

# APPLICATION FOR APPRAISED VALUE LIMITATION ON QUALIFIED PROPERTY (Tax Code, Chapter 313, Subchapter B or C)

Supplemented 10/6/09

School district name <b>Seguin Independent School District</b>	Date application filed with district (To be filed in by school district) <b>8/31/09</b>
Address <b>1221 E. Kingsbury Seguin, TX 78155</b>	Phone (area code and number) <b>(830) 372-5771</b>

This form applies to property that meets the requirements of Tax Code Chapter 313. This completed application must be filed with the school district. If the governing body decides to consider this application, the school district must immediately forward three copies of the application to the Comptroller of Public Accounts and request that the Comptroller provide an economic impact evaluation of the application to the school district. 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 Texas Administrative Code Rule 9.1054, to provide information required by the application form that was unavailable prior to the filing date. The school district must forward the supplemental or amended information to the comptroller and the appraisal district. The school board shall approve or disapprove this application before the 121st day from the application filing date, unless an extension is granted.

<b>Step 1: Applicant name and address</b>	Only entities to which Tax Code Chapter 171 applies are eligible for appraised value limitations on qualified property.		
	Applicant name: <b>Caterpillar Inc.</b>		
	Mailing address: <b>100 N.E. Adams Street</b>		
	Texas Taxpayer I.D. Number of entity subject to Tax Code, Chapter 171 (11 digits): <b>1-37-0602744-1</b>	City, State: <b>Peoria, Illinois</b>	ZIP code + 4: <b>61629-4295</b>
	Name of person preparing this application: <b>Andrew Yeo</b>	Title: <b>Facility Planning Manager</b>	
	Phone (area code and number): <b>(309) 494-1560</b>		

<b>Step 2: Describe the property.</b>	(A) Attach the following items to this application:	
	1. A specific description of all property for which you are requesting an appraised value limitation as defined by Tax Code §313.021(2). Include a description of the land, describe each proposed improvement, and each proposed item of personal property for which you are seeking a limitation. Include each existing appraisal district account number and the legal description of the land, attach a detailed map showing the actual or proposed location of the land and proposed improvements and showing the actual or proposed boundaries and size of the reinvestment zone or enterprise zone in which the property will be located. Attach the order, resolution or ordinance establishing the zone, and the guidelines and criteria for creating the zone (if applicable).	
	2. A fully 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.	
	3. A map of the reinvestment zone boundaries, certified to be accurate by either the governmental entity creating the zone, the local appraisal district, or a licensed surveyor.	
	(B) Answer the following questions:	
	1. What is the first tax year of your proposed qualifying time period (as defined by Tax Code §313.021(4))?	<u>2010</u>
	2. What is the amount of qualified investment, as defined by Tax Code §313.021(1), that will be made during the 2-year qualifying time period? . . . .	<u>\$ 138,500,000</u>
	3. What is the amount of appraised value limitation for which you are applying? . . . .	<u>\$ 80,000,000</u>
	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 rural, and the school district's property value. For assistance in determining these minimums, access the comptroller's Web site at <a href="http://www.window.state.tx.us/taxinfo/proptax/hb1200/values.html">http://www.window.state.tx.us/taxinfo/proptax/hb1200/values.html</a> .	

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**Step 3:**

Answer these questions about property and job qualifications.

1. Do you propose to construct a new building or to erect or affix a new improvement after the date you submit this application?  Yes  No
2. Will all of the property for which you are requesting an appraised value limitation be free of a tax abatement agreement entered into by a school district for the duration of the qualifying time period, and for the duration of the appraised value limitation?  Yes  No
3. Is the land on which you propose new construction or improvement 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
  - 3(a) If you answered "no" to the question above, are you seeking an agreement with a taxing unit that, prior to the first day of the qualifying time period, will result in a reinvestment zone with boundaries encompassing the land on which you propose new construction or improvement?  Yes  No  
 Date of anticipated agreement? August 18, 2009 Seguin city council meeting
4. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or 313.053 for rural school districts) for the relevant school district category?  Yes  No
5. On the land and in connection with the new building or other improvement, do you plan to create at least 25 new jobs (at least 10 new jobs for rural school districts)?  Yes  No
6. Will at least 80 percent of all the new jobs created by the property owner be qualifying jobs as defined by Tax Code §313.021(3)?  Yes  No
  - 6(a) If you answered "yes" to the question above, attach documentation from the Texas Workforce Commission that the new qualifying jobs meet the requirements of Tax Code §313.021(3)(E) or 313.051(b).
7. Do you intend to request that the governing body waive the minimum jobs creation requirement, as provided under Tax Code §313.025(f-1)?  Yes  No
  - 7(a) If you answered "yes" to the question above, attach evidence documenting that the job creation requirement (5) above exceeds the number of employees necessary for the operation, according to industry standards.
8. Except for new equipment described in Tax Code §151.318(q) or (q-1), is the proposed tangible personal property to be placed in service for the first time
  - a) in or on the new building or other new improvement for which you are applying for an appraised value limitation, or
  - b) if not in or on the new building or other new improvement for which you are applying for an appraised value limitation, is the personal property necessary and ancillary to the business conducted in the new building or other new improvement, and is the personal property on the same parcel of land as the building for which you are applying for an appraised value limitation?  Yes  No  N/A  
 ["First placed in service" means the first use of the property by the taxpayer.]
9. The property will be used as an integral part, or as a necessary auxiliary part, in one of the following activities as defined by Tax Code §313.024(b):
  - manufacturing;  Yes  No
  - research and development  Yes  No
  - a clean coal project;  Yes  No
  - an advanced clean energy project  Yes  No
  - renewable energy electric generation;  Yes  No
  - electric power generation using integrated gasification combined cycle technology; or  Yes  No
  - nuclear electric power generation  Yes  No
10. Are you an entity to which Tax Code, Chapter 171 applies?  Yes  No

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**Step 4:**  
Answer these questions about investment, property value and employment.

1. Will the investment in real or personal property you propose to be counted toward the minimum qualified investment required by Tax Code §313.023, (or 313.053 for rural school districts) be first placed in service in this state during the applicable qualifying time period?  Yes  No
2. Does the investment in tangible personal property meet the requirements of Tax Code §313.021(1)?  Yes  No  N/A
3. If the proposed investment includes a building or a permanent, non-removable component of a building, does it house tangible personal property described above?  Yes  No  N/A
4. Will you own the property or lease the property under a capitalized lease? If leased, attach a copy of the lease agreement...  Yes  No
5. Are you including property that is owned by a person other than the applicant and that is pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment?  Yes  No

**Step 5:**  
Economic Impact

Please answer the following questions.

1. Applicant's 6-digit North American Industry Classification System (NAICS) code: 333618
2. Is Schedule A completed for all years and attached?  Yes  No
3. Is Schedule B completed for all years and attached?  Yes  No
4. Is Schedule C completed for all years and attached?  Yes  No
5. Total number of new jobs that will have been created when fully operational: 1,099
6. Total number of new jobs identified in (5) above that will have wages greater than 110 percent of the county average weekly wage for manufacturing jobs\*: N/A
7. Total number of new jobs identified in (5) above that will meet all the criteria for "qualifying jobs" as specified in Tax Code §313.021(3): 879
8. Describe each type of benefits to be offered to qualifying jobholders. Explain.  
**SEE ATTACHMENT: G**
- 8(a) Will the jobs created offer at least 80 percent of the premiums or other charges assessed for employee-only coverage under the group health benefit plan for qualifying jobholders?  Yes  No
9. Describe the ability of your company to locate or relocate in another state or another region of the state.  
**SEE ATTACHMENTS: A&H**
10. Describe the current economic condition of the region of the state where the property is located.  
**SEE ATTACHMENT: I**

\*Applicants to rural school districts that are not located in an SIA (see §313.051(a)(2)) must meet the regional wage standard described in 313.051(b).

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<p><b>Step 6:</b> Applicant sign and date application.</p>	<p>By signing this application, you certify that this information is true and correct to the best of your knowledge and belief. Also by signing this application, you agree to respond promptly to all information requests made by the comptroller under Tax Code §313.032 and to send updated contact information to the comptroller throughout the agreement period.</p> <p>print name <u>Gary Strong</u> Vice President  <small>Name of authorized company officer Title</small></p> <p>sign here <u><i>[Signature]</i></u> <u>28-AUGUST-2009</u>  <small>Signature of authorized company officer Date</small></p> <p>On behalf of <u>Caterpillar, Inc.</u>  <small>Name of corporation/company</small></p>
<p>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 §37.10.</p>	
<p><b>Step 7:</b> School district official sign and date application.</p>	<p>By signing below, I affirm that I have been delegated the authority by the school district governing body to act on its behalf with regard to this application for a limitation on appraised value.</p> <p>print name <u>Dr. Irene Garza</u> Superintendent  <small>Name of authorized school district official Title</small></p> <p>sign here <u><i>[Signature]</i></u> <u>8/31/09</u>  <small>Signature of authorized school district official Date</small></p> <p>On behalf of <u>Seguin, ISD</u>  <small>Name of school district</small></p>

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*[Signature]* 10/27/09

SCHEDULE A-3676 (Temporary - July 2009): INVESTMENT & TAXES

PROPERTY INVESTMENT AMOUNTS (\$)				TAX INFORMATION							
(Estimated Investment in each year. Do not put cumulative totals.)				Column A: Tangible Personal Property: the amount of new investment (original cost) placed in service during this year	Column B: Building or nonresidential component of building (gross amount only)	Column C: Sum of A and B - Qualifying investment (during the qualifying time period)	Column D: Other investment that is not qualified investment (during the qualifying time period)	Column E: Total Investment (A+B+D)	Column F: Estimate of total annual expenditures* subject to state sales tax	Column G: Estimate of total annual expenditures* NOT subject to state tax	Column H: Estimate of Franchise tax cost from (a) the applicant or (b) the applicant
Year	Tax Year (in actual tax year basis)	Investment made before filing application with district (whether qualified property or eligible to become qualified property)	Investment made after filing application with district, but before application approval (eligible to become qualified property)	1	2	3	4	5	6	7	8
2009	2009	0	0	0	0	0	0	1,500,000.00	219,400,000	89,810,000	0
2010	2010	0	0	0	0	0	0	0	242,700,000	93,735,000	0
2011	2011	112,700,000.00	0	25,600,000.00	136,600,000.00	30,000	0	136,630,000.00	28,900,000	932,775,000	0
2012	2012	2,000,000.00	0	30,000	2,030,000.00	50,000	0	2,080,000.00	38,900,000	933,490,000	0
2013	2013	2,000,000.00	0	30,000	2,030,000.00	50,000	0	2,080,000.00	38,900,000	934,100,000	0
2014	2014	2,000,000.00	0	30,000	2,030,000.00	50,000	0	2,080,000.00	38,900,000	934,100,000	0
2015	2015	2,000,000.00	0	30,000	2,030,000.00	50,000	0	2,080,000.00	38,900,000	934,100,000	0
2016	2016	2,000,000.00	0	30,000	2,030,000.00	50,000	0	2,080,000.00	38,900,000	934,100,000	0
2017	2017	2,000,000.00	0	30,000	2,030,000.00	50,000	0	2,080,000.00	38,900,000	934,100,000	0
2018	2018	2,000,000.00	0	30,000	2,030,000.00	50,000	0	2,080,000.00	38,900,000	934,100,000	0
2019	2019	2,000,000.00	0	30,000	2,030,000.00	50,000	0	2,080,000.00	38,900,000	934,100,000	0
2020	2020	2,000,000.00	0	30,000	2,030,000.00	50,000	0	2,080,000.00	38,900,000	934,100,000	0
2021	2021	2,000,000.00	0	30,000	2,030,000.00	50,000	0	2,080,000.00	38,900,000	934,100,000	0
2022	2022	2,000,000.00	0	30,000	2,030,000.00	50,000	0	2,080,000.00	38,900,000	934,100,000	0
2023	2023	2,000,000.00	0	30,000	2,030,000.00	50,000	0	2,080,000.00	38,900,000	934,100,000	0
2024	2024	2,000,000.00	0	30,000	2,030,000.00	50,000	0	2,080,000.00	38,900,000	934,100,000	0

Qualifying Time Period usually begins with the approval of the application and extends generally for the following two complete tax years.

