

Ann E. Greenberg  
Attorney at Law

WALSH, ANDERSON,  
GALLEGOS, GREEN  
and TREVIÑO, P.C.

ATTORNEYS AT LAW

[agreenberg@wabsa.com](mailto:agreenberg@wabsa.com)  
512.454.6864, Ext. 618

December 14, 2012

*Via Hand Delivery*

Local Government Assistance & Economic Analysis  
TEXAS COMPTROLLER OF PUBLIC ACCOUNTS  
Lyndon B. Johnson State Office Building  
111 East 17th Street  
Austin, Texas 78774

Re: Borusan Mannesmann Pipe U.S., Inc.'s Application for Value Limitation  
Agreement to the Goose Creek Consolidated Independent School District

To the Local Government Assistance & Economic Analysis Division:

This letter is intended to inform the Comptroller that the Goose Creek Consolidated Independent School District (the "District") will consider Borusan Mannesmann Pipe U.S., Inc.'s (the "Applicant") Application for Appraised Value Limitation on Qualified Property. By copy of this letter, the District is notifying the Applicant of the same. The District requests the statutorily required Comptroller economic impact evaluation of this Application to the District.

In addition to the paper and electronic copy of the Application submitted to you with this letter, a copy of the Application will be submitted to the Harris County Appraisal District pursuant to 34 TEX. ADMIN CODE §9.1054.

The Applicant submitted the Application to the District on December 10, 2012. On December 10, 2012, the Board of Trustees voted to accept the Application. The District's Superintendent determined the Application was complete on December 13, 2012.

Please do not hesitate to contact me with any questions.

Best wishes,



Ann Greenberg

AEG/cdg  
Enclosures

cc: *Via Electronic Mail: [Salvador.cavazos@gccisd.net](mailto:Salvador.cavazos@gccisd.net) (w/out Enclosures)*  
*and Via First Class Mail (w/Enclosures)*

Dr. Salvador Cavazos  
Superintendent of Schools  
GOOSE CREEK CISD  
4544 Interstate 10 East  
Baytown, Texas 77522

*Via Electronic Mail: [Renn.Neilson@BakerBotts.com](mailto:Renn.Neilson@BakerBotts.com) (w/out Enclosures)*  
*and Via CMRRR # 7196 9111 6017 8051 (w/Enclosures)*

Mr. Renn G. Neilson  
Attorney  
BAKER BOTTS, L.L.P.  
Authorized Company Consultant  
Applicant Borusan Mannesmann Pipe U.S., Inc.'s  
One Shell Plaza  
910 Louisiana  
Houston, TX 77002

*Via Electronic Mail: [Ryan.Morris@BakerBott.com](mailto:Ryan.Morris@BakerBott.com) (w/out Enclosures)*  
*and Via CMRRR # 7196 9111 6017 8051 (w/Enclosures)*

Mr. Ryan Morris  
Attorney  
BAKER BOTTS, L.L.P.  
Authorized Company Consultant  
Applicant Borusan Mannesmann Pipe U.S., Inc.'s  
One Shell Plaza  
910 Louisiana  
Houston, TX 77002

November 20, 2012

BORUSAN MANNESMANN BORU  
Steel Pipe and Plant  
081966.0101

Renn G. Neilson  
TEL +1 713.229.1671  
FAX +1 713.229.7971  
renn.neilson@bakerbotts.com

BY CERTIFIED MAIL

Dr. Salvador Cavazos  
Superintendent of Schools  
Goose Creek Consolidated Independent School District  
P.O. Box 30  
Baytown, Texas 77522

Re: Borusan Mannesmann Pipe U.S., Inc.'s Application for a Value Limitation  
Agreement under Chapter 313 of the Texas Tax Code

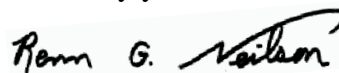
Dear Dr. Cavazos,

Borusan Mannesman Boru proposes to construct a new manufacturing facility to produce high quality tubular pipes and casings to supply the expanding oil and gas industry, especially in the area of shale gas production. One of the potential sites for this project is located within Goose Creek CISD, on an undeveloped portion of Cedar Crossing Industrial Park. A key factor in choosing the final project site will be the tax incentives offered by local government units. To that end, Borusan Mannesman Pipe U.S., Inc., a wholly-owned subsidiary of Borusan Mannesmann Boru, transmits with this letter its Application for Value Limitation on Qualified Property under Chapter 313 of the Texas Tax Code, including its \$75,000 application fee.

