 1 2 4 & 5 ELIZA H. WELDER 774.513 ACRES
Geographic ID:	1361-0001-0000-010
Agent Code:	
Type:	Real
Location	
Address:	HWY 77 SINTON, TX 78387
Map ID:	M-4-
Neighborhood CD:	
Owner	
Owner ID:	82126
Name:	HAMILTON-INGLESIDE LIMITED LP
Mailing Address:	1014 SANTA FE ST CORPUS CHRISTI, TX 78404
% Ownership:	100.0%
Exemptions:	For privacy reasons not all exemptions are shown online.

1354-Sinton-Buffalo-Supplement003
June 26, 2017

Property Values

Improvement Homesite Value:	$0
Improvement Non-Homesite Value:	$0
Land Homesite Value:	$0
Land Non-Homesite Value:	$0
Agricultural Market Valuation:	$779,948
Market Value:	$779,948
Ag Use Value:	$68,213
Appraised Value:	$68,213
Homestead Cap Loss: ?	$0
Assessed Value:	$68,213

DISCLAIMER:Information provided for research purposes only. Legal descriptions and acreage amounts are for appraisal district use only and should be verified prior to using for legal purpose and or documents. Please contact the Appraisal District to verify all information for accuracy.

1354-Sinton-Buffalo-Supplement003
June 26, 2017

Property Taxing Jurisdiction

Entity	Description	Tax Rate	Market Value	Taxable Value	Estimated Tax	Freeze Ceiling
CAD	San Patricio CAD	0.000000	$779,948	$68,213	$0.00	
GSP	aSan Patricio County	0.468521	$779,948	$68,213	$319.59	
MUD	aSan Patricio Co Drain Dist	0.069607	$779,948	$68,213	$47.48	
RSP	aSan Patricio County Road	0.047803	$779,948	$68,213	$32.61	
SSI	aISD Sinton	1.449000	$779,948	$68,213	$988.41	

Total Tax Rate: 2.034931 **Estimated Taxes With Exemptions:** $1,388.09 **Estimated Taxes Without Exemptions:** $15,871.40

Property Improvement - Building

Property Land

Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
IMPR	IMPROVED PASTURELAND	303.195	13,206,956.40			$308,677	$21,345
NATP	NATIVE PASTURELAND	471.318	20,530,612.08	0.00	0.00	$471,271	$46,868

1354-Sinton-Buffalo-Supplement003
June 26, 2017

Property Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap Loss	Assessed
2019	N\A	N\A	N\A	N\A	N\A	N\A
2018	$0	$779,948	$68,213	$68,213	$0	$68,213
2017	$0	$779,948	$56,010	$56,010	$0	$56,010
2016	$0	$929,960	$78,021	$78,021	$0	$78,021
2015	$0	$917,303	$77,224	$77,224	$0	$77,224
2014	$0	$634,975	$79,749	$79,749	$0	$79,749
2013	$0	$616,479	$79,749	$79,749	$0	$79,749
2012	$0	$616,479	$78,318	$78,318	$0	$78,318
2011	$0	$579,066	$66,588	$66,588	$0	$66,588

Property Deed History

Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Number
8/2/2012	GWD	GENERAL WD	E H PARTNERSHIP LTD	HAMILTON-INGLESIDE LIMITED LP	620282		620282

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1354-Sinton-Buffalo-Supplement003
June 26, 2017

San Patricio CAD Property Search

Property ID: 109823 For Year 2018

Property Details

Account	
Property ID:	109823
Legal Description:	PT SEC 4 5 20 & 21 ELIZA H. WELDER ACRES 873.86
Geographic ID:	1361-0004-0000-000
Agent Code:	
Type:	Real
Location	
Address:	HWY 77 SINTON, TX 78387
Map ID:	M-4-
Neighborhood CD:	
Owner	
Owner ID:	47925
Name:	EDWARDS 1976 TRUST "A" DAVID EDWAR
Mailing Address:	% FIRST VICTORIA NANTIONAL BANK TRU PO BOX 1338 VICTORIA, TX 77902
% Ownership:	100.0%
Exemptions:	For privacy reasons not all exemptions are shown online.

1354-Sinton-Buffalo-Supplement003
June 26, 2017

Property Values

Improvement Homesite Value:	$0
Improvement Non-Homesite Value:	$0
Land Homesite Value:	$0
Land Non-Homesite Value:	$0
Agricultural Market Valuation:	$1,588,678
Market Value:	$1,588,678
Ag Use Value:	$101,722
Appraised Value:	$101,722
Homestead Cap Loss: ?	$0
Assessed Value:	$101,722

DISCLAIMER:Information provided for research purposes only. Legal descriptions and acreage amounts are for appraisal district use only and should be verified prior to using for legal purpose and or documents. Please contact the Appraisal District to verify all information for accuracy.

1354-Sinton-Buffalo-Supplement003
June 26, 2017

Property Taxing Jurisdiction

Entity	Description	Tax Rate	Market Value	Taxable Value	Estimated Tax	Freeze Ceiling
CAD	San Patricio CAD	0.000000	$1,588,678	$101,722	$0.00	
GSP	aSan Patricio County	0.468521	$1,588,678	$101,722	$476.59	
MUD	aSan Patricio Co Drain Dist	0.069607	$1,588,678	$101,722	$70.81	
RSP	aSan Patricio County Road	0.047803	$1,588,678	$101,722	$48.63	
SSI	aISD Sinton	1.449000	$1,588,678	$101,722	$1,473.95	

Total Tax Rate: 2.034931 **Estimated Taxes With Exemptions:** $2,069.97 **Estimated Taxes Without Exemptions:** $32,328.50

Property Improvement - Building

Property Land

Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
NATP	NATIVE PASTURELAND	198.666	8,654,065.20			$361,175	$19,755
NATP	NATIVE PASTURELAND	270.666	11,790,385.20			$492,071	$26,915
DLCP-B	DRYLAND CROPLAND CLASS B	99.333	4,326,814.80			$180,587	$33,566
IMPR	IMPROVED PASTURELAND	305.195	13,294,076.40			$554,845	$21,486

1354-Sinton-Buffalo-Supplement003
June 26, 2017

Property Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap Loss	Assessed
2019	N\A	N\A	N\A	N\A	N\A	N\A
2018	$0	$1,588,678	$101,722	$101,722	$0	$101,722
2017	$0	$1,588,678	$92,809	$92,809	$0	$92,809
2016	$0	$1,683,911	$92,809	$92,809	$0	$92,809
2015	$0	$2,237,899	$104,803	$104,803	$0	$104,803
2014	$0	$1,507,391	$103,394	$103,394	$0	$103,394
2013	$0	$1,463,096	$103,394	$103,394	$0	$103,394
2012	$0	$1,433,297	$99,920	$99,920	$0	$99,920
2011	$0	$691,638	$91,171	$91,171	$0	$91,171

Property Deed History

Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Number

DISCLAIMER

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1354-Sinton-Buffalo-Supplement003
June 26, 2017

San Patricio CAD Property Search

Property ID: 109825 For Year 2018

Property Details

Account	
Property ID:	109825
Legal Description:	PT SEC 20 21 22 & 23 ELIZA H . WELDER ACRES 873.86
Geographic ID:	1361-0020-0000-000
Agent Code:	
Type:	Real
Location	
Address:	HWY 77 SINTON, TX 78387
Map ID:	M-4-
Neighborhood CD:	
Owner	
Owner ID:	47917
Name:	FORD-POWERS FAMILY PROPERTIES LTD
Mailing Address:	4225 AVALON CORPUS CHRISTI, TX 78412
% Ownership:	100.0%
Exemptions:	For privacy reasons not all exemptions are shown online.

1354-Sinton-Buffalo-Supplement003
June 26, 2017

Property Values

Improvement Homesite Value:	$0
Improvement Non-Homesite Value:	$0
Land Homesite Value:	$0
Land Non-Homesite Value:	$0
Agricultural Market Valuation:	$1,683,911
Market Value:	$1,683,911
Ag Use Value:	$101,722
Appraised Value:	$101,722
Homestead Cap Loss: ?	$0
Assessed Value:	$101,722

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1354-Sinton-Buffalo-Supplement003
June 26, 2017

Property Taxing Jurisdiction

Entity	Description	Tax Rate	Market Value	Taxable Value	Estimated Tax	Freeze Ceiling
CAD	San Patricio CAD	0.000000	$1,683,911	$101,722	$0.00	
GSP	aSan Patricio County	0.468521	$1,683,911	$101,722	$476.59	
MUD	aSan Patricio Co Drain Dist	0.069607	$1,683,911	$101,722	$70.81	
RSP	aSan Patricio County Road	0.047803	$1,683,911	$101,722	$48.63	
SSI	aISD Sinton	1.449000	$1,683,911	$101,722	$1,473.95	

Total Tax Rate: 2.034931 **Estimated Taxes With Exemptions:** $2,069.97 **Estimated Taxes Without Exemptions:** $34,266.43

Property Improvement - Building

Property Land

Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
NATP	NATIVE PASTURELAND	198.666	8,654,065.20			$382,825	$19,755
NATP	NATIVE PASTURELAND	270.666	11,790,385.20			$521,568	$26,915
DLCP-B	DRYLAND CROPLAND CLASS B	99.333	4,326,814.80			$191,413	$33,566
IMPR	IMPROVED PASTURELAND	305.195	13,294,076.40			$588,105	$21,486

1354-Sinton-Buffalo-Supplement003
June 26, 2017

Property Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap Loss	Assessed
2019	N\A	N\A	N\A	N\A	N\A	N\A
2018	$0	$1,683,911	$101,722	$101,722	$0	$101,722
2017	$0	$841,956	$46,405	$46,405	$0	$46,405
2016	$0	$841,956	$46,405	$46,405	$0	$46,405
2015	$0	$830,530	$52,402	$52,402	$0	$52,402
2014	$0	$574,913	$51,697	$51,697	$0	$51,697
2013	$0	$558,170	$51,697	$51,697	$0	$51,697
2012	$0	$558,170	$49,960	$49,960	$0	$49,960
2011	$0	$345,819	$45,586	$45,586	$0	$45,586

Property Deed History

Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Number
9/27/2016	GWD	GENERAL WD	FORD-ALLEN FAMILY PROPERTIES LTD	FORD-POWERS FAMILY PROPERTIES LTD	660507		660507
9/27/2016	GWD	GENERAL WD	FORD-ALLEN FAMILY PROPERTIES LTD	FORD-ALLEN FAMILY PROPERTIES LTD	660507		660507

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1354-Sinton-Buffalo-Supplement003
June 26, 2017

San Patricio CAD Property Search

Property ID: 1032225 For Year 2018

Property Details

Account	
Property ID:	1032225
Legal Description:	PT SEC 1 & 5 ELIZA H. WE LDER 97.347 ACRES
Geographic ID:	1361-0001-0000-011
Agent Code:	
Type:	Real
Location	
Address:	HWY 77 SINTON, TX 78387
Map ID:	M-4-
Neighborhood CD:	
Owner	
Owner ID:	40401
Name:	THOMAS HUGHES C
Mailing Address:	PO BOX 610 SINTON, TX 78387
% Ownership:	100.0%
Exemptions:	For privacy reasons not all exemptions are shown online.

1354-Sinton-Buffalo-Supplement003
June 26, 2017

Property Values

Improvement Homesite Value:	$0
Improvement Non-Homesite Value:	$0
Land Homesite Value:	$0
Land Non-Homesite Value:	$0
Agricultural Market Valuation:	$203,364
Market Value:	$203,364
Ag Use Value:	$9,680
Appraised Value:	$9,680
Homestead Cap Loss: ?	$0
Assessed Value:	$9,680

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1354-Sinton-Buffalo-Supplement003
June 26, 2017

Property Taxing Jurisdiction

Entity	Description	Tax Rate	Market Value	Taxable Value	Estimated Tax	Freeze Ceiling
CAD	San Patricio CAD	0.000000	$203,364	$9,680	$0.00	
GSP	aSan Patricio County	0.468521	$203,364	$9,680	$45.35	
MUD	aSan Patricio Co Drain Dist	0.069607	$203,364	$9,680	$6.74	
RSP	aSan Patricio County Road	0.047803	$203,364	$9,680	$4.63	
SSI	aISD Sinton	1.449000	$203,364	$9,680	$140.26	

Total Tax Rate: 2.034931 **Estimated Taxes With Exemptions:** $196.98 **Estimated Taxes Without Exemptions:** $4,138.32

Property Improvement - Building

Property Land

Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
NATP	NATIVE PASTURELAND	97.347	4,240,435.32	0.00	0.00	$203,364	$9,680

Property Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap Loss	Assessed
2019	N\A	N\A	N\A	N\A	N\A	N\A
2018	$0	$203,364	$9,680	$9,680	$0	$9,680
2017	$0	$203,364	$8,262	$8,262	$0	$8,262

1354-Sinton-Buffalo-Supplement003
June 26, 2017

Property Deed History

Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Number
3/11/2015	GWD	GENERAL WD	HAMILTON-INGLESIDE LIMITED LP	THOMAS HUGHES C	646120		646120

DISCLAIMER

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Attachment B

Franchise Tax Account Status

Franchise Tax Account Status

As of : 06/23/2019 12:15:32

This Page is Not Sufficient for Filings with the Secretary of State

BUFFALO, LLC DBA BUFFALO STEEL ENTERPRISES, LLC	
Texas Taxpayer Number	32070026441
Mailing Address	1701 DIRECTORS BLVD STE 300 AUSTIN, TX 78744-1044
Right to Transact Business in Texas	ACTIVE
State of Formation	IN
Effective SOS Registration Date	03/11/2019
Texas SOS File Number	0803260531
Registered Agent Name	REGISTERED AGENT SOLUTIONS, INC.
Registered Office Street Address	1701 DIRECTORS BLVD. SUITE 300 AUSTIN, TX 78744

Attachment C

State Comptroller's Certification

GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

P.O. Box 13528 • Austin, TX 78711-3528

June 5, 2019

Chad Jones
Superintendent
Sinton Independent School District
322 S. Archer
Sinton, Texas 78387

Re: Certificate for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Sinton Independent School District and Buffalo, LLC, Application 1354

Dear Superintendent Jones:

On May 13, 2019, the Comptroller issued written notice that Buffalo, LLC (applicant) submitted a completed application (Application 1354) for a limitation on appraised value under the provisions of Tax Code Chapter 313.[1] This application was originally submitted on March 15, 2019, to the Sinton Independent School District (school district) by the applicant.