Column A: This represents the total dollar amount of planned investment in tangible personal property the applicant certifies qualified investments, as defined in Tax Code §313.021(1)(A)-(D). For the purposes of investment, please list amount invested each year, not cumulative totals. (For the years outside the qualifying time period, this number should simply represent the planned investment to tangible personal property. Include estimates of investment for "replacement" property/property that is part of signed agreement but scheduled for probable replacement during limitation period.)

Column B: The total dollar amount of planned investment each year in buildings or nonresidential components of buildings that the applicant certifies qualified investment under Tax Code §313.021(1)(B). For the years outside the qualifying time period, this number should simply represent the planned investment in new buildings or nonresidential components of buildings.

Column D: Dollar value of other investment that may not be qualified investment but that may still affect economic impact and total value. The most significant example for many projects would be land. Other examples may be items such as professional services, etc. Note: Land can be listed as part of investment during the "year-year 1" time period. It cannot be part of qualifying investment.

\* For planning, construction and operation of the facility.

Note: Information related to items in Columns F through H, for the year preceding the first complete year of the qualifying time period, need not be broken out by the time periods used for the requested investment information in Columns A through E. Note: For advanced clean energy projects, without projects projects with deferred qualifying time periods, and projects with lengthy application review periods, least additional items as needed.

The information on this schedule is required pursuant to the provisions of HB 2676, 81st Legislature, effective June 18, 2009. Additionally, the Commission is authorized by 34 TAC § 9.1857(b) to request information from the school district or applicant that is reasonably necessary to complete the recommendations or economic impact evaluation at any time during the application review period.

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**SCHEDULE B-3676 (Temporary - July 2009): ESTIMATED MARKET AND TAXABLE VALUE**

All figures here are to be cumulative

	Year	Qualified Property				Reductions from market value (exemptions, etc)		Estimated Taxable Value	
		Column A: Estimated Market Value of Land	Column B: Estimated Total Market Value of new buildings or other new improvements	Column C: Estimated Total Market Value of tangible personal property in the new building or "in or on the new improvement"	D: Due to pollution control property (estimated or actual as appropriate)	E: Due to other exemptions	F: Estimated total taxable value for I&S: (A+B+C)-(D+E)	G: Estimated total taxable value for M&C. (Column F amount with the limitation value in years 3-10)	
	pre-year 1	\$ 665,820.00	\$0.00	\$0.00	\$0.00	\$0.00	\$ 665,820.00	\$ 665,820.00	
	1	\$ 6,500,000.00	\$16,200,000.00	\$0.00	\$0.00	\$0.00	\$ 22,700,000.00	\$ 21,700,000.00	
	2	\$ 6,500,000.00	\$34,100,000.00	\$ 84,500,000.00	\$ 2,500,000.00	\$0.00	\$ 122,600,000.00	\$ 122,600,000.00	
	3	\$ 6,500,000.00	\$34,100,000.00	\$ 80,300,000.00	\$ 2,400,000.00	\$0.00	\$ 118,500,000.00	\$ 80,000,000.00	
	4	\$ 6,500,000.00	\$34,100,000.00	\$ 75,900,000.00	\$ 2,200,000.00	\$0.00	\$ 114,300,000.00	\$ 80,000,000.00	
	5	\$ 6,500,000.00	\$34,100,000.00	\$ 71,200,000.00	\$ 2,000,000.00	\$0.00	\$ 109,800,000.00	\$ 80,000,000.00	
	6	\$ 6,500,000.00	\$34,100,000.00	\$ 66,300,000.00	\$ 1,800,000.00	\$0.00	\$ 105,100,000.00	\$ 80,000,000.00	
	7	\$ 6,500,000.00	\$34,100,000.00	\$ 61,400,000.00	\$ 1,700,000.00	\$0.00	\$ 100,300,000.00	\$ 80,000,000.00	
	8	\$ 6,500,000.00	\$34,100,000.00	\$ 56,100,000.00	\$ 1,500,000.00	\$0.00	\$ 95,200,000.00	\$ 80,000,000.00	
	9	\$ 6,500,000.00	\$34,100,000.00	\$ 50,600,000.00	\$ 1,300,000.00	\$0.00	\$ 89,900,000.00	\$ 80,000,000.00	
	10	\$ 6,500,000.00	\$34,100,000.00	\$ 45,600,000.00	\$ 1,200,000.00	\$0.00	\$ 85,000,000.00	\$ 80,000,000.00	
	11	\$ 6,500,000.00	\$34,100,000.00	\$ 42,500,000.00	\$ 1,000,000.00	\$0.00	\$ 82,100,000.00	\$ 80,000,000.00	
	12	\$ 6,500,000.00	\$34,100,000.00	\$ 40,100,000.00	\$ 1,000,000.00	\$0.00	\$ 78,700,000.00	\$ 78,700,000.00	
	13	\$ 6,500,000.00	\$34,100,000.00	\$ 38,200,000.00	\$ 1,000,000.00	\$0.00	\$ 77,800,000.00	\$ 77,800,000.00	
	14	\$ 6,500,000.00	\$34,100,000.00	\$ 42,000,000.00	\$ 1,000,000.00	\$0.00	\$ 81,500,000.00	\$ 81,500,000.00	
	15	\$ 6,500,000.00	\$34,100,000.00	\$ 46,000,000.00	\$ 1,000,000.00	\$0.00	\$ 87,600,000.00	\$ 87,600,000.00	
	Complete tax years of qualifying time period								
Tax Credit Period (with 50% cap on credit)									
Credit Settle-Up Period									
Post-Settle-Up Period									

The information on this schedule is required pursuant to the provisions of HB 3676, 61st Legislature, effective June 19, 2009. Additionally, the Comptroller is authorized by 34 TAC § 9.1057(b) to request information from the school district or applicant that is reasonably necessary to complete the recommendation or economic impact evaluation at any time during the application review period.

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**SCHEDULE C-3676 (Temporary - July 2009): EMPLOYMENT INFORMATION**

	Year	Tax Year (fill in actual tax year)	Existing Jobs		Construction		Permanent New Jobs		Qualifying Jobs	
			Column A: Number of permanent existing full time jobs prior to application	Column B: Number of Construction FTE's or man- hours (specify)	Column C: Average annual wage rates for construction workers	Column D: Total number of permanent full- time new jobs applicant commits to create	Column E: Average annual wage rate for all permanent new jobs for each year	Column F: Number of qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3)	Column G: Avg. annual wage of qualifying jobs	
	pre-year 1	2009	0	170	52,280	15	\$ 35,439.00	12	\$ 38,581.00	
	1	2010	0	38	52,280	248	\$ 35,439.00	188	\$ 38,581.00	
	2	2011	0	0		525	\$ 35,439.00	420	\$ 38,581.00	
	3	2012	0	0		750	\$ 35,439.00	600	\$ 38,581.00	
	4	2013	0	0		1,099	\$ 35,439.00	879	\$ 38,581.00	
	5	2014	0	0		1,099	\$ 35,439.00	879	\$ 38,581.00	
	6	2015	0	0		1,099	\$ 35,439.00	879	\$ 38,581.00	
	7	2016	0	0		1,099	\$ 35,439.00	879	\$ 38,581.00	
	8	2017	0	0		1,099	\$ 35,439.00	879	\$ 38,581.00	
	9	2018	0	0		1,099	\$ 35,439.00	879	\$ 38,581.00	
	10	2019	0	0		1,099	\$ 35,439.00	879	\$ 38,581.00	
	11	2020	0	0		1,099	\$ 35,439.00	879	\$ 38,581.00	
	12	2021	0	0		1,099	\$ 35,439.00	879	\$ 38,581.00	
	13	2022	0	0		1,099	\$ 35,439.00	879	\$ 38,581.00	
	14	2023	0	0		1,099	\$ 35,439.00	879	\$ 38,581.00	
	15	2024	0	0		1,099	\$ 35,439.00	879	\$ 38,581.00	
Tax Credit Period (with 50% cap on credit)										
Credit Settle-Up Period										
Post-Settle-Up Period										
Post-Settle-Up Period										

The information on this schedule is required pursuant to the provisions of HB 3676, 81st Legislature, effective June 19, 2009. Additionally, the Comptroller is authorized by 34 TAC § 8.1057(b) to request information from the school district or applicant that is reasonably necessary to complete the recommendation or economic impact evaluation at any time during the application review period.

Note: Section 313.024(4) Tax Code requires that, to be eligible for a limitation, 60 percent of all new jobs must be qualifying jobs.

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**Temporary Addendum to Application for Appraised Value Limitation on  
Qualified Property - July 2009**

The 81<sup>st</sup> Legislature passed HB 3676, which made changes to Texas Tax Code, Chapter 313<sup>1</sup>, including more information required to be analyzed in the Comptroller's economic impact evaluation (§313.026(a)). In order to facilitate completion of the evaluation, please provide the following: including temporary supplemental schedules A, B & C to collect information needed for HB 3676. The information on this addendum and additional schedules is required pursuant to the provisions of HB 3676, 81st Legislature, effective June 19, 2009. Additionally, the Comptroller is authorized by 34 TAC § 9.1057(b) to request information from the school district or applicant that is reasonably necessary to complete the recommendation or economic impact evaluation at any time during the application review period. (Note: Should the applicant anticipate the need to keep any of the requested information in the application, addendum or supplemental schedules confidential, please read the attachment entitled 'Confidential Information submitted to the Comptroller' at the end of this addendum.)

Applicant name CATERPILLAR INC.

Please describe the general nature of the applicant's investment:

The new facility will be the global manufacturing source for Caterpillar's 9 liter thru 18 liter engines. The proposed facility will be a greenfield project – there are no existing Caterpillar employees at this location.

The proposed facility will provide engines for off-highway applications that include Caterpillar Machines, Electric Power Generation (EPG), Petroleum, Marine, and Industrial customers. The new facility will incorporate "state of the art" technology for manufacturing operations utilizing the Caterpillar Production System (CPS) principles.

The new facility will occupy approximately 180 acres at the intersection of State Highway 46 and Interstate I-10 in the city of Seguin. The building will contain approximately 820,000 sq ft. of manufacturing space for assembly, testing, and painting, with a small portion dedicated to office space. Manufacturing is projected to ramp up over a 3-4 year period prior to full operation. See attachment A to the main project for additional description.

Taxing entities that have jurisdiction for the property:

County GUADALUPE

Are you seeking property tax abatements or other favorable tax treatment from this entity? If so, please describe the request (typically the percentage abatement and the length of time the abatement would be in effect).

SEE ATTACHMENT: J

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<sup>1</sup> All § references are to Texas Tax Code, Chapter 313 as amended by HB 3676, 81<sup>st</sup> Legislature, unless otherwise noted.

City SEGUIN

Are you seeking property tax abatements or other favorable tax treatment from this entity? If so, please describe the request (typically the percentage abatement and the length of time the abatement would be in effect).

SEE ATTACHMENT: J

Hospital District N/A

Are you seeking property tax abatements or other favorable tax treatment from this entity? If so, please describe the request (typically the percentage abatement and the length of time the abatement would be in effect).

NO

Other (describe) STATE OF TEXAS

Are you seeking property tax abatements or other favorable tax treatment from any of these entities? If so, please describe the request (typically the percentage abatement and the length of time the abatement would be in effect).

SEE ATTACHMENT: J

Are you seeking any other state or local economic development incentives? Examples could include road or public infrastructure improvements, job training grants, loan guarantees, special financing, etc.) SEE ATTACHMENT: J If yes, please describe, attaching documentation as necessary.

The locally collected sales tax rate is: 2%

Will the land upon which the new building or new improvement be built be part of the qualified property described by §313.021(2)(A)? YES If yes, please attach complete documentation: legal description, parcel ID, current taxable value, owner, etc.

SEE ATTACHMENT: K

Will the project be on leased land? NO

If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, please attach a separate schedule showing the amount for each year affected, including an explanation.

What is the anticipated date of application approval? 2009 December, 2009

What is the anticipated date of beginning of the qualifying time period? January 1, 2010

What is the approximate date the proposed facility or new improvement is expected to be fully operational? JUNE 2010



What is the minimum required annual wage for each qualified job in this school district? [See new §§313.021(5)(A) or 313.021(5)(B) or 313.021(3)(E)(ii), or 313.051(b).] SEE ATTACHMENT L Please specify method of computation and attach documentation from TWC web site. (Note that applicants to school districts subject to Subchapter C because of demographic characteristics must meet the regional wage standard described in §313.051(b).)

2008 AVG=\$674.50/WK @1.10% WEEKLY: \$741.95  
(741.95 \* 52 = 38,581 rounded).

What is the minimum annual wage you will be paying for each qualified job in this school district? \$38,581.00

What is the maximum number of qualifying jobs meeting all criteria of §313.021(3) you are committing to create? (Use Schedule C-3676, Column P to indicate number of qualifying jobs in specific years.)

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By signing this addendum, you certify that this information is true and correct to the best of your knowledge and belief.

ME7 [Signature]  
Name of authorized company officer  
GARY A. STROM  
Signature of authorized company officer

VICE PRESIDENT  
Title  
28 - AUGUST - 2009  
Date

On behalf of CATERPILLAR INC  
Name of corporation/company

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 §37.10.

School district official sign and date application.

By signing below, I affirm that I have been delegated the authority by the school district governing body to act on its behalf with regard to this application for a limitation on appraised value.

Dr. Irene Garza  
Name of authorized school district officer  
[Signature]  
Signature of authorized school district official

Superintendent  
Title  
8/31/09  
Date

Name of school district Sequin ISD  
[Signature]

10/27/09

# LIST OF ATTACHMENTS

50-296

ATTACHMENT	DESCRIPTION	APPLICATION SECTION	PAGE
A	Project Description	Step 2 (A)	12
B	Legal Description of Land	Step 2 (A)	14
C	Caterpillar Colored Site Plan	Step 2 (A)	15
D	Topographic Survey	Step 2 (A)	16
E	Enterprise Zone Certification Letter	Step 2 (A)	17
F	Enterprise Zone Certified Map and Ordinance	Step 2 (A)	19
G	Caterpillar Employee Benefits	Step 5 (8)	32
H	Description of the Ability to Locate or Relocate Operation	Step 5 (9)	33
I	Current Economic Conditions	Step 5 (10)	34
J	List of Other Incentives	Addendum	35
K	Property Description	Addendum	36
L	Minimum Required Wage	Addendum	46

## **ATTACHMENT A – Project Description**

HB1200 Step 2, Item (A) 2.

With 2008 sales and revenues of \$51.3 billion, Caterpillar is the world's leading manufacturer of construction and mining equipment, diesel and natural gas engines and industrial gas turbines. Caterpillar also engages in the design, manufacture, remanufacture, maintenance, and services of rail-related products, as well as offering logistics services. In addition, the company has a financial products business including financing alternatives to customers and dealers as well as insurance products to support the purchase and lease of our equipment. The company is headquartered in Peoria, Illinois, is incorporated in Delaware, and trades on the New York Stock Exchange under the symbol CAT.

### **A brief history of Caterpillar**

Caterpillar's roots date to 1904 in Stockton, California, when combine maker Benjamin Holt modified the farming tractor by substituting a gas engine for steam and replacing iron wheels with crawler tracks. The British adapted the "caterpillar" (Holt's nickname for the tractor) design to the armored tank in 1915. Following WWI, the US Army donated tanks to local governments for construction work. The caterpillar's efficiency spurred the development of earthmoving and construction equipment.

Holt merged with Best Tractor in 1925. The company, renamed Caterpillar, moved to Peoria, Illinois, in 1928. Caterpillar expanded into foreign markets in the 1930s and phased out combine production to focus on construction and road-building equipment.

Over the past 83 years since its inception, Caterpillar has expanded its reach across the globe and has further diversified product and service offerings as described above. Additional information can be found at [www.cat.com](http://www.cat.com).

### **The nature of the business, including markets and transportation needs**

The new manufacturing facility will provide engines for off-highway applications that include Caterpillar Machines, Electric Power Generation (EPG), Petroleum, Marine, and Industrial customers. Engine production at the new facility will include 9 liter to 18 liter engines, which are a key contributor to the Engine business which exceeded \$16.2B in 2008 (including reciprocating engines). It is estimated that over 50 percent of the engines produced at this proposed facility will be exported globally. Transportation requirements and location were key factors in selecting the Seguin location. Inbound parts and components will be transported by truck from various locations including Mexico, and the final products will be shipped by truck to North American destinations, and by truck to the Port of Houston to be shipped to global destinations.

### **Description of the Project**

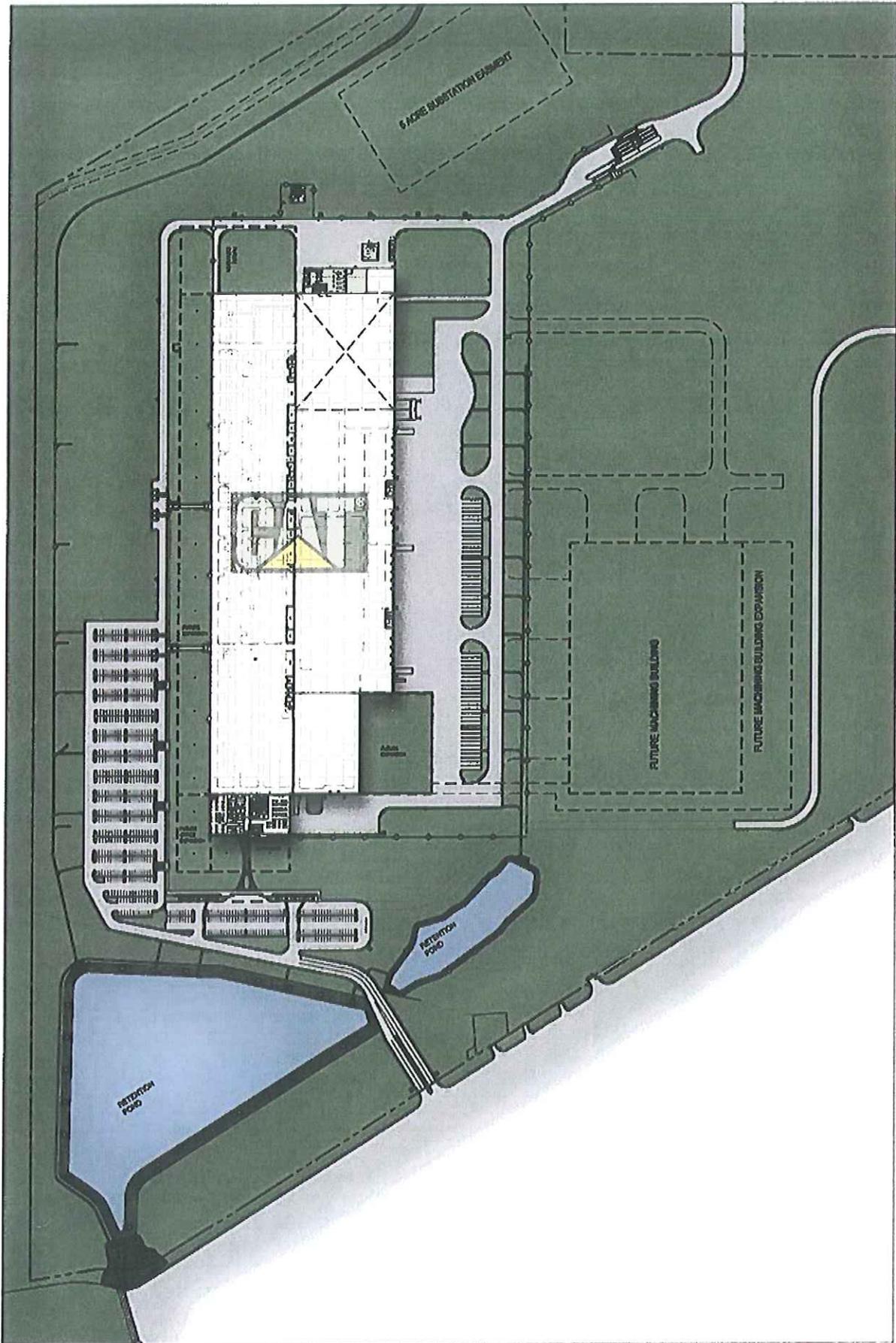
The new facility will be the global manufacturing source for Caterpillar's 9 liter thru 18 liter engines. The proposed facility will be a greenfield project – there are no existing facilities or Caterpillar employees at this location.

The proposed facility will provide engines for off-highway applications that include Caterpillar Machines, Electric Power Generation (EPG), Petroleum, Marine, and Industrial customers. The new facility will incorporate "state of the art" technology for manufacturing operations utilizing the Caterpillar Production System (CPS) principles.