This presents the results of the Comptroller's review of the application and determinations required:

1) under Section 313.025(h) to determine if the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C; and
2) under Section 313.025(d), to issue a certificate for a limitation on appraised value of the property and provide the certificate to the governing body of the school district or provide the governing body a written explanation of the Comptroller's decision not to issue a certificate, using the criteria set out in Section 313.026.

Determination required by 313.025(h)

Sec. 313.024(a)	Applicant is subject to tax imposed by Chapter 171.
Sec. 313.024(b)	Applicant is proposing to use the property for an eligible project.

[1] All Statutory references are to the Texas Tax Code, unless otherwise noted.

Sec. 313.024(d)	Applicant has committed to create the required number of new qualifying jobs and pay all jobs created that are not qualifying jobs a wage that exceeds the county average weekly wage for all jobs in the county where the jobs are located.
Sec. 313.024(d-2)	Not applicable to Application 1354.

Based on the information provided by the applicant, the Comptroller has determined that the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C.

Certificate decision required by 313.025(d)

Determination required by 313.026(c)(1)

The Comptroller has determined that the project proposed by the applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the school district's maintenance and operations *ad valorem tax* revenue lost as a result of the agreement before the 25th anniversary of the beginning of the limitation period, see Attachment B.

Determination required by 313.026(c)(2)

The Comptroller has determined that the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state, see Attachment C.

Based on these determinations, the Comptroller issues a certificate for a limitation on appraised value. This certificate is contingent on the school district's receipt and acceptance of the Texas Education Agency's determination per 313.025(b-1).

The Comptroller's review of the application assumes the accuracy and completeness of the statements in the application. If the application is approved by the school district, the applicant shall perform according to the provisions of the Texas Economic Development Act Agreement (Form 50-826) executed with the school district. The school district shall comply with and enforce the stipulations, provisions, terms, and conditions of the agreement, applicable Texas Administrative Code and Chapter 313, per TAC 9.1054(i)(3).

This certificate is no longer valid if the application is modified, the information presented in the application changes, or the limitation agreement does not conform to the application. Additionally, this certificate is contingent on the school district approving and executing the agreement by December 31, 2019.

Note that any building or improvement existing as of the application review start date of May 13, 2019, or any tangible personal property placed in service prior to that date may not become "Qualified Property" as defined by 313.021(2) and the Texas Administrative Code.

Should you have any questions, please contact Will Counihan, Director, Data Analysis & Transparency, by email at will.counihan@cpa.texas.gov or by phone toll-free at 1-800-531-5441, ext. 6-0758, or at 512-936-0758.

Sincerely,

Lisa Craven

Lisa Craven
Deputy Comptroller

Enclosure

cc: Will Counihan

Attachment A – Economic Impact Analysis

The following tables summarize the Comptroller's economic impact analysis of Buffalo, LLC (project) applying to Sinton Independent School District (district), as required by Tax Code, 313.026 and Texas Administrative Code 9.1055(d)(2).

Table 1 is a summary of investment, employment and tax impact of Buffalo, LLC.

Applicant	Buffalo, LLC
Tax Code, 313.024 Eligibility Category	Manufacturing
School District	Sinton ISD
2017-2018 Average Daily Attendance	2,017
County	San Patricio
Proposed Total Investment in District	$1,775,000,000
Proposed Qualified Investment	$1,700,000,000
Limitation Amount	$20,000,000
Qualifying Time Period (Full Years)	2020-2021
Number of new qualifying jobs committed to by applicant	500
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	$1,435
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	$1,275
Minimum annual wage committed to by applicant for qualified jobs	$74,600
Minimum weekly wage required for non-qualifying jobs	$933
Minimum annual wage required for non-qualifying jobs	$48,530
Investment per Qualifying Job	$3,550,000
Estimated M&O levy without any limit (15 years)	$210,004,606
Estimated M&O levy with Limitation (15 years)	$61,385,456
Estimated gross M&O tax benefit (15 years)	$148,619,150

Table 2 is the estimated statewide economic impact of Buffalo, LLC (modeled).

	Employment			Personal Income		
Year	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2020	190	244	434	$14,545,000	$18,455,000	$33,000,000
2021	650	836	1486	$45,835,000	$67,165,000	$113,000,000
2022	600	1,064	1664	$41,790,000	$90,210,000	$132,000,000
2023	450	1,155	1605	$34,290,000	$100,710,000	$135,000,000
2024	500	1,291	1791	$38,900,000	$118,100,000	$157,000,000
2025	500	1,314	1814	$39,700,000	$128,300,000	$168,000,000
2026	500	1,313	1813	$40,500,000	$136,500,000	$177,000,000
2027	500	1,301	1801	$41,300,000	$143,700,000	$185,000,000
2028	500	1,283	1783	$42,150,000	$148,850,000	$191,000,000
2029	500	1,264	1764	$43,000,000	$154,000,000	$197,000,000
2030	500	1,250	1750	$43,850,000	$159,150,000	$203,000,000
2031	500	1,236	1736	$44,750,000	$163,250,000	$208,000,000
2032	500	1,195	1695	$45,650,000	$164,350,000	$210,000,000
2033	500	1,166	1666	$45,650,000	$168,350,000	$214,000,000
2034	500	1,148	1648	$45,650,000	$172,350,000	$218,000,000
2035	500	1,139	1639	$45,650,000	$177,350,000	$223,000,000

Source: CPA REMI, Buffalo, LLC

Table 3 examines the estimated direct impact on ad valorem taxes to the region if all taxes are assessed.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O		Sinton ISD I&S Tax Levy	Sinton ISD M&O Tax Levy	Sinton ISD M&O and I&S Tax Levies	San Patricio County Tax Levy	San Patricio County Drainage District Tax Levy	San Patricio County Road District Tax Levy	Sinton ISD Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.2790	1.1700		0.4685	0.0696	0.0478	1.4490	
2020	$174,279,401	$174,279,401		$486,240	$2,039,069	$2,525,309	$816,536	$121,311	$83,311	$2,525,309	$6,071,774
2021	$1,030,079,401	$1,030,079,401		$2,873,922	$12,051,929	$14,925,851	$4,826,138	$717,007	$492,409	$14,925,851	$35,887,256
2022	$1,589,543,401	$1,589,543,401		$4,434,826	$18,597,658	$23,032,484	$7,447,345	$1,106,433	$759,849	$23,032,484	$55,378,595
2023	$1,528,696,121	$1,528,696,121		$4,265,062	$17,885,745	$22,150,807	$7,162,262	$1,064,080	$730,763	$22,150,807	$53,258,718
2024	$1,462,783,787	$1,462,783,787		$4,081,167	$17,114,570	$21,195,737	$6,853,449	$1,018,200	$699,255	$21,195,737	$50,962,378
2025	$1,396,802,699	$1,396,802,699		$3,897,080	$16,342,592	$20,239,671	$6,544,314	$972,272	$667,714	$20,239,671	$48,663,642
2026	$1,330,749,233	$1,330,749,233		$3,712,790	$15,569,766	$19,282,556	$6,234,840	$926,295	$636,138	$19,282,556	$46,362,385
2027	$1,259,869,836	$1,259,869,836		$3,515,037	$14,740,477	$18,255,514	$5,902,755	$876,958	$602,256	$18,255,514	$43,892,996
2028	$1,189,161,028	$1,189,161,028		$3,317,759	$13,913,184	$17,230,943	$5,571,469	$827,739	$568,455	$17,230,943	$41,429,550
2029	$1,118,619,395	$1,118,619,395		$3,120,948	$13,087,847	$16,208,795	$5,240,967	$778,637	$534,734	$16,208,795	$38,971,928
2030	$1,048,241,595	$1,048,241,595		$2,924,594	$12,264,427	$15,189,021	$4,911,232	$729,650	$501,091	$15,189,021	$36,520,014
2031	$978,024,351	$978,024,351		$2,728,688	$11,442,885	$14,171,573	$4,582,249	$680,773	$467,525	$14,171,573	$34,073,694
2032	$907,964,452	$907,964,452		$2,533,221	$10,623,184	$13,156,405	$4,254,004	$632,007	$434,034	$13,156,405	$31,632,855
2033	$838,058,751	$838,058,751		$2,338,184	$9,805,287	$12,143,471	$3,926,481	$583,348	$400,617	$12,143,471	$29,197,389
2034	$768,304,164	$768,304,164		$2,143,569	$8,989,159	$11,132,727	$3,599,666	$534,793	$367,272	$11,132,727	$26,767,187
2035	$698,697,669	$698,697,669		$1,949,366	$8,174,763	$10,124,129	$3,273,545	$486,342	$333,998	$10,124,129	$24,342,145
2036	$629,236,304	$629,236,304		$1,755,569	$7,362,065	$9,117,634	$2,948,104	$437,993	$300,794	$9,117,634	$21,922,159
			Total	$50,078,021	$210,004,606	$260,082,627	$84,095,357	$12,493,838	$8,580,214	$260,082,627	$625,334,663

Source: CPA, Buffalo, LLC
*Tax Rate per $100 Valuation

Table 4 examines the estimated direct impact on ad valorem taxes to the school district and San Patricio County, with all property tax incentives sought being granted using estimated market value from the application. The project has applied for a value limitation under Chapter 313, Tax Code and tax abatement with the county.

The difference noted in the last line is the difference between the totals in Table 3 and Table 4.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O		Sinton ISD I&S Tax Levy	Sinton ISD M&O Tax Levy	Sinton ISD M&O and I&S Tax Levies	San Patricio County Tax Levy	San Patricio County Drainage District Tax Levy	San Patricio County Road District Tax Levy	Sinton ISD Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.2790	1.1700		0.4685	0.0696	0.0478	1.4490	
2020	$174,279,401	$174,279,401		$486,240	$2,039,069	$2,525,309	$0	$121,311	$83,311	$2,525,309	$5,255,238
2021	$1,030,079,401	$1,030,079,401		$2,873,922	$12,051,929	$14,925,851	$0	$717,007	$492,409	$14,925,851	$31,061,117
2022	$1,589,543,401	$20,000,000		$4,434,826	$234,000	$4,668,826	$0	$1,106,433	$759,849	$23,032,484	$29,567,593
2023	$1,528,696,121	$20,000,000		$4,265,062	$234,000	$4,499,062	$2,148,679	$1,064,080	$730,763	$22,150,807	$30,593,390
2024	$1,462,783,787	$20,000,000		$4,081,167	$234,000	$4,315,167	$2,056,035	$1,018,200	$699,255	$21,195,737	$29,284,393
2025	$1,396,802,699	$20,000,000		$3,897,080	$234,000	$4,131,080	$1,963,294	$972,272	$667,714	$20,239,671	$27,974,031
2026	$1,330,749,233	$20,000,000		$3,712,790	$234,000	$3,946,790	$1,870,452	$926,295	$636,138	$19,282,556	$26,662,231
2027	$1,259,869,836	$20,000,000		$3,515,037	$234,000	$3,749,037	$1,770,826	$876,958	$602,256	$18,255,514	$25,254,590
2028	$1,189,161,028	$20,000,000		$3,317,759	$234,000	$3,551,759	$1,671,441	$827,739	$568,455	$17,230,943	$23,850,337
2029	$1,118,619,395	$20,000,000		$3,120,948	$234,000	$3,354,948	$1,572,290	$778,637	$534,734	$16,208,795	$22,449,404
2030	$1,048,241,595	$20,000,000		$2,924,594	$234,000	$3,158,594	$4,911,232	$729,650	$501,091	$15,189,021	$24,489,587
2031	$978,024,351	$20,000,000		$2,728,688	$234,000	$2,962,688	$4,582,249	$680,773	$467,525	$14,171,573	$22,864,809
2032	$907,964,452	$907,964,452		$2,533,221	$10,623,184	$13,156,405	$4,254,004	$632,007	$434,034	$13,156,405	$31,632,855
2033	$838,058,751	$838,058,751		$2,338,184	$9,805,287	$12,143,471	$3,926,481	$583,348	$400,617	$12,143,471	$29,197,389
2034	$768,304,164	$768,304,164		$2,143,569	$8,989,159	$11,132,727	$3,599,666	$534,793	$367,272	$11,132,727	$26,767,187
2035	$698,697,669	$698,697,669		$1,949,366	$8,174,763	$10,124,129	$3,273,545	$486,342	$333,998	$10,124,129	$24,342,145
2036	$629,236,304	$629,236,304		$1,755,569	$7,362,065	$9,117,634	$2,948,104	$437,993	$300,794	$9,117,634	$21,922,159
			Total	$50,078,021	$61,385,456	$111,463,477	$40,548,299	$12,493,838	$8,580,214	$260,082,627	$433,168,455
			Diff	$0	$148,619,150	$148,619,150	$43,547,058	$0	$0	$0	$192,166,208

Assumes School Value Limitation and Tax Abatements with the County.

Source: CPA, Buffalo, LLC

*Tax Rate per $100 Valuation

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Attachment B – Tax Revenue before 25th Anniversary of Limitation Start

This represents the Comptroller's determination that Buffalo LLC (project) is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement. This evaluation is based on an analysis of the estimated M&O portion of the school district property tax levy and direct, indirect and induced tax effects from project employment directly related to this project, using estimated taxable values provided in the application.

	Tax Year	Estimated ISD M&O Tax Levy Generated (Annual)	Estimated ISD M&O Tax Levy Generated (Cumulative)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Annual)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Cumulative)
Limitation Pre-Years	2019	$0	$0	$0	$0
	2020	$2,039,069	$2,039,069	$0	$0
	2021	$12,051,929	$14,090,998	$0	$0
Limitation Period (10 Years)	2022	$234,000	$14,324,998	$18,363,658	$18,363,658
	2023	$234,000	$14,558,998	$17,651,745	$36,015,402
	2024	$234,000	$14,792,998	$16,880,570	$52,895,973
	2025	$234,000	$15,026,998	$16,108,592	$69,004,564
	2026	$234,000	$15,260,998	$15,335,766	$84,340,330
	2027	$234,000	$15,494,998	$14,506,477	$98,846,807
	2028	$234,000	$15,728,998	$13,679,184	$112,525,991
	2029	$234,000	$15,962,998	$12,853,847	$125,379,838
	2030	$234,000	$16,196,998	$12,030,427	$137,410,265
	2031	$234,000	$16,430,998	$11,208,885	$148,619,150
Maintain Viable Presence (5 Years)	2032	$10,623,184	$27,054,182	$0	$148,619,150
	2033	$9,805,287	$36,859,469	$0	$148,619,150
	2034	$8,989,159	$45,848,628	$0	$148,619,150
	2035	$8,174,763	$54,023,391	$0	$148,619,150
	2036	$7,362,065	$61,385,456	$0	$148,619,150
Additional Years as Required by 313.026(c)(1) (10 Years)	2037	$6,995,631	$68,381,087	$0	$148,619,150
	2038	$6,901,098	$75,282,184	$0	$148,619,150
	2039	$6,814,013	$82,096,197	$0	$148,619,150
	2040	$6,731,419	$88,827,616	$0	$148,619,150
	2041	$6,653,285	$95,480,901	$0	$148,619,150
	2042	$6,579,580	$102,060,481	$0	$148,619,150
	2043	$6,507,350	$108,567,831	$0	$148,619,150
	2044	$6,436,564	$115,004,395	$0	$148,619,150
	2045	$6,367,193	$121,371,588	$0	$148,619,150
	2046	$6,299,211	$127,670,799	$0	$148,619,150

$127,670,799	is less than	**$148,619,150**

Analysis Summary	
Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?	No

Source: CPA, Buffalo,LLC

	Employment			Personal Income			Revenue & Expenditure		
Year	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total	Revenue	Expenditure	Net Tax Effect
2020	190	244	434	$14,545,000	$18,455,000	$33,000,000	1694000	-809000	$2,503,000
2021	650	836	1486	$45,835,000	$67,165,000	$113,000,000	5753000	-2480000	$8,233,000
2022	600	1,064	1664	$41,790,000	$90,210,000	$132,000,000	7095000	-1747000	$8,842,000
2023	450	1,155	1605	$34,290,000	$100,710,000	$135,000,000	7545000	-587000	$8,132,000
2024	500	1,291	1791	$38,900,000	$118,100,000	$157,000,000	8705000	-53000	$8,758,000
2025	500	1,314	1814	$39,700,000	$128,300,000	$168,000,000	9178000	877000	$8,301,000
2026	500	1,313	1813	$40,500,000	$136,500,000	$177,000,000	9483000	1724000	$7,759,000
2027	500	1,301	1801	$41,300,000	$143,700,000	$185,000,000	9712000	2502000	$7,210,000
2028	500	1,283	1783	$42,150,000	$148,850,000	$191,000,000	9926000	3189000	$6,737,000
2029	500	1,264	1764	$43,000,000	$154,000,000	$197,000,000	10086000	3853000	$6,233,000
2030	500	1,250	1750	$43,850,000	$159,150,000	$203,000,000	10277000	4433000	$5,844,000
2031	500	1,236	1736	$44,750,000	$163,250,000	$208,000,000	10361000	4868000	$5,493,000
2032	500	1,195	1695	$45,650,000	$164,350,000	$210,000,000	10208000	5318000	$4,890,000
2033	500	1,166	1666	$45,650,000	$168,350,000	$214,000,000	10193000	5623000	$4,570,000
2034	500	1,148	1648	$45,650,000	$172,350,000	$218,000,000	10284000	5913000	$4,371,000
2035	500	1,139	1639	$45,650,000	$177,350,000	$223,000,000	10262000	6142000	$4,120,000
2036	500	1,137	1637	$45,650,000	$183,350,000	$229,000,000	10330000	6310000	$4,020,000
2037	500	1,141	1641	$45,650,000	$190,350,000	$236,000,000	10513000	6462000	$4,051,000
2038	500	1,139	1639	$45,650,000	$198,350,000	$244,000,000	10590000	6653000	$3,937,000
2039	500	1,156	1656	$45,650,000	$208,350,000	$254,000,000	10712000	6691000	$4,021,000
2040	500	1,166	1666	$45,650,000	$218,350,000	$264,000,000	10849000	6798000	$4,051,000
2041	500	1,188	1688	$45,650,000	$229,350,000	$275,000,000	11185000	6866000	$4,319,000
2042	500	1,213	1713	$45,650,000	$243,350,000	$289,000,000	11505000	6989000	$4,516,000
2043	500	1,234	1734	$45,650,000	$257,350,000	$303,000,000	11841000	7103000	$4,738,000
2044	500	1,254	1754	$45,650,000	$272,350,000	$318,000,000	12009000	7233000	$4,776,000
2045	500	1,273	1773	$45,650,000	$286,350,000	$332,000,000	12161000	7294000	$4,867,000
2046	500	1,289	1789	$45,650,000	$303,350,000	$349,000,000	12497000	7439000	$5,058,000
						Total	**$264,954,000**	**$114,604,000**	**$150,350,000**
							$278,020,799	is greater than	**$148,619,150**

Analysis Summary

Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement? Yes

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Attachment C – Limitation as a Determining Factor

Tax Code 313.026 states that the Comptroller may not issue a certificate for a limitation on appraised value under this chapter for property described in an application unless the comptroller determines that "the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state." This represents the basis for the Comptroller's determination.

Methodology

Texas Administrative Code 9.1055(d) states the Comptroller shall review any information available to the Comptroller including:

- the application, including the responses to the questions in Section 8 (Limitation as a Determining Factor);
- public documents or statements by the applicant concerning business operations or site location issues or in which the applicant is a subject;
- statements by officials of the applicant, public documents or statements by governmental or industry officials concerning business operations or site location issues;
- existing investment and operations at or near the site or in the state that may impact the proposed project;
- announced real estate transactions, utility records, permit requests, industry publications or other sources that may provide information helpful in making the determination; and
- market information, raw materials or other production inputs, availability, existing facility locations, committed incentives, infrastructure issues, utility issues, location of buyers, nature of market, supply chains, other known sites under consideration.

Determination

The Comptroller **has determined** that the limitation on appraised value is a determining factor in the Buffalo LLC's decision to invest capital and construct the project in this state. This is based on information available, including information provided by the applicant. Specifically, the comptroller notes the following:

- Per Buffalo, LLC in Tab 5 of their Application for a Limitation on Appraised Value:
  - A. "Steel Dynamics has limited capital dollars that it invests across the United States into its various locations. To be successful in competition for these dollars, it is imperative that the Sinton management team develops a strong economic argument, which demonstrates sufficient financial return to the organization. Steel Dynamics' board of directors is evaluating this project as well as other capital projects at this time and partnerships with the state and local governments are a critical component of the evaluation process."
  - B. "The company has made no public announcements of a definitive intent to construct the proposed flat roll steel mill at the Sinton location. With respect to potential locations in North America, the Applicant is also reviewing possible sites in Louisiana."
  - C. "Competitive abatement programs for the proposed new flat roll steel facility exist in alternative locations. The impact of the property tax burden on the economic return of the proposed new facility is an important factor in the Applicant's site selection evaluation and decision, as well as in obtaining approval for the project internally with Steel Dynamics' board of directors. Thus, a limitation on appraised value under Chapter 313 of the Texas Tax Code is a determining factor in the Applicant's decision to invest capital and construct the Project in the State of Texas."
  - D. "The projected tax liabilities for the proposed project, without a Chapter 313 appraised value limitation, lower the economic rate of return and detract from the financial attractiveness of the project. In turn, the project becomes less competitive ·with other capital-intensive projects that deliver higher rates of return on invested capital. Accordingly, securing a Chapter 313 appraised value limitation is critical to establishing a rate of return competitive with other investment opportunities and, therefore, is an important factor affecting Steel Dynamics' final investment decision to construct and operate tl1e proposed project in Texas."
- Comptroller Research

A. On November 26, 2018, Steel Dynamics announced it would construct a new flat roll steel mill in the southwestern United States. Mark D. Millett, President and CEO of Steel Dynamics stated, "We believe our unique operating culture, coupled with our considerable experience is successfully constructing and operating cost-effective and highly profitable steel mills, positions us well to execute this greenfield opportunity, and to deliver strong long-term value creation. We plan to utilize new technologies that will further reduce the gap between existing EAF and integrated steel mill production capabilities. We are excited to announce this investment, which is a culmination of our intentional focus to cost effectively further serve the customers in this growing flat roll steel consuming region, while increasing our steelmaking capacity and value-added product capability. As a site location is finalized and equipment negotiations are completed, we look forward to updating you on this important strategic initiative."
B. On November 28, 2018, President Trump wrote on Twitter "Steel Dynamics announced that it will build a brand new 3 million ton steel mill in the Southwest that will create 600 good-paying U.S. JOBS. Steel JOBS are coming back to America, just like I predicted. Congratulations to Steel Dynamics!" Steel Dynamics expects construction to begin in 2020.
C. On January 22, 2019, in the Steel Dynamics Q4 2018 Earnings Conference Call Theresa Wagler, Executive Vice President and CFO stated, "Before I hand the call back to Mark, I will share some additional insights regarding the anticipated cash investment timeline for our recently announced new southwestern U.S. flat rolled steel mill, which is key part of our growth strategy. The total investment is still expected to be between $1.7 billion and 1.8 billion, subject to revisions as we make final site selection..."
D. On February 19, 2019, Argus Media reported that Steel Dynamics was considering south Texas for their new flat-rolled mill. Mark Millett, President and CEO of Steel Dynamics stated, "If you take a map and you put little spots on flat-rolled producing sites at the mills [in the US], you see an absolute void in the Texas, Oklahoma, Louisiana, Arkansas region. A total void."
E. On February 24, 2019, Mysoutex reported that the commissioners had approved a new Reinvestment Zone in Sinton. Iain Vasey, president and CEO of Corpus Christi Regional Economic Development Corporation, stated when referring about the Steel Dynamic mill project, "This is the first step in saying can we do this or not. Multiple cities and multiple states are still in competition for this project. This is kind of the first step we need to make in order to make proposals to this company."
F. On February 25, 2019, Corpus Christi Caller Times reported that San Patricio County approved a 10-year tax abatement for the Steel Dynamics mill.
G. On April 22, 2019, in the Steel Dynamics Q1 2019 Earnings Conference Call Theresa Wagler, Executive Vice President and CFO stated, "I will share some updates regarding additional insights pertaining to the anticipated cash investment timeline for our new southwestern U.S. flat rolled steel mill which is a key part of our growth strategy. Total investment is currently expected to be approximately $1.8 billion dollars subject to continued refinement as we make final site selection..."
H. On May 20, 2019, in the Steel Dynamics Investor Presentation, reported, "Planned Southwest U.S. flat roll steel mill drives next generation of growth. Location Benefits; domestically underserved market, growing manufacturing demand, customer 'co-location' opportunities, geographic diversification in the energy, automotive, construction and appliance sectors, meaningful logistics benefits, customer time savings and freight savings, proximity to raw materials, existing and planned scrap management relationships."