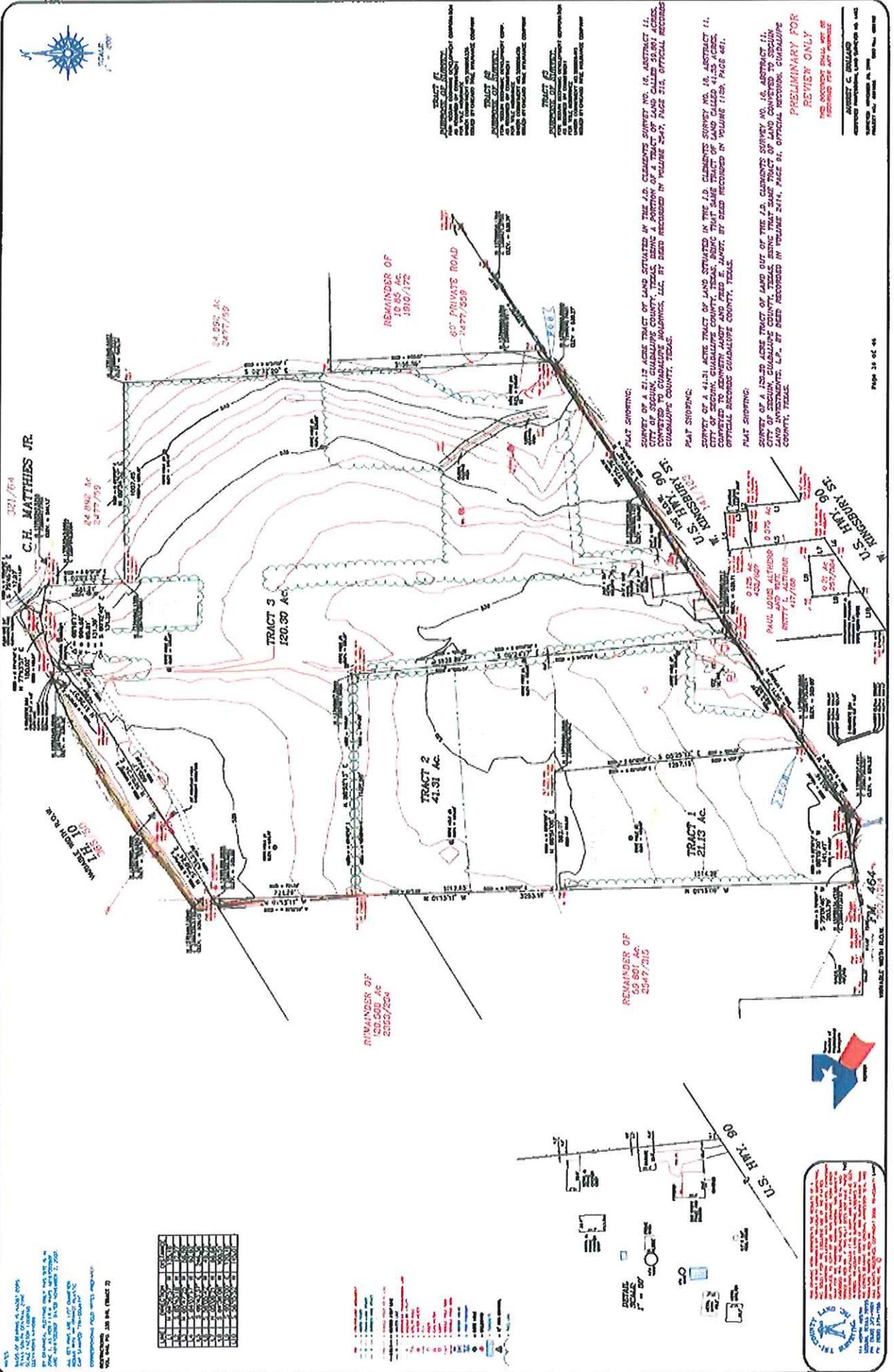
The new facility will occupy approximately 180 acres at the intersection of State Highway 46 and Interstate I-10 in Seguin. The building will contain approximately 820,000 sq ft. of manufacturing space for assembly, testing, and painting, with a small portion dedicated to office space. Manufacturing is projected to ramp up over a 3-4 year period prior to full operation.

The facility will be staffed by a combination of Caterpillar and operational contractor employees. As agreed with the Seguin Economic Development Corporation, employment goals, conditions and reporting requirements include Caterpillar and Caterpillar Contractor employees.





ATTACHMENT D - TOPOGRAPHIC SURVEY



321/764  
C.H. MATTHEWS JR.  
DATE: 11/11/04

Symbol	Description
(Symbol)	Survey Point
(Symbol)	Corner
(Symbol)	Well
(Symbol)	Structure
(Symbol)	Boundary
(Symbol)	Contour
(Symbol)	Water
(Symbol)	Other

- 1. ALL DISTANCES ARE IN FEET AND DECIMALS THEREOF.
- 2. ALL BEARINGS ARE TRUE BEARINGS.
- 3. THIS SURVEY WAS MADE BY THE METHOD OF TRIANGULATION.
- 4. THE MEAN SEA LEVEL WAS USED AS A DATUM.
- 5. THE CURVATURE OF THE EARTH WAS TAKEN INTO ACCOUNT.
- 6. THE DISTANCES WERE MEASURED BY ELECTRONIC DISTANCE MEASUREMENT (EDM).
- 7. THE BEARINGS WERE MEASURED BY AN ELECTRONIC THEODOLITE.
- 8. THE SURVEY WAS CONTROLLED BY THE NATIONAL BUREAU OF SURVEYING AND MAPPING.
- 9. THE SURVEY WAS MADE IN ACCORDANCE WITH THE SURVEYING ACT OF 1947.
- 10. THE SURVEY WAS MADE IN ACCORDANCE WITH THE SURVEYING ACT OF 1954.

REMAINDER OF  
50,500 AC.  
2002/2004

REMAINDER OF  
10,657 AC.  
1916/172

TRACT 3  
120.30 AC.

TRACT 2  
41.31 AC.

TRACT 1  
21.15 AC.

PLAT SHOPPING

PLAT SHOPPING

PLAT SHOPPING

PLAT SHOPPING

**LAND SURVEYING**

STATE OF TEXAS

COMMISSION ON LAND SURVEYING

1900 WEST 11TH AVENUE, SUITE 1000, DENVER, CO 80202

TEL: 303.733.1000 FAX: 303.733.1001

WWW.LANDSURVEYING.COM



PRELIMINARY FOR REVIEW ONLY

THIS DOCUMENT SHALL NOT BE USED FOR ANY PURPOSE WITHOUT THE WRITTEN CONSENT OF THE SURVEYOR.

DATE: 11/11/04

TRACT 1  
SURVEY OF A 21.15 ACRE TRACT OF LAND SITUATED IN THE I.D. CLEMENTS SURVEY NO. 10, ABSTRACT 11, CITY OF SEAGRAM, CHADWICK COUNTY, TEXAS, BEING THAT PART OF A TRACT OF LAND CALLED 50,500 ACRES, CONVERTED TO CHADWICK COUNTY, TEXAS, BY DEED RECORDED IN VOLUME 2547, PAGE 215, OFFICIAL RECORDS, CHADWICK COUNTY, TEXAS.

TRACT 2  
SURVEY OF A 41.31 ACRE TRACT OF LAND SITUATED IN THE I.D. CLEMENTS SURVEY NO. 10, ABSTRACT 11, CITY OF SEAGRAM, CHADWICK COUNTY, TEXAS, BEING THAT PART OF A TRACT OF LAND CALLED 50,500 ACRES, CONVERTED TO CHADWICK COUNTY, TEXAS, BY DEED RECORDED IN VOLUME 2547, PAGE 215, OFFICIAL RECORDS, CHADWICK COUNTY, TEXAS.

TRACT 3  
SURVEY OF A 120.30 ACRE TRACT OF LAND SITUATED IN THE I.D. CLEMENTS SURVEY NO. 10, ABSTRACT 11, CITY OF SEAGRAM, CHADWICK COUNTY, TEXAS, BEING THAT PART OF A TRACT OF LAND CALLED 50,500 ACRES, CONVERTED TO CHADWICK COUNTY, TEXAS, BY DEED RECORDED IN VOLUME 2547, PAGE 215, OFFICIAL RECORDS, CHADWICK COUNTY, TEXAS.



**CITY OF SEGUIN**

July 2, 2009

To Whom It May Concern:

This letter is to certify that the attached map of the reinvestment zone/Enterprise Zone boundaries created by the City of Seguin are accurate.

Sincerely,

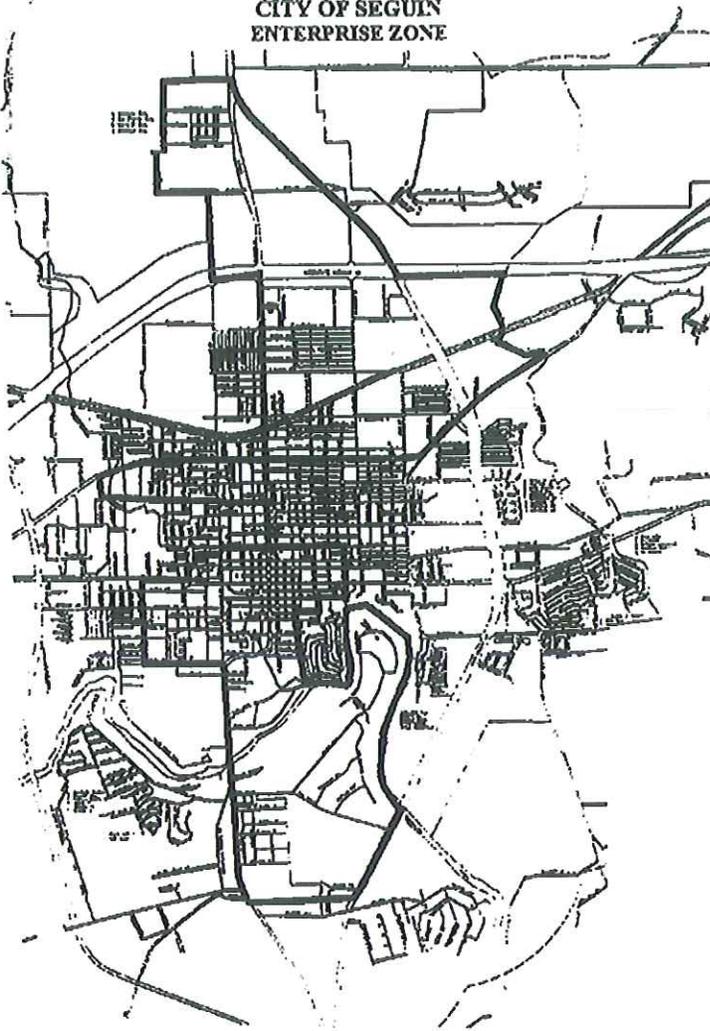
A handwritten signature in black ink, appearing to read "Terry M. Trevino".