Supporting Information

a) Section 8 of the Application for a Limitation on Appraised Value
b) Attachments provided in Tab 5 of the Application for a Limitation on Appraised Value
c) Additional information provided by the Applicant or located by the Comptroller

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Supporting Information

Section 8 of the Application for a Limitation on Appraised Value

SECTION 6: Eligibility Under Tax Code Chapter 313.024

1. Are you an entity subject to the tax under Tax Code, Chapter 171?	✔ Yes	No
2. The property will be used for one of the following activities:		
(1) manufacturing	✔ Yes	No
(2) research and development	Yes	✔ No
(3) a clean coal project, as defined by Section 5.001, Water Code	Yes	✔ No
(4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code	Yes	✔ No
(5) renewable energy electric generation	Yes	✔ No
(6) electric power generation using integrated gasification combined cycle technology	Yes	✔ No
(7) nuclear electric power generation	Yes	✔ No
(8) a computer center that is used as an integral part or as a necessary auxiliary part for the activity conducted by applicant in one or more activities described by Subdivisions (1) through (7)	Yes	✔ No
(9) a Texas Priority Project, as defined by 313.024(e)(7) and TAC 9.1051	Yes	✔ No
3. Are you requesting that any of the land be classified as qualified investment?	Yes	✔ No
4. Will any of the proposed qualified investment be leased under a capitalized lease?	Yes	✔ No
5. Will any of the proposed qualified investment be leased under an operating lease?	Yes	✔ No
6. Are you including property that is owned by a person other than the applicant?	Yes	✔ No
7. Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment?	Yes	✔ No

SECTION 7: Project Description

1. In **Tab 4**, attach a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.

2. Check the project characteristics that apply to the proposed project:

- ☐ Land has no existing improvements
- ✔ Land has existing improvements *(complete Section 13)*
- ☐ Expansion of existing operation on the land *(complete Section 13)*
- ☐ Relocation within Texas

SECTION 8: Limitation as Determining Factor

1. Does the applicant currently own the land on which the proposed project will occur?	Yes	✔ No
2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project?	Yes	✔ No
3. Does the applicant have current business activities at the location where the proposed project will occur?	Yes	✔ No
4. Has the applicant made public statements in SEC filings or other documents regarding its intentions regarding the proposed project location?	Yes	✔ No
5. Has the applicant received any local or state permits for activities on the proposed project site?	Yes	✔ No
6. Has the applicant received commitments for state or local incentives for activities at the proposed project site?	✔ Yes	No
7. Is the applicant evaluating other locations not in Texas for the proposed project?	✔ Yes	No
8. Has the applicant provided capital investment or return on investment information for the proposed project in comparison with other alternative investment opportunities?	Yes	✔ No
9. Has the applicant provided information related to the applicant's inputs, transportation and markets for the proposed project?	Yes	✔ No
10. Are you submitting information to assist in the determination as to whether the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in Texas?	✔ Yes	No

Chapter 313.026(e) states "the applicant may submit information to the Comptroller that would provide a basis for an affirmative determination under Subsection (c)(2)." If you answered "yes" to any of the questions in Section 8, attach supporting information in Tab 5.

Supporting Information

Attachments provided in Tab 5 of the Application for a Limitation on Appraised Value

Tab 5
Limitation as Determining Factor

The Applicant, Buffalo, LLC ("Buffalo" or the "Company"), a wholly owned subsidiary of Steel Dynamics, Inc. (Steel Dynamics), was formed to construct and operate a new southwest flat roll steel facility. Steel Dynamics, founded in 1993, is one of the largest domestic steel producers and metal recyclers based on estimated annual steelmaking and metal recycling capabilities, with facilities located throughout the United States and Mexico. Steel Dynamics produces steel products, including hot roll, cold roll, and coated sheet steel, structural steel beams and shapes, rail, engineered special-bar-quality steel, cold finished steel, merchant bar products, specialty steel sections and steel joists and deck. In addition, the company produces liquid pig iron, processes, and sells ferrous and nonferrous scrap. In 2018, Steel Dynamics' annual revenues reached $11.8 billion. Steel Dynamics has limited capital dollars that it invests across the United States into its various locations. To be successful in competition for these dollars, it is imperative that the Sinton management team develops a strong economic argument, which demonstrates sufficient financial return to the organization. Steel Dynamics' board of directors is evaluating this project as well as other capital projects at this time and partnerships with the state and local governments are a critical component of the evaluation process.

Steel Dynamics takes a disciplined, long-term approach to investing, regardless of the economic cycle and the geographic location. They consistently seek new global investment opportunities that create value for their stakeholders. Their business model is to conduct an extensive evaluation before they make any final investment decisions. A project team is evaluating these opportunities with a focus on global logistic capabilities, efficiency, scale, and site integration. The company has made no public announcements of a definitive intent to construct the proposed flat roll steel mill at the Sinton location. With respect to potential locations in North America, the Applicant is also reviewing possible sites in Louisiana.

Competitive abatement programs for the proposed new flat roll steel facility exist in alternative locations. The impact of the property tax burden on the economic return of the proposed new facility is an important factor in the Applicant's site selection evaluation and decision, as well as in obtaining approval for the project internally with Steel Dynamics' board of directors. Thus, a limitation on appraised value under Chapter 313 of the Texas Tax Code is a determining factor in the Applicant's decision to invest capital and construct the Project in the State of Texas.

The decision to make an investment in a particular jurisdiction depends on the economics of the investment in that jurisdiction. Steel Dynamics' decision to proceed with the investment in the proposed project will be based on a number of commercial, regulatory, and financial considerations, including the ability to obtain relief regarding property taxes. Capital investments are allocated to projects and locations based on expected economic return, and projected property tax liabilities associated with the proposed project are a substantial ongoing cost of operation. With all the national project proposals Steel Dynamics is considering, the Applicant is requesting a significant portion of the Steel Dynamics' capital investment budget relative to the Applicant's total portfolio. The projected tax liabilities for the proposed project, without a Chapter 313 appraised value limitation, lower the economic rate of return and detract from the financial attractiveness of the project. In turn, the project becomes less competitive with other capital-intensive projects that deliver higher rates of return on invested capital. Accordingly, securing a Chapter 313 appraised value limitation is critical to establishing a rate of return competitive with other investment opportunities and, therefore, is an important factor affecting Steel Dynamics' final investment decision to construct and operate the proposed project in Texas.

Supporting Information

Additional information provided by the Applicant or located by the Comptroller

Retrieved on 5/31/19 https://b2icontent.irpass.com/2197/2018_Q4_Earnings_Call_1.22.19.mp3 Steel Dynamics Fourth Quarter and Full-Year 2018 Earnings Call Start time 10:12 End time 10:37

Steel Dynamics Fourth Quarter and Full-Year 2018 Earning

Theresa Wagler, Executive Vice President and CFO of Steel Dynamics:

"...Before I hand the call back to Mark, I will share some additional insights regarding the anticipated cash investment timeline for our recently announced new southwestern U.S. flat rolled steel mill, which is key part of our growth strategy. The total investment is still expected to be between $1.7 billion and 1.8 billion, subject to revisions as we make final site selection..."

Retrieved on 5/31/19 https://b2icontent.irpass.com/2197/2019_Q1_Earnings_Call_4.22.18.mp3 Steel Dynamics First Quarter Earnings Call Start time 8:22 End time 8:45

Steel Dynamics First Quarter Earnings Call

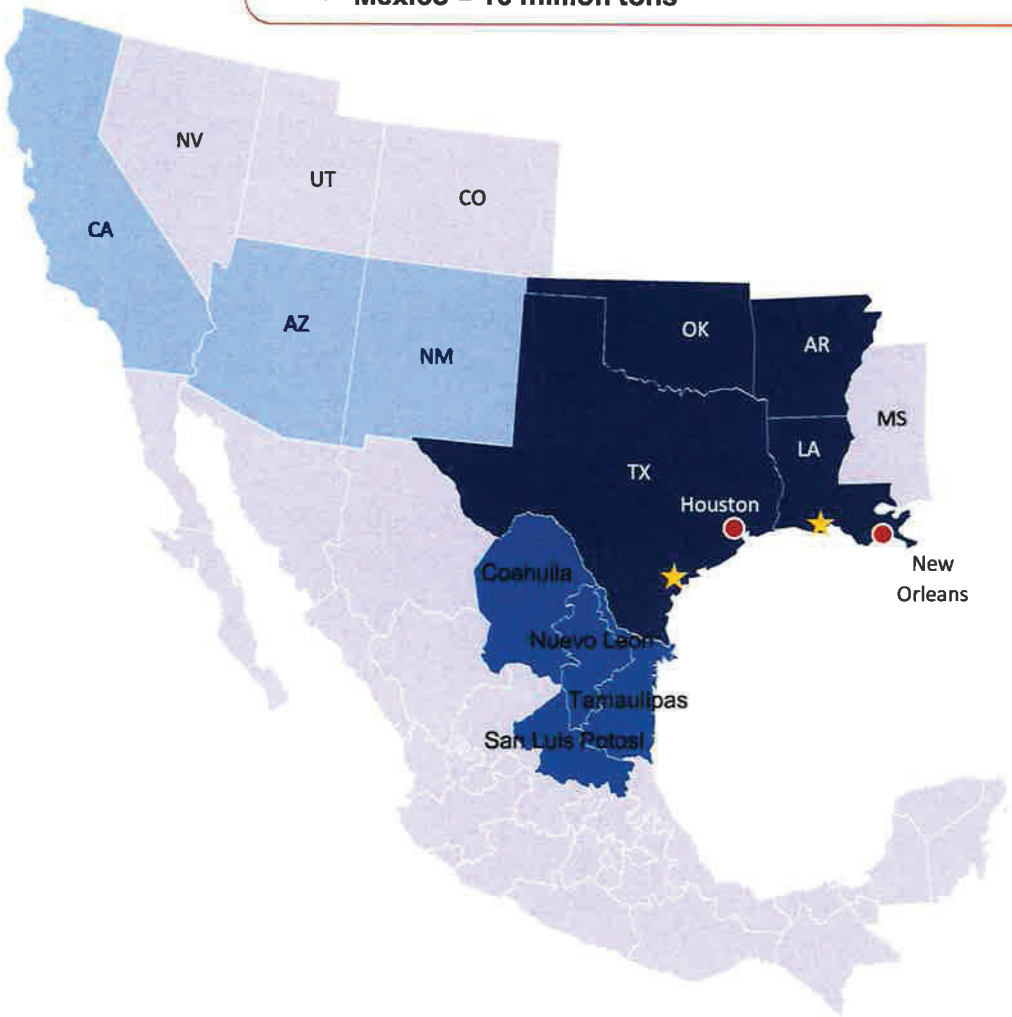
Theresa Wagler, Executive Vice President and CFO of Steel Dynamics:

"...I will share some updates regarding additional insights pertaining to the anticipated cash investment timeline for our new southwestern U.S. flat rolled steel mill which is a key part of our growth strategy. Total investment is currently expected to be approximately $1.8 billion dollars subject to continued refinement as we make final site selection..."

Retrieved 05/24/2019 https://b2icontent.irpass.com/2197/177285.pdf Steel Dynamics Investor Presentation 20 May 2019 pg 11

Planned Southwest U.S. flat roll steel mill drives next generation of growth

Estimated 27 million tons[1] in Targeted Regional Markets
- ✓ **Texas and Surrounding States = 7 million tons**
- ✓ **West Coast = 4 million tons**
- ✓ **Mexico = 16 million tons**



Location Benefits

- ✓ **Domestically underserved market**
- ✓ **Growing manufacturing demand**
- ✓ **Customer "co-location" opportunities**
- ✓ **Geographic diversification in the energy, automotive, construction and appliance sectors**
- ✓ **Meaningful logistics benefits**
  Customer time savings and freight savings
- ✓ **Proximity to raw materials**
- ✓ **Existing and planned scrap management relationships**

State-of-the-Art Facility

- ✓ **Planned enhanced processing capabilities beyond existing EAF capabilities**
- ✓ **Latest generation of advanced high strength steel products, including API grades**
- ✓ **Diversified value-added product mix**
- ✓ **Higher-quality product mix**

[1] *Source: 2017 CANACERO information published through AISI, market study including imports by regional ports, producer shipments and confidential customer information*

Press Release

Steel Dynamics, Inc.
7575 W. Jefferson Blvd.
Fort Wayne, IN 46804

Steel Dynamics Announces a New Organic Flat Roll Steel Mill Investment

FORT WAYNE, Ind., Nov. 26, 2018 /PRNewswire/ -- Steel Dynamics, Inc. (NASDAQ/GS: STLD) today announced that its Board of Directors has authorized the company to construct a new state-of-the-art, electric-arc-furnace (EAF) flat roll steel mill in the United States. The facility is anticipated to have an annual production capacity of approximately 3.0 million tons with the capability to produce the latest generation of Advanced High Strength Steel products. The project will include value-added finishing lines, including a galvanizing line with an annual capacity of 450,000 tons, and a paint line with an annual coating capacity of 250,000 tons. The product offering is anticipated to include various flat roll steel products, including hot roll, cold roll, galvanized, Galvalume® and painted steel, primarily serving the energy, automotive, construction, and appliance sectors. The current estimated investment is $1.7 billion to $1.8 billion, with anticipated direct job creation of approximately 600 well-paying positions, and numerous opportunities for indirect job growth from other support service providers.

The company currently expects to locate the facility in the southwestern United States, to cost effectively serve not only the southern United States, but also the underserved Mexican flat roll steel market. Determination of the final site location is subject to state and local government infrastructure and incentive support. Upon final site selection and the receipt of required environmental and operating permits, the company would expect to begin construction in 2020, followed by the commencement of operations in the second half of 2021.

"We believe our unique operating culture, coupled with our considerable experience in successfully constructing and operating cost-effective and highly profitable steel mills, positions us well to execute this greenfield opportunity, and to deliver strong long-term value creation," said Mark. D. Millett, President and Chief Executive Officer. "We plan to utilize new technologies that will further reduce the gap between existing EAF and integrated steel mill production capabilities. We are excited to announce this investment, which is a culmination of our intentional focus to cost effectively further serve the customers in this growing flat roll steel consuming region, while increasing our steelmaking capacity and value-added product capability. As a site location is finalized and equipment negotiations are completed, we look forward to updating you on this important strategic initiative."

The company believes this planned growth investment is differentiated and supported by the following key competitive and strategic advantages:

- Safety and Culture
  - This investment will benefit from Steel Dynamics' focus on safety, its low-cost operating framework and entrepreneurial performance-based incentive culture.
- Geographic Diversification
  - The new facility will serve the growing southern U.S. energy and construction sectors, which consume considerable amounts of flat roll steel products.
  - The new facility will also serve the growing steel consuming northern and mid-central regions of Mexico, which consume considerable amounts of flat roll steel products for the automotive and appliance sectors.
  - The site will have a significant competitive edge in the region, with meaningful regional freight cost and logistics advantages.
- Product Quality and Diversification
  - The new facility will be designed with state-of-the-art technologies to produce the highest strength steels available to more comprehensively serve the automotive, energy and equipment sectors.
  - The new technology will allow for greater steel product optionality, including the use of thicker slabs and greater width capabilities, to increase product quality and finished product application alternatives.
- Organic Growth Success Track Record
  - Steel Dynamics' employees and its executive leadership have extensive experience constructing and operating EAF steel mills and downstream value-add finishing lines.
- Sustainability
  - This project will provide meaningful well-paying U.S. jobs and talent development opportunities, with safety and sustainability as a primary focus.
  - Consistent with existing Steel Dynamics' EAF steel mills, this new steel mill will provide an energy efficient, lower environmental impact steelmaking alternative, compared to average typical global steelmaking technologies in use today.

About Steel Dynamics, Inc.
Steel Dynamics is one of the largest domestic steel producers and metals recyclers in the United States based on estimated annual steelmaking and metals recycling capability, with facilities located throughout the United States, and in Mexico. Steel Dynamics produces steel products, including hot roll, cold roll, and coated sheet steel, structural steel beams and shapes, rail, engineered special-bar-quality steel, cold finished steel, merchant bar products, specialty steel sections and steel joists and deck. In addition, the company produces liquid pig iron and processes and sells ferrous and nonferrous scrap.

Forward-Looking Statements
This press release contains some predictive statements about future events, including statements related to conditions in the steel and metallic scrap markets, Steel Dynamics' revenues, costs of purchased materials, future profitability and earnings, and the operation of new or existing facilities. These statements, which we generally precede or accompany by such typical conditional words as "anticipate," "intend," "believe," "estimate," "plan," "seek," "project" or "expect," or by the words "may," "will," or "should," are intended to be made as "forward-looking," subject to many risks and uncertainties, within the safe harbor protections of the Private Securities Litigation Reform Act of 1995. These statements speak only as of this date and are based upon information and assumptions, which we consider reasonable as of this date, concerning our businesses and the environments in

which they operate. Such predictive statements are not guarantees of future performance, and we undertake no duty to update or revise any such statements. Some factors that could cause such forward-looking statements to turn out differently than anticipated include: (1) the effects of uncertain economic conditions; (2) cyclical and changing industrial demand; (3) changes in conditions in any of the steel or scrap-consuming sectors of the economy which affect demand for our products, including the strength of the non-residential and residential construction, automotive, manufacturing, appliance, pipe and tube, and other steel-consuming industries; (4) fluctuation in the cost of key raw materials and supplies (including steel scrap, iron units, and energy costs) and our ability to pass on any cost increases; (5) the impact of domestic and foreign import price competition; (6) unanticipated difficulties in integrating or starting up new or acquired businesses or assets; (7) risks and uncertainties involving product and/or technology development; and (8) occurrences of unexpected plant outages or equipment failures.

More specifically, we refer you to Steel Dynamics' more detailed explanation of these and other factors and risks that may cause such predictive statements to turn out differently, as set forth in our most recent Annual Report on Form 10-K under the headings Special Note Regarding Forward-Looking Statements and Risk Factors, in our quarterly reports on Form 10-Q or in other reports which we from time to time file with the Securities and Exchange Commission. These are available publicly on the SEC website, www.sec.gov, and on the Steel Dynamics website, www.steeldynamics.com: Investors: SEC Filings.

SOURCE Steel Dynamics, Inc.

11/26/2018 6:00:00 PM

President Donald Trump speaks during a rally at the Tupelo Regional Airport in Tupelo, Mississippi, on Nov. 26, 2018. (Drew Angerer/Getty Images)

Trump Lauds Announcement of New $1.7 Billion Steel Mill in Southwest

BY IVAN PENTCHOUKOV

November 28, 2018 Updated: January 7, 2019

President Donald Trump congratulated one of the largest steelmakers in the United States after the company announced plans to spend $1.7 billion to $1.8 billion to build a steel mill in the Southwest.

Steel Dynamics announced on Nov. 26 that its board of directors approved the construction of a facility that would create 600 well-paying jobs. The plant, once operational, will produce up to 3 million tons of steel products for the energy, automotive, construction, and appliance industries.

"Steel Dynamics announced that it will build a brand new 3 million ton steel mill in the Southwest that will create 600 good-paying U.S. JOBS," Trump wrote on Twitter on Nov. 28. "Steel JOBS are coming back to America, just like I predicted. Congratulations to Steel Dynamics!"

Donald J. Trump
@realDonaldTrump

Steel Dynamics announced that it will build a brand new 3 million ton steel mill in the Southwest that will create 600 good-paying U.S. JOBS. Steel JOBS are coming back to America, just like I predicted. Congratulations to Steel Dynamics!

111K 11:09 AM - Nov 28, 2018

46.3K people are talking about this

Steel Dynamics expects to begin construction on the flat roll steel mill in 2020 after choosing a site and acquiring permits. The plant should be operational by the second half of 2021, according to a timeline provided by the company.

"We believe our unique operating culture, coupled with our considerable experience in successfully constructing and operating cost-effective and highly profitable steel mills, positions us well to execute this greenfield opportunity, and to deliver strong long-term value creation," Mark Millett, the CEO of Steel Dynamics, said in a statement.

Trump imposed a 25 percent tariff on imported steel and a 10 percent tariff on imported aluminum in March, citing national security concerns. Shortly after, steel and aluminum makers began adding jobs and restarting

idling plants. By late July, steel and aluminum producers fired up old mills or announced plans to open new plants in Illinois, Ohio, Florida, Montana, Kentucky, Indiana, Tennessee, and South Carolina.

Chinese steel imports made up 33 percent of the U.S. steel market in 2017. Most steel makers have reported losses since 2009. Tens of thousands of American workers have lost their jobs and dozens of factories have shuttered since 2000 because of imports, according to the Alliance for American Manufacturing, a nonprofit formed by manufacturers and the United Steelworkers.

Washington has accused Beijing of dumping steel on the U.S. market at rock-bottom prices. The majority of Chinese steelmakers are state-owned and subsidized, producing a massive amount of steel at a loss. The excess Chinese steel used to end up on the U.S. market, hurting domestic suppliers who couldn't compete with the artificially low prices.

During the first 21 months of the Trump administration, the U.S. economy added 396,000 manufacturing jobs, ten times more than the amount created during the last 21 months of the Obama administration, according to the Texas Public Policy Foundation. The foundation attributes the manufacturing jobs boom to Trump's tax cuts and deregulation.

Trump's praise for the Fort Wayne, Indiana-based company came on the heels of his criticism of General Motors Co., which announced plans on Nov. 26 to cut up to 15,000 jobs and close five North American plants. The president added that the White House is studying plans for a tariff on imported cars to boost domestic production.

"The President has great power on this issue," the president wrote on Twitter. "Because of the G.M. event, it is being studied now!"

Emel Akan contributed to this report.

Follow Ivan on Twitter: @ivanpentchoukov

Show Discussion

SDI considering south Texas for new flat-rolled mill

Published date: 19 February 2019

Share:

US steelmaker Steel Dynamics (SDI) is considering a site outside of Corpus Christi, Texas, among three potential locations for its new flat-rolled mill.

Local officials in San Patricio county, Texas, voted yesterday to designate a 2,500-acre property in an unincorporated area of the county a reinvestment zone. The designation is the first step in a process that could earn Indiana-based SDI as much as $200mn in tax breaks over 10 years for the planned $1.8bn investment, according to a source familiar with the details.

SDI in late-January said it expected to finalize a location for the 3mn st/yr facility within eight weeks, and sources suggested the company is also evaluating sites in New Mexico and Louisiana. SDI did not respond to a request for comment.

The southeast Texas property sits two miles outside of Sinton, about 20 miles from the

port of Corpus Christi, where Voestalpine operates a 2mn t/yr hot-briquetted iron (HBI) plant. The site is also located on a rail line jointly operated by Union Pacific and BNSF.

Permitting for the location, should it be selected, could take up to two years. SDI has said that it expects the mill to be operational in the second half of 2021.

Each of the southern US sites under consideration provide access to the "underserved" Mexican and southern US markets eyed by SDI.

The company expects to ship around 40pc of the mill's output to Mexico and 60pc to domestic consumers in the south.

Overall, SDI will target three regional markets representing nearly 30mn st/yr of flat-rolled demand, including 8mn st/yr of combined demand from Texas, Oklahoma, Louisiana and Arkansas; 4mn st/yr from the west coast; and 16mn st/yr from the northern and mid-central areas of Mexico.

Much of this demand is currently met by imports, with SDI itself shipping nearly 800,000st into these regions in 2018 from its Columbus, Mississippi, mill.

"If you take a map and you put little spots on flat-rolled producing sites at the mills [in the US], you see an absolute void in the Texas, Oklahoma, Louisiana, Arkansas region. A total void," SDI chief executive Mark Millett said last month on a conference call.

SDI also expects growth in Mexican consumption to exceed the US in coming years based on meaningful increases in the country's manufacturing output.

A move to south Texas would also put SDI within 200 miles of land optioned by competing producer Big River Steel for a second mill.

The company, which operates a 1.6mn st/yr sheet mill in Arkansas, optioned 800 acres at the port of Brownsville in 2018 to evaluate building a second facility on the US-Mexico border to target similar markets.

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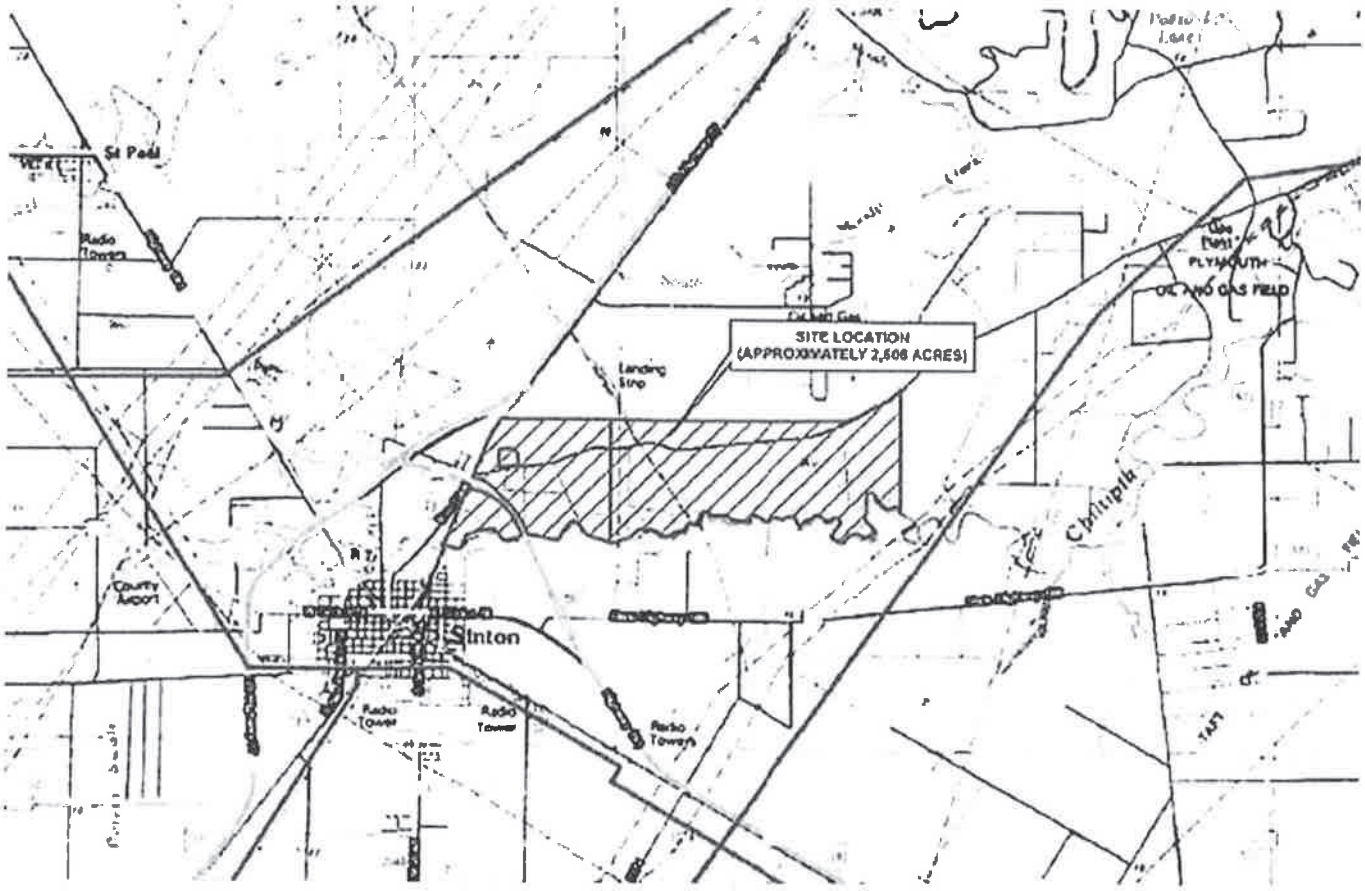
FEATURED

Commissioners approve new Reinvestment Zone in Sinton

Claudia Rivas Feb 24, 2019



Shown is a map outlining the reinvestment zone and its proximity to the city of Sinton.

Contributed photo

Buy Now

SINTON – A steel, flat roll mill company with a $1.8 billion investment could potentially set up shop in San Patricio County, according to representatives from the Corpus Christi Regional Economic Development Corporation.

A reinvestment zone of approximately 2,487.2-acre parcel located northwest of Sinton was the topic of a public hearing and action item during commissioners court meeting on Monday. In a packed courtroom, commissioners and the public gathered to discuss the potential a reinvestment zone could have in San Patricio County.