Terry M. Trevino  
Executive Director, Economic Development  
City of Seguin

enclosure

EXHIBIT "A"

CITY OF SEGUIN  
ENTERPRISE ZONE



## ATTACHMENT F -ENTERPRISE ZONE CERTIFIED MAP &amp; ORDINANCE



# TEXAS DEPARTMENT OF ECONOMIC DEVELOPMENT

November 26, 2001

Mr. Jack Hamlett, City Manager  
City of Seguin  
Post Office Box 591  
Seguin, Texas 78156

Dear Mr. Hamlett:

I am pleased to inform you that the application nominating an area of Seguin as the Seguin Enterprise Zone has been approved by Texas Economic Development (Agency). Your official enterprise zone number is EZ328-102401-S. Please use this number on all future reports or documents filed with regard to your enterprise zone.

Two original copies of the agreement that specify the terms for the Seguin Enterprise Zone are enclosed with this letter. Please have Mayor Stautzenberger sign both copies of the agreement and return both copies to my attention. A fully executed copy will be returned to Mayor Stautzenberger once it has been signed by the executive director of the Agency. This agreement, once it has been signed by all parties, will officially designate the zone. Both signed copies must be received in our office by December 10, 2001, or the zone will be considered null and void. The effective date of the zone is October 24, 2001.

Also enclosed for your review is a copy of the state matrix of Texas enterprise zones. Please check the data as provided on Seguin for accuracy and return the matrix to us with any changes when you return the signed agreements for executive director signature.

Further, attached are the forms necessary to nominate a qualified business for enterprise project status. Also included is a copy of the 2001 Mandatory Annual Report Form to assist you in tracking activity in the Seguin Enterprise Zone. Please be aware that this is last year's report, and there could be changes for the 2002 submission.

Your effort to complete the enterprise zone nomination process is appreciated. I look forward to working with you to accomplish your economic objectives.

Sincerely,

A handwritten signature in cursive script that reads "Brenda Clear".

Brenda Clear, Program Specialist  
Texas Enterprise Zone Program





OFFICE OF THE GOVERNOR  
ECONOMIC DEVELOPMENT & TOURISM

RICK PERRY  
GOVERNOR

May 29, 2009

Mr. Terry Trevino  
Executive Director, Economic Development  
City of Seguin  
Post Office Box 591  
Seguin, Texas 78155

Mr. Gary Stroup  
Vice President  
Caterpillar Inc.  
Post Office Box 610 – AC6101  
Mossville, Illinois 61552

**SUBJECT: Caterpillar Inc. Enterprise Project Application**

Dear Mr. Trevino and Mr. Stroup:

We have reviewed and hereby approve a Texas enterprise project designation for the application submitted on behalf of Caterpillar Inc. (Project) by the City of Seguin, pursuant to the Texas Enterprise Zone Act, Chapter 2303, Texas Government Code (Act) and the Enterprise Zone Program Rules (Rules) promulgated by the Economic Development and Tourism (EDT) division of the Governor's Office.

The Texas Enterprise Zone Program is allocated 105 enterprise project designations statewide during a state biennium. The Act and Rules for the program require that all applications received during a project round must be reviewed to insure that they meet the goals and objectives of the program, which includes but is not limited to high impact projects or activities, targeted industry clusters and creation of primary jobs, as well as competitively within the round.

In conformance with the Act, EDT has hereby affirmatively determined that Project (a) complies with the criteria set forth in the Act and Rules, and (b) is in furtherance of the public purposes of the Act. EDT hereby designates Caterpillar Inc. as a Double Jumbo Enterprise Project. The designation is effective from March 3, 2009, until March 3, 2014, unless it is determined that the Project is no longer in compliance with requirements set forth in the Act and the Rules.



ATTACHMENT F

Mr. Terry Trevino and Mr. Gary Stroup  
Re: Caterpillar Inc. Enterprise Project Application  
May 29, 2009  
Page Two of Three

State sales and use taxes paid at the qualified business site, and new jobs created up to 90 business days prior to the designation date of March 3, 2009 are eligible for benefit. This allows the Project to gain benefit for activity from October 14, 2008 through March 3, 2014. In addition, the Project may submit the paperwork for benefits up to 18 months following the date the designation expires, no later than September 1, 2015 for activities that occurred during the designation period.

The qualified business site, 1620 West Kingsbury, Seguin, Texas, is not located in an enterprise zone and 35 percent of the Project's new employees are required to be economically disadvantaged individuals or enterprise zone residents. The tax identification number under which this designation is approved is 37-0602744. The Project has committed that 35 percent of the Project's new employees will be economically disadvantaged individuals or enterprise zone residents. The maximum number of jobs to be included in any calculation for state sales and use tax refund for the enterprise project is stated under Jobs Allocated. The company has made the following commitments in its application for the enterprise project designation:

Capital Investment:	\$176,800,000
Jobs to be Created:	1,465
Jobs to be Retained for Benefit:	<u>0</u>
Total Jobs:	<u>1,465</u>
Job Baseline:	0
Jobs Allocated for Project Designation:	<u>500</u>

The designation is made based upon the requirements of the Act and the Rules and is not to be construed as a pledge of the faith or credit of or by the State, EDT, the individual members or staff thereof, Texas Enterprise Zone Program or any other agency, instrumentality or political subdivision of the State.

Stated below is the enterprise project number assigned to this project designation. Use this number on all correspondence and documentation regarding your project:

**EP672-030309-S**

For information regarding applying for benefits (sales and use tax refund) under this program, contact the Texas Comptroller of Public Accounts (CPA). The CPA contact person is Clarence Goins at (512) 305-9902. This double jumbo enterprise project designation will be eligible to receive a refund of up to \$5,000 per qualified job.

ATTACHMENT F

Mr. Terry Trevino and Mr. Gary Stroup  
Re: Caterpillar Inc. Enterprise Project Application  
May 29, 2009  
Page Three of Three

The amount of capital investment will determine the number of jobs for which benefit can be received. The project will be assessed a refund for jobs created and/or retained for the category of capital investment expended to that date. Once additional capital investment is expended, the project may be eligible for additional refunds, up to the maximum amount of \$2,500,000.

By statute, the nominating body shall monitor the qualified business to determine whether the project has followed through on any commitments or goals made by it or on its behalf in the designation application. This evaluation may occur on the date on which a certificate of occupancy is issued or at the completion of the enterprise project designation period. The nominating body shall then submit a report of its findings to the bank and the comptroller.

If you have any questions during the course of the project, please call Brenda Clear, Program Specialist, Economic Development Bank, at (512) 936-0274 or by e-mail at [brenda.clear@governor.state.tx.us](mailto:brenda.clear@governor.state.tx.us).

Sincerely,



Aaron Demerson  
Executive Director

cc: Clarence Goins, Comptroller of Public Accounts

Ordinance No. 01-36

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SEGUIN, TEXAS NOMINATING AN AREA AS AN ENTERPRISE ZONE PURSUANT TO THE TEXAS ENTERPRISE ZONE ACT (TEXAS GOVERNMENT CODE, CHAPTER 2303); PROVIDING TAX INCENTIVES; DESIGNATING AN AUTHORIZED REPRESENTATIVE TO ACT IN ALL MATTERS PERTAINING TO THE NOMINATION AND DESIGNATION OF THE AREA DESCRIBED HEREIN AS AN ENTERPRISE ZONE AND REINVESTMENT ZONE (TEXAS TAX CODE, CHAPTER 312); AND FURTHER DESIGNATING A LIAISON TO ACT ON ALL MATTERS PERTAINING TO THE ENTERPRISE ZONE ACT ONCE DESIGNATED BY THE TEXAS DEPARTMENT OF ECONOMIC DEVELOPMENT.

WHEREAS, the City Council of the City of Seguin, Texas desires to create the proper economic and social environment to induce the investment of private resources in productive business enterprises located in severely distressed areas of the city and to provide employment to residents of such area;

WHEREAS, certain conditions exist in such area which represent a threat to the health, safety, and welfare of the people of such area; and

WHEREAS, it is necessary and in the best interest of the City to nominate such area as an enterprise zone pursuant to the Texas Enterprise Zone Act (Texas Government Code, Chapter 2303, the "Act");

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SEGUIN, TEXAS:

- Section 1. That the City hereby nominates the area described in Exhibit A attached hereto and incorporated herein for designation as an enterprise zone.
- Section 2. That the City Council finds the zone area meets the qualifications of the Act.
- Section 3. That the City Council hereby ordains and declares that upon designation of the proposed Enterprise Zone as an enterprise zone, the City may provide the following incentives, on a case by case basis, including tax incentives, which are not applicable throughout the City:
- (a) The City may refund to any qualified business located in such enterprise zone the amount of tax paid under the Municipal Sales and Use Tax Act (Texas Tax Code, Chapter 321) by the business and remitted to the Comptroller of Public Accounts up to the maximum extent authorized by Sections 2303.505 and 2303.506 of the Act, and for a period determined by the City, but which shall not exceed 5 years.

- (b) The City may abate taxes on the increase in value of real property improvements and eligible personal property that locate in a designated enterprise zone. The level of abatement shall be based upon the extent to which the business receiving the abatement creates jobs for qualified employees.
- (c) Waiver of development fees to enterprise zone businesses meeting minimum standards.
- (d) Accelerated zoning and permit procedures. Enterprise zone businesses will be processed upon receipt, before non-enterprise zone businesses already in hand.
- (e) Transfer of city owned surplus land may be at below market price for the purpose of economic development. The ability to purchase city-owned land shall be based upon the extent to which the business receiving the property creates jobs for qualified employees.

Other incentives may be provided by the City in the proposed enterprise zone upon its designation as an enterprise zone and throughout the City, including:

- (a) Capital improvements in water and sewer facilities and road repair.
- (b) The City may apply for training grants for new permanent jobs as available and appropriate to the industry.
- (c) One-stop permitting.
- (d) Improved fire and police protection.

Section 4. That the area described in this ordinance is designated as an enterprise zone, and a reinvestment zone, subject to the approval of the Texas Department of Economic Development.

Section 5. That the City Council directs and designates its mayor as the City's authorized representative to act in all matters pertaining to the nomination and designation of the area described herein as an enterprise zone and a reinvestment zone.

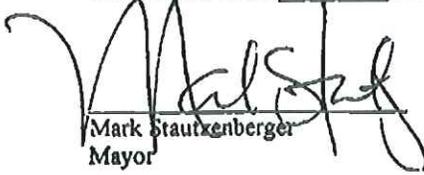
Section 6. That the City Council further directs and designates the director of the Seguin Economic Development Corporation as liaison for communication with the Texas Department of Economic Development to oversee zone activities and communications with qualified businesses.

ATTACHMENT F -ENTERPRISE ZONE CERTIFIED MAP & ORDINANCE

Section 7. That a public hearing to consider this ordinance was held by the City Council on July 9, 2001.

Section 8. That this ordinance shall take effect from and after its passage as the law and charter in such case provides.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SEGUIN, TEXAS ON THIS 31st DAY OF July, 2001.

  
Mark Stautzenberger  
Mayor

I, Kathy Contreras, Secretary for the City of Seguin, Texas certify that the above is a true and correct copy of Ordinance No 01-36 on file in the city offices of the City of Seguin, Texas and that I, as City Secretary of the City of Seguin, have legal Custody of such writing.