Representatives from the Corpus Christi Regional Economic Development Corporation (CCREDC) gave a presentation on the potential designation of a reinvestment zone would have on the county.

"What the statute asks of the commissioners is to find whether or not establishing a reinvestment zone, which allows certain incentives and other things that a project could qualify for, be established," Mike Culbertson, chief operating officer, CCREDC, told the commissioners.

The CCREDC is hoping to do this to be on better footing to land one of these projects for the region, Culbertson said.

"The project we're looking at but has not made a decision is a steel, flat roll mill," Culbertson said. "Don't think of this as Pittsburgh, early 20th century, think of this as TPCO, a large million-square foot building where all of this takes place."

The company is potentially looking to offer up to 500 jobs and have a salary of about $76,000, Culbertson said.

The company in question is Steel Dynamics, an Indiana-based steel manufacturing company. Representatives from Steel Dynamics were present at the commissioners court meeting and handed out an information sheet. The economic impact the project would bring is $1.8 billion, 600 new, highly skilled and well-paid jobs, additional construction jobs, a number of permanent indirect jobs to serve the new steel mill such as transportation, industrial suppliers, technical maintenance providers, general services and hospitality, and a planned steel industrial part next to the new steel mill, according to the handout.

Iain Vasey, president/CEO, CCREDC, said this is just the first step of many that need to be followed.

"This is the first step in saying can we do this or not," Vasey said. "Multiple cities and multiple states are still in competition for this project. This is kind of the first step we need to make in order to make proposals to this company."

Concerns during the public hearing were raised as to why nothing had been heard about the project. Vasey said this actually was the first hearing or first step in a multi-year process before any project would be green-lighted. Any public hearings are usually announced in the local paper prior to their scheduling so the public may attend and voice their opinions and concerns.

"When people say we never knew about it or never heard about it, there are events like this that we start to put the public on notice," Vasey said. " We don't have this project yet. We're a long way from having it."

"This is an excellent company that is a great corporate citizen everywhere they've ever been," said Foster Edwards, executive director, San Patricio County Economic Development Corporation. "We're excited that there are jobs coming to this side of the county."

Steel Dynamics employee compensation is above-market with a total compensation average of $100,000 plus in 2017. The company also has an excellent benefit program which includes education grants of $20,000 per child for full-time employees, employee educational assistance of $5,000 per employee per year, stock awards for all eligible employees, retirement/profit-sharing plans, as well as medical/dental/vision/disability/life insurance, according to the company handout.

Commissioner Nina Trevino said she was in favor of the reinvestment zone.

"It will help San Patricio County and we need growth on this part of the county and not just the east end," Trevino said. "We need to have it go all the way to Mathis."

San Patricio County Judge David Krebs said this reinvestment zone would be a "tremendous opportunity for that middle part of the county."

"Over the years we've seen growth on the east end and I've always thought the middle part of the county and the west part of the county deserves the growth and this would be an opportunity," Krebs said.

The legal description of the parcel designated as the San Patricio County Buffalo Steel Mill Reinvestment Zone is PT SEC 1 2 4 & 5 Eliza H. Welder, northwest of Sinton.

Commissioners unanimously approved the designation of the reinvestment zone. The zone establishes a place for potential industry to set up shop in the future and is not all allocated to one company.

Claudia Rivas
Assistant editor

San Patricio County approves tax incentives for Steel Dynamics mill

Tim Acosta, Corpus Christi Caller Times Published 9:43 a.m. CT Feb. 25, 2019 | Updated 2:57 p.m. CT Feb. 25, 2019

San Patricio County could be the site of a massive $1.8 billion flat roll steel mill, and local officials are doing what they can to make that a reality.

Members of the San Patricio County Commissioners Court on Monday voted to approve a 10-year tax abatement agreement that they hope will make Indiana-based Steel Dynamics select the area for its new mill. The company announced back in November it was looking at sites around the southwestern portion of the United States, and just last week confirmed San Patricio County as a site of interest.

The company is looking at several sites in Louisiana and Texas.

"At (Steel Dynamics), we pride ourselves on being very employee-oriented, customer-oriented, and actually we become part of the community — that's very, very important to us," said Glenn Pushis, senior vice president for Steel Dynamics.

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Russ Rinn, executive vice president of Steel Dynamics, and Glenn Pushis, the company's senior vice president, address the San Patricio County Commissioners Court on Feb. 25, 2019. *(Photo: Tim Acosta/Caller-Times)*

The Corpus Christi Caller-Times was first to report on the company's interest in the San Patricio site following a county commissioners meeting on Feb. 18.

More: $1.8 billion Steel Dynamics mill may come to San Patricio County in South Texas (/story/news/local/2019/02/18/south-texas-mix-1-8-billion-steel-dynamics-plant/2725522002/)

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The company's project has been celebrated by President Donald Trump as an example of new manufacturing jobs being created in the United States. The proposed site is located just outside Sinton, about two miles east of the intersection of State Highway 89 and U.S. Highway 77.

The economic incentives deal approved on Monday calls for taxes to be abated 100 percent during the first three years of the agreement. In years 4-10, those abatements will drop to 70 percent. The deal has benchmarks that the company must meet in order to maintain the tax abatements at their proposed levels. If they don't meet those benchmarks, the abatements will be reduced.

"This is going to be a tremendous, tremendous asset when you all come, not if, to this area," San Patricio County Judge David Krebs said to company officials, a reference to the fact Steel Dynamics has not yet made a final decision on its site for the new mill.

For instance, the deal calls for Steel Dynamics to create at least 500 full-time positions with health benefits and training, with no fewer than 150 of those spots to be filled by residents in San Patricio County or bordering counties. The agreement also requires the company to make "reasonable efforts" to fill construction positions with San Patricio County residents.

County leaders said the deal is the same as what was given to Gulf Coast Growth Ventures, a joint project with ExxonMobil and Saudi Basic Industries Corp. That project is still going through the permit approval process and has not begun construction.

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Pct. 4 San Patricio County Commissioner Howard Gillespie listens to County Judge David Krebs speak during a meeting on Feb. 25, 2019. *(Photo: Tim Acosta/Caller-Times)*

Because Steel Dynamics has not decided on a final site, San Patricio County officials have said the incentives and other moves are all part of efforts to bring the project to the area.

"We are in a situation where we have to compete against other places," said San Patricio Economic Development Corporation Executive Director Foster Edwards. "What a wonderful thing this is going to be for the county, for the Sinton area, for this part of the county. What a great company this is — we're excited about it."

Steel Dynamics representatives touted the company's high employee retention — as well as some of the incentives it offers to workers in the form of performance bonuses and stock options — as an example of the company's commitment to its workers.

It is committing to creating nearly 600 full-time positions, according to its application for incentives, with the annual average salary estimated to be a little more than $75,000.

San Patricio County commissioners voted Feb. 19 to create nearly 2,500 acres of land near Sinton — valued at nearly $3.7 million — as a reinvestment zone for the proposed steel mill, but it won't all be used solely for that project. It could also accommodate other industrial or manufacturing companies looking to locate to the area.

According to Steel Dynamics' incentives application, about the proposed steel mill will sit on about 1,000 acres of land, though a large portion of that will remain undisturbed in order to serve as a buffer. The site, if selected, will also undergo wetland delineation and environmental assessments.

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Steel Dynamics Inc. logo *(Photo: Contributed photo)*

Flat roll steel is produced through melting and rolling into sheets, strips and tin plate formats, according to the industry publication Corrosionpedia. It's used in motor vehicles, heavy machinery, pipes and tubes, construction, packaging and appliances, according to Corrosionpedia.

Reporter Chris Ramirez contributed to this report.

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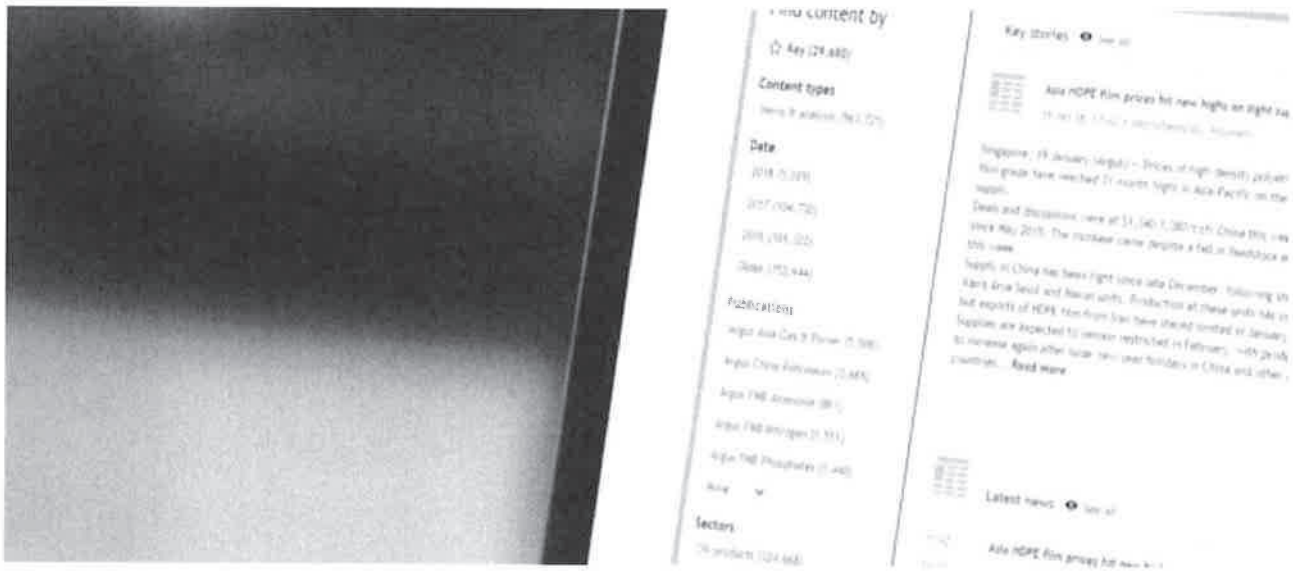

Attachment D

Summary of Financial Impact

CHAPTER 313 PROPERTY VALUE LIMITATION FINANCIAL IMPACT OF THE PROPOSED BUFFALO, LLC PROJECT IN THE SINTON INDEPENDENT SCHOOL DISTRICT

(PROJECT # 1354)

PREPARED BY

MOAK, CASEY & ASSOCIATES

SCHOOL FINANCE & ACCOUNTABILITY EXPERTS

JUNE 17, 2019

Executive Summary

Buffalo, LLC (Company) has requested that the Sinton Independent School District (SISD) consider granting a property value limitation under Chapter 313 of the Tax Code, also known as the Texas Economic Development Act. In an application submitted to SISD on March 4, 2019, the Company plans to invest $1.6 billion in additional taxable value to construct a steel manufacturing facility. Moak, Casey & Associates (MCA) has been retained to prepare an analysis of this value limitation and help the district navigate the overall application and agreement process.

The Buffalo project is consistent with the state's goal to "encourage large scale capital investments in this state." When enacted as House Bill 1200 in 2001, Chapter 313 of the Tax Code granted eligibility to companies engaged in manufacturing, research and development, and renewable electric energy production to apply to school districts for property value limitations. Subsequent legislative changes expanded eligibility to clean coal projects, nuclear power generation and data centers, among others.

Under the provisions of Chapter 313, SISD may offer a minimum value limitation of $20 million. This value limitation, under the proposed application, will begin in the 2022-23 school year and remain at that level of taxable value for Maintenance and Operations (M&O) tax purposes for ten years. The entire project value will remain taxable for I&S or debt service purposes for the term of the agreement.

MCA's initial school finance analysis is detailed in this report. This analysis incorporates to the fullest extent possible the changes approved in House Bill 3 (HB 3) as approved in 2019, the most significant school finance revisions in more than 30 years. The overall conclusions are as follows, but please read all of the subsequent details in the report below for more information.

Total Revenue Protection Payment Owed to SISD	$16.5 million
Total Savings to Company after Revenue Protetion Payment. (This does not include any supplemental benefit payments to the district.)	$118.0 million

Application Process

After the school district submits a Chapter 313 application to the Comptroller's Office (Comptroller), the Comptroller begins reviewing the application for completeness. The purpose of this review is to ensure all necessary information and attachments are included in the application before moving forward with the formal review process. The Completeness Letter for the Buffalo, LLC project was issued on May 13, 2019.

The issuance of a Completeness Letter is important because it sets the timeline for the rest of process. From the date of issuance, the Comptroller has 90 days to conduct its full review of

the project and provide its certificate for a limitation on appraised value. After the certificate is received, the district has until the 150th day from the receipt of the Completeness Letter to adopt an agreement, although extensions may be requested by the Company and granted by the District. The Certificate for this project was issued on June 5, 2019.

O'Hanlon, Demerath & Castilllo contacted the school district to discuss the value limitation agreement and began negotiations of the supplemental benefit payments with the Company. A final version of the agreement will be submitted to the Comptroller for review prior to final adoption by the school district's board of trustees.

Prior to the final board meeting, O'Hanlon, Demerath & Castilllo will provide the district with the necessary agenda language and any additional action items. The school board will review the Value Limitation Agreement and Findings of Fact that detail the project's conformance with state law. In some instances, a school board may also be required to adopt a job waiver or create a reinvestment zone during this meeting, although neither will be required in the board's consideration of the Buffalo, LLC application.

How the 313 Agreement Interacts with Texas School Finance

A taxpayer receiving a value limitation pays M&O taxes on the reduced value for the project in years 1-10 and receives a tax bill for I&S taxes based on the full project value throughout the qualifying and value limitation period (and thereafter).