  
Kathy Contreras  
City Secretary

First Reading July 09, 2001

Second Reading July 17, 2001

Third Reading July 31, 2001

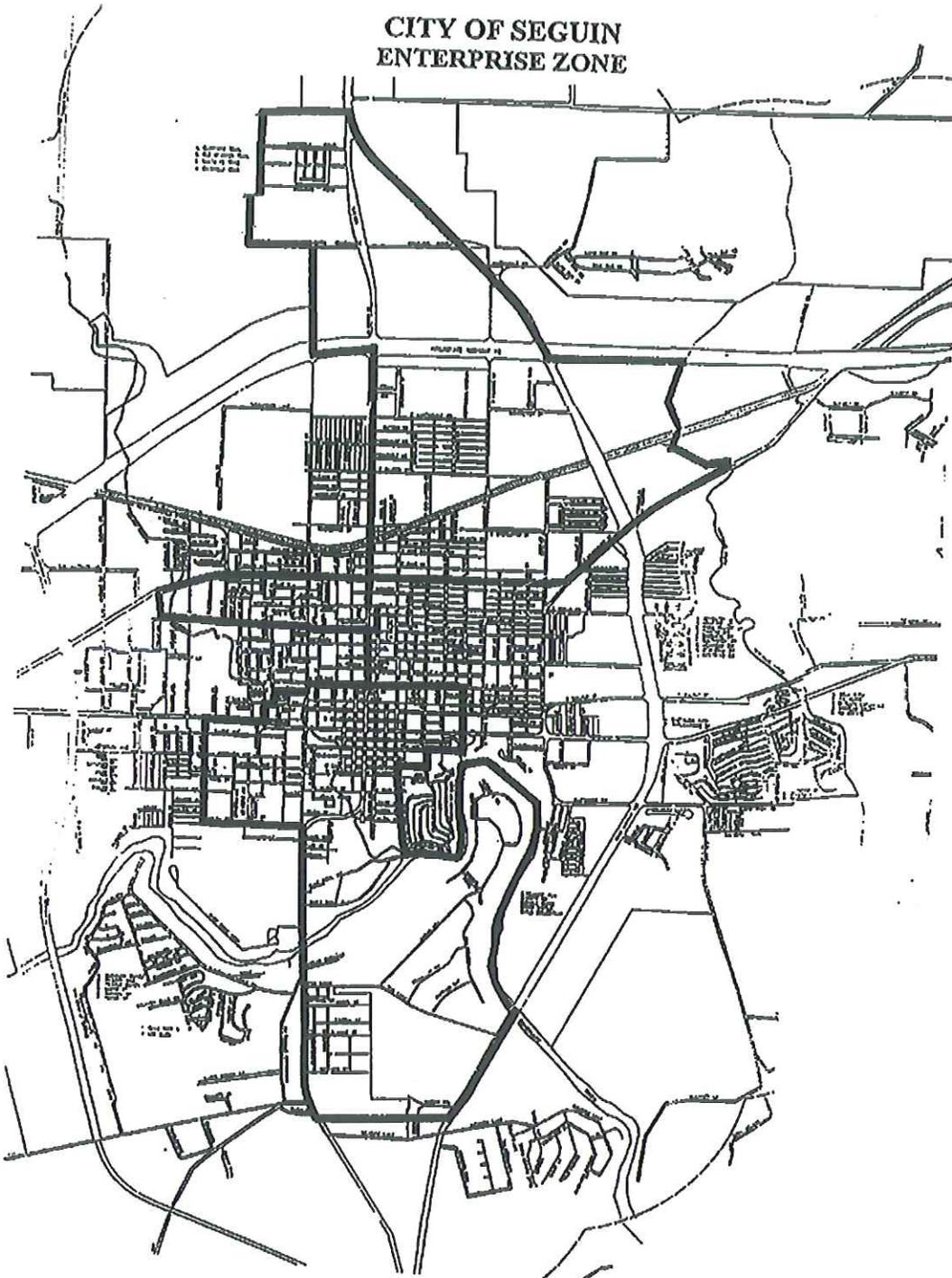
**ATTACHMENT F**

**EXHIBIT A**

City of Seguin Enterprise Zone boundaries are as follows:

EXHIBIT "A"

CITY OF SEGUIN  
ENTERPRISE ZONE



STATE OF TEXAS

NO. ~~05-07~~

COUNTY OF GUADALUPE

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SEGUIN, TEXAS,  
AMENDING ORDINANCE NO. 01-36, SECTION 3(b), CONCERNING THE  
CREATION OF AN ENTERPRISE ZONE IN THE CITY OF SEGUIN PURSUANT  
TO TEXAS GOVERNMENT CODE CHAPTER 2303, PROVIDING A  
SEVERABILITY CLAUSE, AND PROVIDING AN EFFECTIVE DATE**

**WHEREAS,** on July 31, 2001, the Seguin City Council passed Ordinance No. 01-36 which created an enterprise zone in the City of Seguin pursuant to Chapter 2303 of the Texas Government Code in order to spur growth and development in certain areas of the City; and

**WHEREAS,** the Ordinance provided that the level of any tax abatement granted in the enterprise zone would be required to be based upon "the extent to which the business receiving the abatement created jobs for qualified employees"; and

**WHEREAS,** in 2003, the City of Seguin revised its Tax Abatement Guidelines and Criteria to remove the job creation requirement so that projects would be considered for tax abatement on the basis of capital investment alone; and

**WHEREAS,** the enterprise zone ordinance needs to be adjusted accordingly so that it is not in conflict with the City's Tax Abatement Guidelines and Criteria;

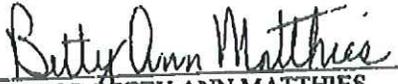
**NOW THEREFORE,** in consideration of the foregoing, it is hereby **ORDAINED** as follows:

- 1) That Ordinance No. 01-36, Section 3(b) is hereby amended and superceded as follows:
  - (b) The City may abate taxes on the increase in value of real property improvements and eligible personal property that are constructed or located in a designated enterprise zone. The level of abatement shall be based upon the City of Seguin's duly adopted Tax Abatement Guidelines and Criteria, as the same may amended from time to time.
- 2) In accordance with Section 3.10 of the Seguin City Charter, this Ordinance shall become effective upon passage on second reading.
- 3) If any clause or provision of this Ordinance shall be deemed to be unenforceable for any reason, such unenforceable clause or provision shall be severed from the remaining portions of the Ordinance, which shall continue to have full force and effect.

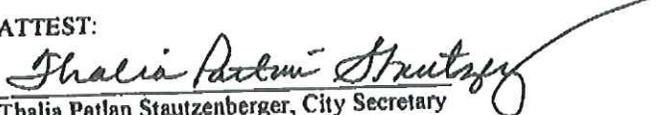
ATTACHMENT F

PASSED AND APPROVED on first reading on February 1, \_\_\_\_\_, 2005.

PASSED AND APPROVED on second reading on February 15, \_\_\_\_\_, 2005

  
MAYOR BETTY ANN MATTHIES

ATTEST:

  
Thalia Patlan Stautzenberger, City Secretary

2-15-05

05-07

.....

RESOLUTION

No 01R-77

A RESOLUTION OF THE CITY COUNCIL OF SEGUIN, TEXAS SUPPORTING THE NOMINATION OF A 630 +/- ACRE TRACT IN THE CITY OF SEGUIN AS AN INDUSTRIAL PARK; DESIGNATING AN AUTHORIZED REPRESENTATIVE TO ACT IN ALL MATTERS PERTAINING TO THE NOMINATION OF THE INDUSTRIAL PARK; AND FURTHER DESIGNATING A LIAISON TO ACT ON ALL MATTERS PERTAINING TO THE INDUSTRIAL PARK ONCE NOMINATED.

WHEREAS, the City Council of Seguin desires to create the proper economic and social environment to induce the investment of private resources in productive business enterprises and to provide employment to residents of the City; and

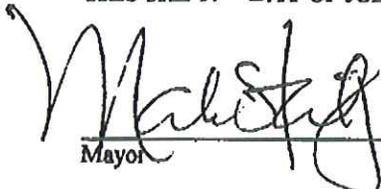
WHEREAS, the growth of industry in the City is an important aspect of a diverse economic development plan; and

WHEREAS, it is necessary and in the best interest of the City to nominate such area as an industrial park;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF SEGUIN, TEXAS:

- Section 1 That the City hereby nominates a 630 +/- acre tract in Seguin as described above and the map attached hereto as "Exhibit A" as an industrial park.
- Section 2 That the City Council directs and designates the City Manager as the city's authorized representative to act in all matters pertaining to the nomination of the area described above and in Exhibit A as an industrial park.
- Section 3 That the City further directs and designates the Director of the Seguin Economic Development Corporation as liaison to oversee activities and communications with all qualified businesses.

PASSED AND APPROVED BY THE CITY COUNCIL OF SEGUIN, TEXAS ON THIS THE 17<sup>TH</sup> DAY OF JULY, 2001.

  
\_\_\_\_\_  
Mayor

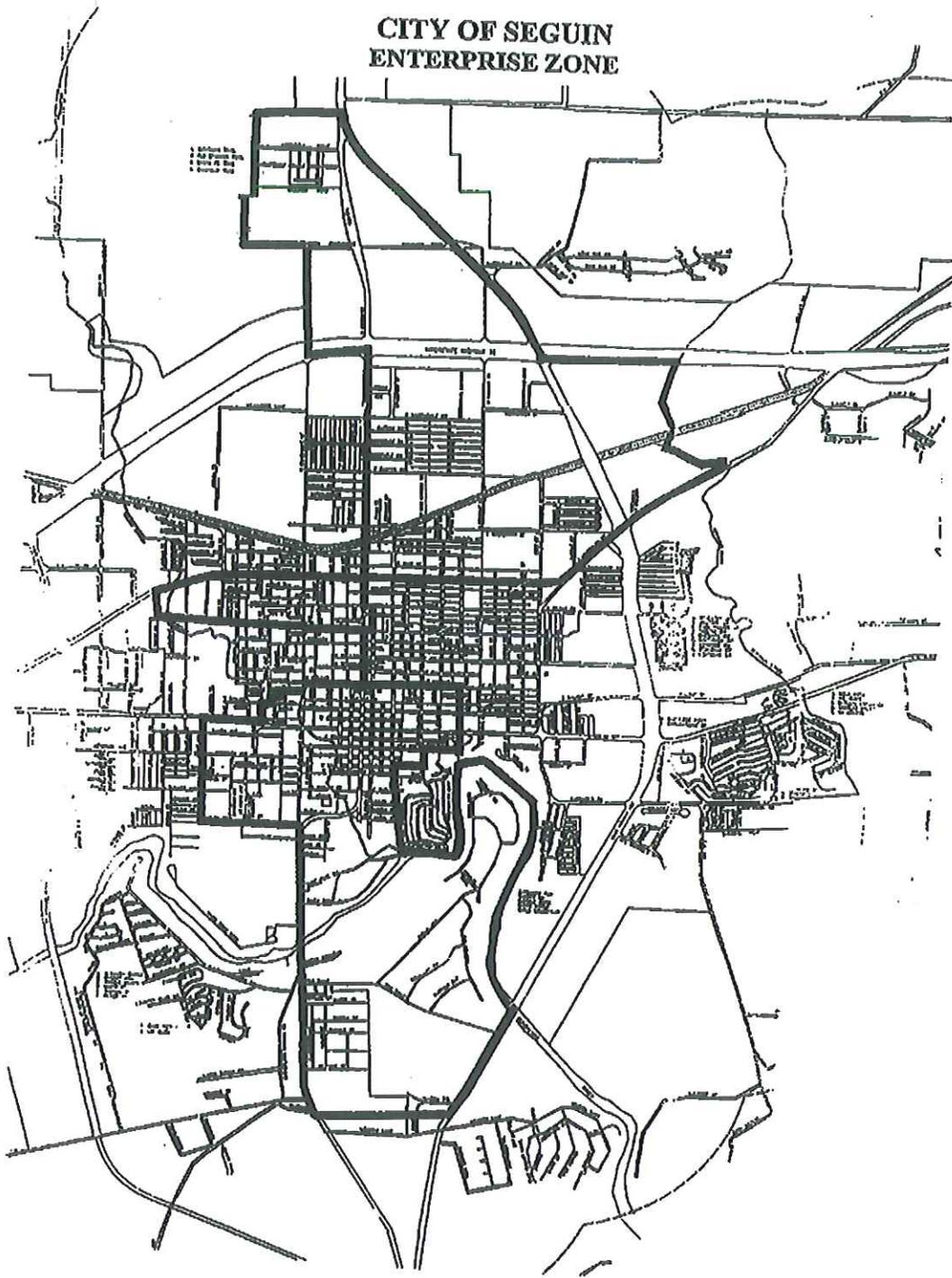
Attest:

  
\_\_\_\_\_  
City Secretary  
07-17-01

01R-77

EXHIBIT "A"

CITY OF SEGUIN  
ENTERPRISE ZONE



## ATTACHMENT G –Employee Benefits

### Employee Benefits Provided

- Medical Health Plan – employees will be offered a choice of medical and prescription drug plans including coverage for associate and family.
- Dental Plan
- Employees will be offered 401K defined contribution plan.
- Paid Time Off Program

## **Attachment H – Description of Ability to Locate or Relocate Operation**

As a part of continuous improvement initiatives to maintain competitive advantages, Caterpillar identified an opportunity to consolidate manufacturing operations for several diesel engine product lines. This opportunity represents a significant consolidation that has considered multi-country and multi-state locations in the southern regions of the United States. Strategic location drivers include:

- Supply chain logistics (materials in and finished product out)
- Proximity to ports (global export access)
- Workforce availability for a diverse group of functions
  - Engineering
  - Technicians
  - Logistics
  - Machinists
  - Support
- Favorable business environment (taxes, regulation, economic activity)
- Cost competitiveness (labor, real estate, utilities, construction)
- Availability of aggressive economic incentives programs to assist in off-setting start-up and long-term operating costs
- Strong system of public education to provide an educated workforce
- Attractive community that provides for civic and recreational involvement for workers and their families

Due to the proposed wage scale and the significant investment required, this consolidation provided Caterpillar with many attractive opportunities. Caterpillar also considered expanding other existing facilities outside Texas. The coordinated efforts of the city of Seguin, the SEDC, Guadalupe County and the State of Texas make this location in Seguin right for Caterpillar.

## **ATTACHMENT I – Current Economic Conditions**

The population trend for Seguin continues to follow a slow but steady increase. Currently, our demographic data show that the trend is increasing at a rate of approximately 3-4 percent per year. In 1990, the population of Seguin was 20,666, the census in 2000 was 22,011. The 2008 estimate shows that the population is approximately 28,381 and the projected population for 2013 will be about 29,145.

The current unemployment figures for Seguin are holding steady at around 6.5 percent, reflecting a decrease from the beginning of the year (January 6.7 percent, February 7.2 percent.) For the month of May for Guadalupe County, the unemployment rate is holding at 6 percent, reflecting a slight decrease from the beginning of the year (6.1 percent in January, 6.2 percent in February.)

**Attachment J - List of Other Incentives**

#	Incentive Name	Description
STATE OF TEXAS		
1	Texas Enterprise Zone	Project Site was designated as an Enterprise Zone project by state on May 29, 2009. The Caterpillar project was designated a double jumbo enterprise project.
2	Texas Enterprise Fund (TEF)	Incentive fund. Can be used for land acquisition, equipment purchase or building costs.
3	Texas Capital Fund (Infrastructure)	Infrastructure Grant from State of Texas that can be utilized by Seguin on infrastructure improvements to support the site (water, sewer, traffic issues, utilities)
4	Traffic/Transportation Assistance (TX DOT)	TX DOT has budgeted cost to add deceleration and turn lane to I-10 and traffic light at 46 and Matties Road.
5	Texas Workforce Training Grant	A training grant of \$1.0 MM has been committed to off-set costs of employee training
SEGUIN/GUADALUPE COUNTY		
6	Local Property Tax Abatements *Seguin & Guadalupe County	Local property tax abatement on real and personal property - 100% for 10 year period.
7	Triple Freeport Tax Exemptions	Qualifying freeport goods will be exempt from all ad valorem taxes by City/County/ISD (Triple Freeport) - continuous. Application to be submitted annually to the Guadalupe County appraisal district.
8	Local Infrastructure - Matties Road Improvement & Sewer Main Extension	Matties Road to be re-engineered and widened to accommodate truck traffic from SH 46. Sewer Main to be extended to provide supply to Caterpillar site.
9	SEDC Cash Grant	Local cash grant of \$2.47 MM to be applied to land acquisition, infrastructure, or other application. Funding from local 4A sales tax.
UTILITIES		
10	Guadalupe County Electrical Cooperative	Cost to bring electrical requirements to the site, including on-site substation and dual feed sources.









**Guadalupe CAD**

[Property Search](#) [Map Search](#) [Map Administration](#) [Login](#)

**Property Search Results > 1 - 5 of 5 for Year 2009**

[New Search](#)

Click the "Details" or "Map" link to view more information about the property or click the checkbox next to each property and click "View Selected on Map" to view the properties on a single map.

Property Address  Legal Description

Property ID	Geographic ID	Type	Property Address	Owner Name	Appraised Value		
<input type="checkbox"/> 52998	2G0011-0000-18000-0-00	Real	11 W KINGSBURY ST TX	CATERPILLAR INC	\$122,784	<a href="#">View Details</a>	<a href="#">View Map</a>
<input type="checkbox"/> 52999	2G0011-0000-18010-0-00	Real	1726 W KINGSBURY ST TX	CATERPILLAR INC	\$40,583	<a href="#">View Details</a>	<a href="#">View Map</a>
<input type="checkbox"/> 136710	2G0011-0000-01923-0-00	Real	IH 10 TX	CATERPILLAR INC	\$95,337	<a href="#">View Details</a>	<a href="#">View Map</a>
<input type="checkbox"/> 53143	2G0011-0000-25700-0-00	Real	US HWY 90 TX	CATERPILLAR INC	\$437,861	<a href="#">View Details</a>	<a href="#">View Map</a>
<input type="checkbox"/> 52767	2G0011-0000-00200-0-00	Real	1710 W KINGSBURY ST TX	CATERPILLAR INC	\$100,802	<a href="#">View Details</a>	<a href="#">View Map</a>

Page: 1

[View Selected on Map](#)

**Questions Please Call (830) 303-3313**

Website version: 1.2.2.2

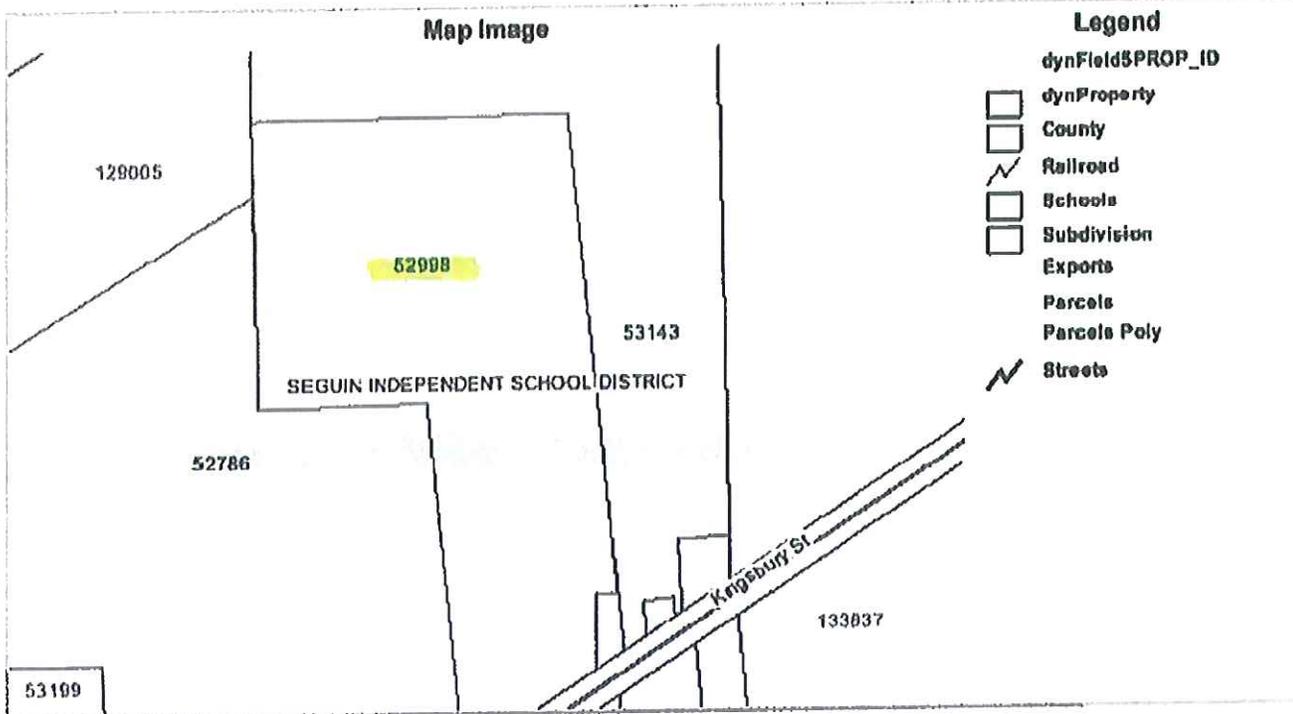
Database last updated on: 7/27/2009 8:53 PM

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Guadalupe CAD

Property Search Results > Property ID 52998 CATERPILLAR INC for Year 2009



**Property Details**

**Account**

Property ID: 52998  
 Geo. ID: 2G0011-0000-18000-0-00  
 Type: Real  
 Legal Description: ABS 11 SUR: J D CLEMENTS 40.82 AC.