M&O funding for Texas schools relies on two methods of finance: local school district property taxes and state aid. State aid consists of two components: Tier I (based on ADA, special student populations and M&O taxes at the compressed tax rate) and Tier II (based on weighted ADA for each penny of tax effort above a specified level). Recapture costs are primarily a Tier I issue, although Tier II also can involve recapture costs for some school districts.

The basic allotment is now set at $6,160 per weighted ADA (WADA) and is the basis for Tier I calculations. In the case of Tier II, the first eight cents of additional tax effort can be used to generate state aid of up to $98.56 per WADA for what are known as "golden" pennies. Tax effort for golden pennies is not subject to recapture. Up to an additional nine cents may be levied to generate $49.28 per WADA for what are known as "copper" pennies (generating half the revenue per WADA of the golden pennies).

Changes in the recapture calculation are an important part of HB 3. Rather than being tied to property wealth exceeding an equalized wealth level per WADA, recapture is now defined as the amount of revenue collected in excess of a district's Tier I allotment, or for Tier II the amount of collections in excess of the entitlement provided for tax effort generating copper-penny level state aid. (Golden pennies are not subject to recapture.) The changes in the recapture methodology may affect the results of revenue protection payments relative to what was calculated when the equalized wealth level was used to determine the amount of recapture owed the state by school districts subject to recapture. Recapture costs are an issue for several years in the analysis shown below.

Another significant school funding change is establishing current-year property values to determine state funding and recapture under the Foundation School Program. The traditional approach for the last 30 years has been to rely upon prior-year state property values as

determined annually under the Comptroller's State Property Value Study (Section 403 of the Government Code). The change in House Bill 3 calls for using current-year property values as determined by the Comptroller's Property Value Study, without an explanation as to how the property value study is to be completed on a real-time basis.

While school district funding will now be determined using current-year property values, House Bill 3 included language that addressed the property values to be used in determining calculating revenue protection payments under Chapter 313 agreements. This information is contained in Section 48.256(d), Education Code, as shown below:

d) This subsection applies to a school district in which the board of trustees entered into a written agreement with a property owner under Section 313.027, Tax Code, for the implementation of a limitation on appraised value under Subchapter B or C, Chapter 313, Tax Code. For purposes of determining "DPV" under Subsection (a) for a school district to which this subsection applies, the commissioner shall exclude a portion of the market value of property not otherwise fully taxable by the district under Subchapter B or C, Chapter 313, Tax Code, before the expiration of the subchapter. The comptroller shall provide information to the agency necessary for this subsection. **A revenue protection payment required as part of an agreement for a limitation on appraised value shall be based on the district's taxable value of property for the preceding tax year [emphasis added].**

Given the directive to use preceding-tax-year values to calculate revenue protection payments required under Chapter 313 agreements, the amounts calculated are expected to be consistent with the patterns shown since these calculations were first calculated under the standard Chapter 313 agreement language, dating back to 2004. The most significant impact is typically in the first limitation year, although major increases in project values in later limitation years may also trigger a revenue protection payment. The other factor that may generate a variance with the traditional pattern of revenue protection amounts is the new methodology used in the calculation of recapture, as noted previously.

The calculations shown below are based on the Section 48.254(d), Education Code directive to use preceding-tax-year property values to determine the revenue protection payment, if any, owed to the school district under the terms of the Chapter 313 Agreement between the Applicant and the School District. These calculations are to be made for each of the 10 limitation years under the terms of the Agreement. Chapter 313 will be subject to legislative renewal in 2021 and any changes made may impact these calculations moving forward.

(For more detailed information on the school finance funding system, please review the Texas Education Agency's (TEA) website (Manuals and Presentations) or (School Finance-One Page Descriptions). The current information is expected to be updated as the details of House Bill 3 implementation are determined by TEA.

The implementation of recent legislative action on school funding in House Bill 3 could potentially affect the impact of the value limitation on the school district's finances and result in revenue-loss estimates that differ from the estimates presented in this report.

Underlying School District Data Assumptions

The agreement between the school district and the applicant calls for a calculation of the revenue impact of the value limitation in years 1-10 of the agreement, under whatever school finance and property tax laws are in effect in each of those years. The Basic Allotment is now set to $6,160, the Tier II golden penny yield is set to $98.56 per WADA for up to eight cents, while the copper penny yield is $49.28 per WADA for up to nine cents of local tax effort. These amounts are maintained for future years at this time.

Static school district enrollment and property values are used to isolate the effects of the value limitation under the school finance system. Any previously-approved Chapter 313 projects are also factored into the M&O tax bases used.

ADA:	2,020
Local M&O Tax Base	$582.0 million
2019-20 M&O Tax Rate:	$1.0684 per $100 of Taxable Value
2020-21 Projected M&O Tax Rate:	$1.0548 per $100 of Taxable Value
I&S Tax Rate:	$0.2790 per $100 of Taxable Value

Table 1 summarizes the enrollment and property value assumptions for the 15 years that are the subject of this analysis.

Table 1 – Base District Information with Buffalo Project Value and Limitation Values

Year of Agreement	School Year	ADA	WADA	M&O Tax Rate	I&S Tax Rate	Sec. 48.256(d) District Revenue Protection District Property Value with Project	Sec. 48.256(d) District Revenue Protection District Property Value with Limitation	DPV Value with Project per WADA	DPV Value with Limitation per WADA
QTP0	2019-20	2,020.38	2,871.55	$1.0684	$0.2790	$514,046,286	$514,046,286	$179,014	$179,014
QTP1	2020-21	2,020.38	2,829.91	$1.0548	$0.2790	$565,069,726	$565,069,726	$199,678	$199,678
QTP2	2021-22	2,020.38	2,829.91	$1.0548	$0.2790	$1,432,137,367	$1,432,137,367	$506,072	$506,072
VL1	2022-23	2,020.38	2,829.91	$1.0548	$0.2790	$1,902,225,607	$1,902,225,607	$672,186	$672,186
VL2	2023-24	2,020.38	2,829.91	$1.0548	$0.2790	$2,166,839,607	$578,646,206	$765,692	$204,475
VL3	2024-25	2,020.38	2,829.91	$1.0548	$0.2790	$2,097,492,327	$578,646,206	$741,187	$204,475
VL4	2025-26	2,020.38	2,829.91	$1.0548	$0.2790	$2,030,079,993	$578,646,206	$717,366	$204,475
VL5	2026-27	2,020.38	2,829.91	$1.0548	$0.2790	$1,962,598,905	$578,646,206	$693,520	$204,475
VL6	2027-28	2,020.38	2,829.91	$1.0548	$0.2790	$1,895,045,439	$578,646,206	$669,649	$204,475
VL7	2028-29	2,020.38	2,829.91	$1.0548	$0.2790	$1,822,666,042	$578,646,206	$644,072	$204,475
VL8	2029-30	2,020.38	2,829.91	$1.0548	$0.2790	$1,750,457,234	$578,646,206	$618,556	$204,475
VL9	2030-31	2,020.38	2,829.91	$1.0548	$0.2790	$1,678,415,601	$578,646,206	$593,099	$204,475
VL10	2031-32	2,020.38	2,829.91	$1.0548	$0.2790	$1,606,537,801	$578,646,206	$567,699	$204,475
VP1	2032-33	2,020.38	2,829.91	$1.0548	$0.2790	$1,534,820,557	$578,646,206	$542,357	$204,475
VP2	2033-34	2,020.38	2,829.91	$1.0548	$0.2790	$1,463,260,658	$1,463,260,658	$517,070	$517,070
VP3	2034-35	2,020.38	2,829.91	$1.0548	$0.2790	$1,391,854,957	$1,391,854,957	$491,837	$491,837
VP4	2035-36	2,020.38	2,829.91	$1.0548	$0.2790	$1,320,600,370	$1,320,600,370	$466,658	$466,658
VP5	2036-37	2,020.38	2,829.91	$1.0548	$0.2790	$1,249,493,875	$1,249,493,875	$441,531	$441,531

***Basic Allotment: $6,160; Golden Penny Yield: $98.56; Copper Penny Yield: $49.28**

QTP=	Qualifying Time Period
VL=	Value Limitation
VP=	Viable Presence

M&O Impact of the Buffalo Project on SISD

A model is established to make a calculation of the "Baseline Revenue Model" (Table 2) by adding the total value of the project to the model, without assuming a value limitation is approved. A separate model is established to make a calculation of the "Value Limitation Revenue Model" (Table 3) by adding the project's limited value of $20 million to the model. The difference between the two models (Table 4) indicates there will be a total revenue loss of $16.5 million over the course of the Agreement, with all the loss reflected in the first limitation year (2022-23). Preceding-year-values are central to these calculations.

Table 2– "Baseline Revenue Model" --Project Value Added to DPV with No Value Limitation

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Other State Aid	Total General Fund
QTP0	2019-20	$5,450,550	$13,006,566	$0	$810,844	$2,711,528	$0	$70,732	$22,050,220
QTP1	2020-21	$13,098,506	$12,608,342	$0	$1,977,288	$5,723,687	$0	$0	$33,407,823
QTP2	2021-22	$17,320,690	$4,661,682	$0	$2,614,650	$1,433,014	-$28,920	$0	$26,001,116
VL1	2022-23	$19,988,484	$909,172	-$555,840	$3,017,367	$813,317	-$339,616	$0	$23,832,884
VL2	2023-24	$19,352,917	$417,342	-$1,983,063	$2,921,425	$485,408	-$438,617	$0	$20,755,412
VL3	2024-25	$18,735,084	$909,172	-$1,857,060	$2,828,159	$539,499	-$399,281	$0	$20,755,573
VL4	2025-26	$18,116,621	$417,342	-$746,767	$2,734,799	$591,322	-$360,964	$0	$20,752,353
VL5	2026-27	$17,497,495	$909,172	-$619,471	$2,641,339	$643,063	-$321,883	$0	$20,749,715
VL6	2027-28	$16,834,139	$419,138	$0	$2,541,202	$692,938	-$282,439	$0	$20,204,978
VL7	2028-29	$16,172,347	$1,082,494	$0	$2,441,301	$749,032	-$241,700	$0	$20,203,474
VL8	2029-30	$15,512,086	$1,744,286	$0	$2,341,631	$803,955	-$200,715	$0	$20,201,243
VL9	2030-31	$14,853,328	$2,404,546	$0	$2,242,188	$857,493	-$159,800	$0	$20,197,755
VL10	2031-32	$14,196,040	$3,063,305	$0	$2,142,967	$911,800	-$118,664	$0	$20,195,448
VP1	2032-33	$13,378,046	$3,720,592	$0	$2,019,486	$954,551	-$77,742	$0	$19,994,933
VP2	2033-34	$12,736,702	$4,376,438	$0	$1,922,672	$1,007,682	-$38,049	$0	$20,005,445
VP3	2034-35	$12,096,716	$5,030,870	$0	$1,826,063	$1,062,059	$0	$0	$20,015,708
VP4	2035-36	$11,458,060	$5,683,917	$0	$1,729,655	$1,152,536	$0	$0	$20,024,168
VP5	2036-37	$10,820,708	$6,335,606	$0	$1,633,443	$1,243,929	$0	$0	$20,033,686

QTP= Qualifying Time Period
VL= Value Limitation
VP= Viable Presence

Table 3– "Value Limitation Revenue Model" --Project Value Added to DPV with Value Limitation in Effect

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Other State Aid	Total General Fund
QTP0	2019-20	$5,450,550	$13,006,566	$0	$810,844	$2,711,528	$0	$70,732	$22,050,220
QTP1	2020-21	$13,098,506	$12,608,342	$0	$1,977,288	$5,723,687	$0	$0	$33,407,823
QTP2	2021-22	$17,320,690	$4,661,682	$0	$2,614,650	$1,433,014	-$28,920	$0	$26,001,116
VL1	2022-23	$5,432,719	$909,172	$0	$820,097	$220,846	-$92,069	$0	$7,290,765
VL2	2023-24	$5,432,719	$12,483,914	$0	$820,097	$2,300,548	$0	$0	$21,037,278
VL3	2024-25	$5,432,719	$12,483,914	$0	$820,097	$2,300,548	$0	$0	$21,037,278
VL4	2025-26	$5,432,719	$12,483,914	$0	$820,097	$2,300,548	$0	$0	$21,037,278
VL5	2026-27	$5,432,719	$12,483,914	$0	$820,097	$2,300,548	$0	$0	$21,037,278
VL6	2027-28	$5,432,719	$12,483,914	$0	$820,097	$2,300,548	$0	$0	$21,037,278
VL7	2028-29	$5,432,719	$12,483,914	$0	$820,097	$2,300,548	$0	$0	$21,037,278
VL8	2029-30	$5,432,719	$12,483,914	$0	$820,097	$2,300,548	$0	$0	$21,037,278
VL9	2030-31	$5,432,719	$12,483,914	$0	$820,097	$2,300,548	$0	$0	$21,037,278
VL10	2031-32	$5,432,719	$12,483,914	$0	$820,097	$2,300,548	$0	$0	$21,037,278
VP1	2032-33	$13,378,046	$12,483,914	$0	$2,019,486	$5,661,867	$0	$0	$33,543,313
VP2	2033-34	$12,736,702	$4,376,438	$0	$1,922,672	$1,007,682	-$38,049	$0	$20,005,445
VP3	2034-35	$12,096,716	$5,030,870	$0	$1,826,063	$1,062,059	$0	$0	$20,015,708
VP4	2035-36	$11,458,060	$5,683,917	$0	$1,729,655	$1,152,536	$0	$0	$20,024,168
VP5	2036-37	$10,820,708	$6,335,606	$0	$1,633,443	$1,243,929	$0	$0	$20,033,686