**Location**

Address: 11 W KINGSBURY ST TX  
 Neighborhood: EAST OF RIVER & WEST OF SH46  
 Mapsco:  
 Jurisdictions: CAD, CSG, GCO, LTR, SGS

**Owner**

Name: CATERPILLAR INC  
 Address: 100 NE ADAMS ST  
 PEORIA, IL 61629

**Property**

Appraised Value: \$122,784

Website version: 1.2.2.2

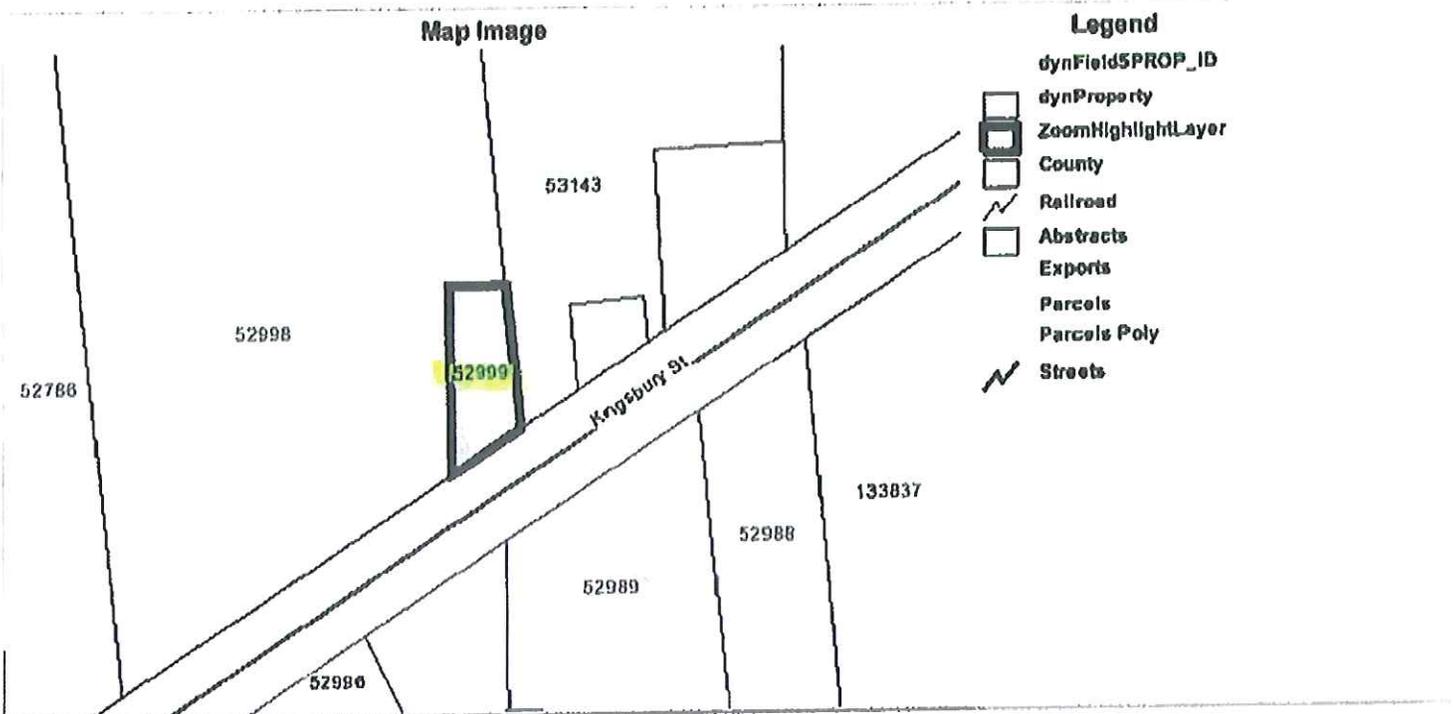
Database last updated on: 7/27/2009 8:53 PM

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Guadalupe CAD

Property Search Results > Property ID 52999 CATERPILLAR INC for Year 2009



Property Details

Account

Property ID: 52999  
 Geo. ID: 2G0011-0000-18010-0-00  
 Type: Real  
 Legal Description: ABS: 11 SUR: J D CLEMENTS 0.4900 AC

Location

Address: 1726 W KINGSBURY ST TX  
 Neighborhood: EAST OF RIVER & WEST OF SH46  
 Mapsco:  
 Jurisdictions: CAD, CSG, GCO, LTR, SGS

Owner

Name: CATERPILLAR INC  
 Address: 100 NE ADAMS ST  
 PEORIA, IL 61629

Property

Appraised Value: \$40,583

Website version: 1.2.2.2

Database last updated on: 7/27/2009 8:53 PM

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### Guadalupe CAD

### Property Search Results > Property ID 136710 CATERPILLAR INC for Year 2009

**Property Details**

**Account**  
 Property ID: 136710  
 Geo. ID: 2G0011-0000-01923-0-00  
 Type: Real  
 Legal Description: ABS. 11 SUR: J D CLEMENTS 21 13 AC.

**Location**  
 Address: IH 10 TX  
 Neighborhood: IH 10 CENTRAL  
 Mapsco:  
 Jurisdictions: CAD, CSG, GCO, LTR, SGS

**Owner**  
 Name: CATERPILLAR INC  
 Address: 100 NE ADAMS ST PEORIA, IL 61629

**Property**  
 Appraised Value: \$95,337

**Map Layers**

**Radius Search**

No Map data present for this search

Website version: 1.2.2.2

Database last updated on: 7/27/2009 8:53 PM

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Guadalupe CAD

Property Search Results > Property ID 53143 CATERPILLAR INC for Year 2009



Property Details

Account

Property ID: 53143  
 Geo. ID: 2G0011-0000-25700-0-00  
 Type: Real  
 Legal Description: ABS: 11 SUR J D CLEMENTS 115.62 AC.

Location

Address: US HWY 90 TX  
 Neighborhood: IH 10 CENTRAL  
 Mapsco:  
 Jurisdictions: CAD, CSG, GCO, LTR, SGS

Owner

Name: CATERPILLAR INC  
 Address: 100 NE ADAMS ST  
 PEORIA, IL 61629

Property

Appraised Value: \$437,861

Website version. 1.2.2.2

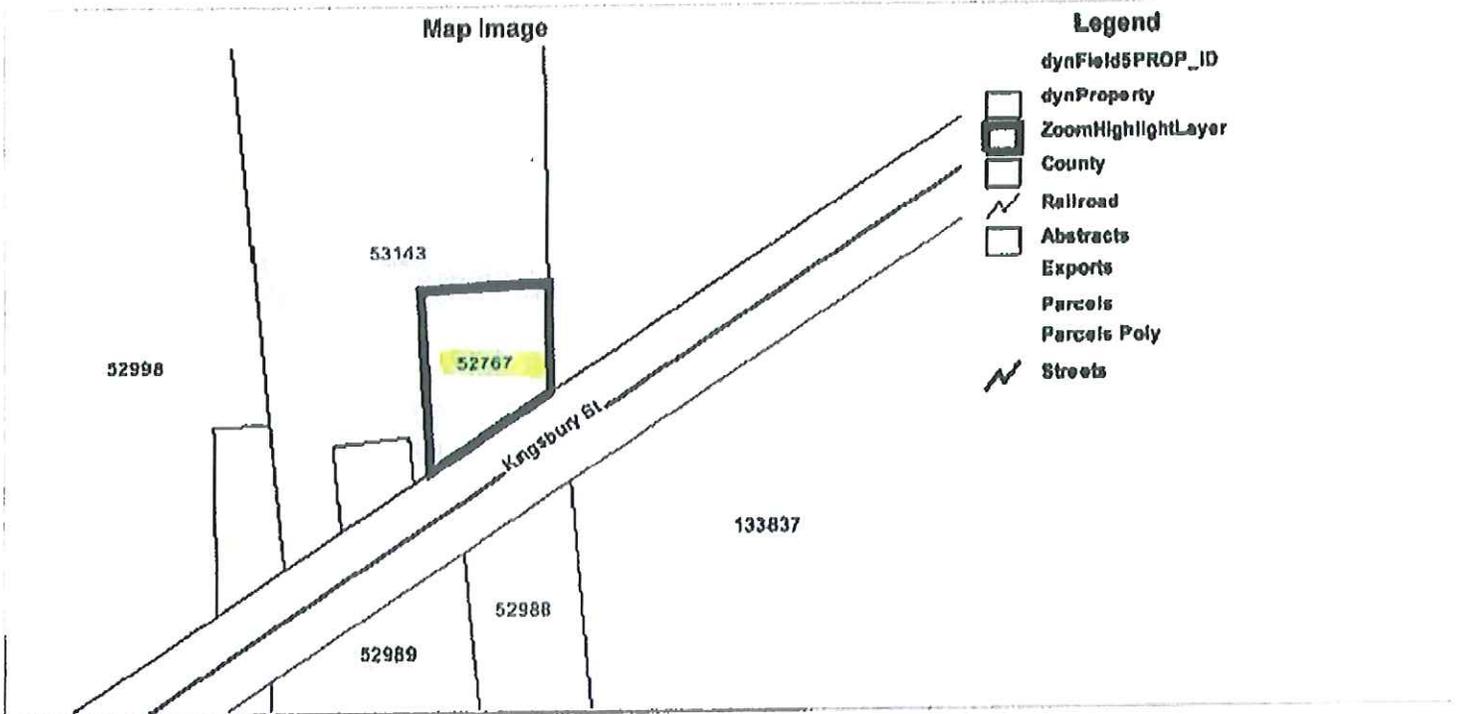
Database last updated on: 7/27/2009 6:53 PM

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Guadalupe CAD

Property Search Results > Property ID 52767 CATERPILLAR INC for Year 2009



Property Details

Account

Property ID: 52767  
 Geo. ID: 2G0011-0000-00200-0-00  
 Type: Real  
 Legal Description: ABS: 11 SUR: J D CLEMENTS 0.5000 AC

Location

Address: 1710 W KINGSBURY ST TX  
 Neighborhood: EAST OF RIVER & WEST OF SH46  
 Mapsco:  
 Jurisdictions: CAD, CSG, GCO, LTR, SGS

Owner

Name: CATERPILLAR INC  
 Address: 100 NE ADAMS ST  
 PEORIA, IL 61629

Property

Appraised Value: \$100.802

Website version: 1.2.2.2

Database last updated on: 7/27/2009 8:53 PM

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## Quarterly Employment and Wages (QCEW)

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### STANDARD WAGES OVER 1,000 EMPLOYEE PROVISIONS

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2008	1st Qtr	Guadalupe County	Total All	00	0	10	Total, All Industries	\$647
2008	2nd Qtr	Guadalupe County	Total All	00	0	10	Total, All Industries	\$650
2008	3rd Qtr	Guadalupe County	Total All	00	0	10	Total, All Industries	\$677
2008	4th Qtr	Guadalupe County	Total All	00	0	10	Total, All Industries	\$724

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**AVG= \$674.50/WK**  
**@110% WEEKLY: \$741.95**

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- Employment Estimates (CES)
- Quarterly Employment and Wages (QCEW)
- Wages by Profession
- Projections - Occupation
- Projections - Industry
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