QTP= Qualifying Time Period
VL= Value Limitation
VP= Viable Presence

Table 4 – Value Limitation Revenue Model Less Baseline Revenue Model with No Limitation

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Other State Aid	Total General Fund
QTP0	2019-20	$0	$0	$0	$0	$0	$0	$0	$0
QTP1	2020-21	$0	$0	$0	$0	$0	$0	$0	$0
QTP2	2021-22	$0	$0	$0	$0	$0	$0	$0	$0
VL1	2022-23	-$14,555,765	$0	$555,840	-$2,197,270	-$592,471	$247,547	$0	-$16,542,119
VL2	2023-24	-$13,920,198	$12,066,572	$1,983,063	-$2,101,328	$1,815,140	$438,617	$0	$281,866
VL3	2024-25	-$13,302,365	$11,574,742	$1,857,060	-$2,008,062	$1,761,049	$399,281	$0	$281,705
VL4	2025-26	-$12,683,902	$12,066,572	$746,767	-$1,914,702	$1,709,226	$360,964	$0	$284,925
VL5	2026-27	-$12,064,776	$11,574,742	$619,471	-$1,821,242	$1,657,485	$321,883	$0	$287,563
VL6	2027-28	-$11,401,420	$12,064,776	$0	-$1,721,105	$1,607,610	$282,439	$0	$832,300
VL7	2028-29	-$10,739,628	$11,401,420	$0	-$1,621,204	$1,551,516	$241,700	$0	$833,804
VL8	2029-30	-$10,079,367	$10,739,628	$0	-$1,521,534	$1,496,593	$200,715	$0	$836,035
VL9	2030-31	-$9,420,609	$10,079,368	$0	-$1,422,091	$1,443,055	$159,800	$0	$839,523
VL10	2031-32	-$8,763,321	$9,420,609	$0	-$1,322,870	$1,388,748	$118,664	$0	$841,830
VP1	2032-33	$0	$8,763,322	$0	$0	$4,707,316	$77,742	$0	$13,548,380
VP2	2033-34	$0	$0	$0	$0	$0	$0	$0	$0
VP3	2034-35	$0	$0	$0	$0	$0	$0	$0	$0
VP4	2035-36	$0	$0	$0	$0	$0	$0	$0	$0
VP5	2036-37	$0	$0	$0	$0	$0	$0	$0	$0

QTP= Qualifying Time Period
VL= Value Limitation
VP= Viable Presence

M&O Impact on the Taxpayer

Under the assumptions used here, the potential tax savings from the value limitation total $134.6 million over the life of the agreement. (See Table 5.) As noted previously, SISD revenue losses are expected to total approximately $16.5 million over the course of the agreement, with the focus on the first limitation year. The total potential net tax benefits (after hold-harmless payments are made) are estimated to total $118.0 million, prior to any negotiations with Buffalo on supplemental payments.

Table 5 - Estimated Financial Impact of the Buffalo Project Property Value Limitation Request Submitted to SISD at $1.05485 per $100 M&O Tax Rate

Year of Agreement	School Year	Project Value	Estimated Taxable Value	Value Savings	Assumed M&O Tax Rate	Taxes Before Value Limit	Taxes after Value Limit	Tax Savings @ Projected M&O Rate	School District Revenue Losses	Estimated Net Tax Benefits
QTP0	2019-20	$0	$0	$0	$1.06835	$0	$0	$0	$0	$0
QTP1	2020-21	$870,279,401	$870,279,401	$0	$1.05485	$9,180,129	$9,180,129	$0	$0	$0
QTP2	2021-22	$1,343,579,401	$1,343,579,401	$0	$1.05485	$14,172,727	$14,172,727	$0	$0	$0
VL1	2022-23	$1,608,193,401	$20,000,000	$1,588,193,401	$1.05485	$16,964,004	$210,970	$16,753,034	-$16,542,119	$210,916
VL2	2023-24	$1,538,846,121	$20,000,000	$1,518,846,121	$1.05485	$16,232,495	$210,970	$16,021,526	$0	$16,021,526
VL3	2024-25	$1,471,433,787	$20,000,000	$1,451,433,787	$1.05485	$15,521,397	$210,970	$15,310,428	$0	$15,310,428
VL4	2025-26	$1,403,952,699	$20,000,000	$1,383,952,699	$1.05485	$14,809,574	$210,970	$14,598,604	$0	$14,598,604
VL5	2026-27	$1,336,399,233	$20,000,000	$1,316,399,233	$1.05485	$14,096,987	$210,970	$13,886,018	$0	$13,886,018
VL6	2027-28	$1,264,019,836	$20,000,000	$1,244,019,836	$1.05485	$13,333,494	$210,970	$13,122,525	$0	$13,122,525
VL7	2028-29	$1,191,811,028	$20,000,000	$1,171,811,028	$1.05485	$12,571,801	$210,970	$12,360,831	$0	$12,360,831
VL8	2029-30	$1,119,769,395	$20,000,000	$1,099,769,395	$1.05485	$11,811,871	$210,970	$11,600,901	$0	$11,600,901
VL9	2030-31	$1,047,891,595	$20,000,000	$1,027,891,595	$1.05485	$11,053,669	$210,970	$10,842,699	$0	$10,842,699
VL10	2031-32	$976,174,351	$20,000,000	$956,174,351	$1.05485	$10,297,161	$210,970	$10,086,191	$0	$10,086,191
VP1	2032-33	$904,614,452	$904,614,452	$0	$1.05485	$9,542,312	$9,542,312	$0	$0	$0
VP2	2033-34	$833,208,751	$833,208,751	$0	$1.05485	$8,789,090	$8,789,090	$0	$0	$0
VP3	2034-35	$761,954,164	$761,954,164	$0	$1.05485	$8,037,462	$8,037,462	$0	$0	$0
VP4	2035-36	$690,847,669	$690,847,669	$0	$1.05485	$7,287,396	$7,287,396	$0	$0	$0
VP5	2036-37	$619,886,304	$619,886,304	$0	$1.05485	$6,538,861	$6,538,861	$0	$0	$0
						$200,240,431	**$65,657,675**	**$134,582,756**	**-$16,542,119**	**$118,040,638**

QTP= Qualifying Time Period
VL= Value Limitation
VP= Viable Presence

Note: School district revenue-loss estimates are subject to change based on numerous factors, including:

- **Legislative and Texas Education Agency administrative changes to the underlying school finance formulas used in these calculations, which could be significant under HB 3.**
- **Legislative changes addressing property value appraisals and exemptions.**
- **Year-to-year appraisals of project values and district taxable values.**
- **Changes in school district tax rates and student enrollment.**

I&S Funding Impact on School District

The project remains fully taxable for debt services taxes, with SISD currently levying a $0.2790 per $100 I&S tax rate. While the project is expected to depreciate over the life of the agreement and beyond, local taxpayers should benefit from the addition of the Buffalo project to the local I&S tax roll, with a maximum $0.20 reduction in the I&S at the peak project value, as shown in Table 6 below.

Given that the Buffalo project reflects a commitment to 500 qualifying jobs once the plant begins full-time operations, the expansion of the housing stock within SISD could result in increased enrollment on the District's campuses. While it is too early to assess the impact of these changes on the scale or timing of future enrollment in SISD, the growth in the underlying tax base associated with the Buffalo project provides the District with the potential to meet its future educational facility needs, as developments in the Sinton community unfold.

Table 6 - Estimated Impact of the Buffalo Project Property Value Limitation Request on SISD I&S Tax Rate

Year of Agreement	School Year	I&S Rate w/out Project	Local Value w/out Project	I&S Taxes w/out Project	Project at Full Taxable Value	I&S Rate with Project Value	Change in I&S Rate
QTP0	2019-20	$0.2790	$633,005,926	$1,766,087	$0	$0.279000	$0.0000
QTP1	2020-21	$0.2790	$633,005,926	$1,766,087	$870,279,401	$0.117482	-$0.1615
QTP2	2021-22	$0.2790	$633,005,926	$1,766,087	$1,343,579,401	$0.089350	-$0.1896
VL1	2022-23	$0.2790	$633,005,926	$1,766,087	$1,608,193,401	$0.078801	-$0.2002
VL2	2023-24	$0.2790	$633,005,926	$1,766,087	$1,538,846,121	$0.081317	-$0.1977
VL3	2024-25	$0.2790	$633,005,926	$1,766,087	$1,471,433,787	$0.083922	-$0.1951
VL4	2025-26	$0.2790	$633,005,926	$1,766,087	$1,403,952,699	$0.086702	-$0.1923
VL5	2026-27	$0.2790	$633,005,926	$1,766,087	$1,336,399,233	$0.089676	-$0.1893
VL6	2027-28	$0.2790	$633,005,926	$1,766,087	$1,264,019,836	$0.093098	-$0.1859
VL7	2028-29	$0.2790	$633,005,926	$1,766,087	$1,191,811,028	$0.096782	-$0.1822
VL8	2029-30	$0.2790	$633,005,926	$1,766,087	$1,119,769,395	$0.100759	-$0.1782
VL9	2030-31	$0.2790	$633,005,926	$1,766,087	$1,047,891,595	$0.105068	-$0.1739
VL10	2031-32	$0.2790	$633,005,926	$1,766,087	$976,174,351	$0.109751	-$0.1692
VP1	2032-33	$0.2790	$633,005,926	$1,766,087	$904,614,452	$0.114858	-$0.1641
VP2	2033-34	$0.2790	$633,005,926	$1,766,087	$833,208,751	$0.120452	-$0.1585
VP3	2034-35	$0.2790	$633,005,926	$1,766,087	$761,954,164	$0.126605	-$0.1524
VP4	2035-36	$0.2790	$633,005,926	$1,766,087	$690,847,669	$0.133405	-$0.1456
VP5	2036-37	$0.2790	$633,005,926	$1,766,087	$619,886,304	$0.140961	-$0.1380

IFA and EDA state aid are now based on current-year values, which could affect the tax rate needed for bond payments in districts eligible for these funds. The tax base growth associated with the Buffalo project is expected to leave future school district debt in SISD locally funded, as reflected in this table.

Attachment E

Taxable Value of Property

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Glenn Hegar
Texas Comptroller of Public Accounts

Taxes

Property Tax Assistance

2017 ISD Summary Worksheet

205/San Patricio

205-906/Sinton ISD

Category	Local Tax Roll Value	2017 WTD Mean Ratio	2017 PTAD Value Estimate	2017 Value Assigned
A. Single-Family Residences	219,254,006	.9688	226,315,035	219,254,006
B. Multi-Family Residences	2,398,637	N/A	2,398,637	2,398,637
C1. Vacant Lots	11,124,651	N/A	11,124,651	11,124,651
C2. Colonia Lots	0	N/A	0	0
D1. Rural Real(Taxable)	32,677,340	.8683	37,635,553	32,677,340
D2. Real Prop Farm & Ranch	24,903	N/A	24,903	24,903
E. Real Prop NonQual Acres	58,909,511	.9409	62,609,747	58,909,511
F1. Commercial Real	42,802,213	.9624	44,474,452	42,802,213
F2. Industrial Real	67,620,485	N/A	67,620,485	67,620,485
G. Oil, Gas, Minerals	2,729,820	N/A	2,729,820	2,729,820
J. Utilities	86,389,095	.9870	87,526,945	86,389,095
L 1. Commercial Personal	13,747,107	N/A	13,747,107	13,747,107
L2. Industrial Personal	17,566,560	N/A	17,566,560	17,566,560
M. Other Personal	5,706,124	N/A	5,706,124	5,706,124
N. Intangible Personal Prop	0	N/A	0	0
O. Residential Inventory	0	N/A	0	0
S. Special Inventory	0	N/A	0	0
Subtotal	560,950,452		579,480,019	560,950,452
Less Total Deductions	143,259,527		145,988,522	143,259,527
Total Taxable Value	417,690,925		433,491,497	417,690,925 T2

The taxable values shown here will not match the values reported by your appraisal district

See the ISD DEDUCTION Report for a breakdown of deduction values

Government code subsections 403.302 (J) AND (K) require the Comptroller to certify alternative measures of school district wealth. These measures are reported for taxable values for maintenance and operation (M&O) tax purposes and for interest and sinking fund (I&S) tax purposes. For districts that have not entered into value limitation agreements, T1 through T4 will be the same as T7 through T10.

Value Taxable For M&O Purposes

T1	T2	T3	T4
434,418,389	417,690,925	434,418,389	417,690,925

Loss To the Additional $10,000 Homestead Exemption	50% of the loss to the Local Optional Percentage Homestead Exemption
16,727,464	0

T1 = School district taxable value for M&O purposes before the loss to the additional $10,000 homestead exemption

T2 = School district taxable value for M&O purposes after the loss to the additional $10,000 homestead exemption and the tax ceiling reduction

T3 = T1 minus 50% of the loss to the local optional percentage homestead exemption

T4 = T2 minus 50% of the loss to the local optional percentage homestead exemption

Value Taxable For I&S Purposes

T7	T8	T9	T10
488,653,589	471,926,125	488,653,589	471,926,125

T7 = School district taxable value for I&S purposes before the loss to the additional $10,000 homestead exemption

T8 = School district taxable value for I&S purposes after the loss to the additional $10,000 homestead exemption and the tax
ceiling reduction

T9 = T7 minus 50% of the loss to the local optional percentage homestead exemption

T10 = T8 minus 50% of the loss to the local optional percentage homestead exemption

The PVS found your local value to be valid, and local value was certified

Attachment F

TEA's Facilities Value

Attachment G

Participation Agreement