This project will involve over \$288 million of direct economic investment over the next ten years, with about half of that related to construction and purchases of equipment and machinery over the next two to three years. This facility is anticipated to create approximately 250 well-paying, full time, permanent jobs and, during peak construction, approximately 319 construction jobs.

We respectfully request consideration of this Application. Should you need further information or explanation of the proposed project, please contact me at (713) 229-1671.

Sincerely yours,



Renn G. Neilson  
Authorized Company Consultant

RGN:rlm  
Enclosures



# Application for Appraised Value Limitation on Qualified Property

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

**Form 50-296**  
(Revised May 2010)

**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 completed application to the Comptroller in a three-ring binder with tabs 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 Web site. 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 as explained in the Confidentiality Notice below.

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. 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, make a recommendation 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 before the 151st 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 complete the recommendation, economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's Web site to find out more about the program at <http://www.window.state.tx.us/taxinfo/proptax/hb1200/index.html>. There are links on this Web page to the Chapter 313 statute, rules and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

## SCHOOL DISTRICT INFORMATION - CERTIFICATION OF APPLICATION

### Authorized School District Representative

Date application received by district

First Name

Last Name

Title

School District Name

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Mobile Number (optional)

E-mail Address

I authorize the consultant to provide and obtain information related to this application.. ☐ Yes ☐ No

Will consultant be primary contact? ☐ Yes ☐ No



Form 50-296

## Application for Appraised Value Limitation on Qualified Property

## SCHOOL DISTRICT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

## Authorized School District Consultant (If Applicable)

First Name <b>Ann</b>		Last Name <b>Greenberg</b>	
Title <b>Attorney</b>			
Firm Name <b>Walsh, Anderson, Gallegos, Green &amp; Treviño</b>			
Street Address <b>505 E. Huntland Drive, Suite 600, Austin, TX 78752</b>			
Mailing Address <b>P.O. Box 2156</b>			
City <b>Austin</b>		State <b>TX</b>	ZIP <b>78768-2156</b>
Phone Number <b>(512) 454-6864</b>		Fax Number <b>(512) 467-9318</b>	
Mobile Number (Optional)		E-mail Address <b>agreenberg@wabsa.com</b>	

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.

Signature (Authorized School District Representative)

Date

Has the district determined this application complete? ..... ☒ Yes ☐ No

If yes, date determined complete. 12/13/2012

Have you completed the school finance documents required by TAC 9.1054(c)(3)? ..... ☐ Yes ☐ No

## SCHOOL DISTRICT CHECKLIST AND REQUESTED ATTACHMENTS

	Checklist	Page X of 16	Check Completed
1	Date application received by the ISD	1 of 16	✓
2	Certification page signed and dated by authorized school district representative	2 of 16	✓
3	Date application deemed complete by ISD	2 of 16	✓
4	Certification pages signed and dated by applicant or authorized business representative of applicant	4 of 16	✓
5	Completed company checklist	12 of 16	✓
6	School finance documents described in TAC 9.1054(c)(3) (Due within 20 days of district providing notice of completed application)	2 of 16	

**SCHOOL DISTRICT INFORMATION - CERTIFICATION OF APPLICATION** (CONTINUED)**Authorized School District Consultant (If Applicable)**

First Name	Last Name	
Title		
Firm Name		
Street Address		
Mailing Address		
City	State	ZIP
Phone Number	Fax Number	
Mobile Number (Optional)	E-mail Address	

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.

Signature (Authorized School District Representative)	Date
---	------

Has the district determined this application complete? ..... ☐ Yes ☐ No

If yes, date determined complete. \_\_\_\_\_

Have you completed the school finance documents required by TAC 9.1054(c)(3)? ..... ☐ Yes ☐ No

**SCHOOL DISTRICT CHECKLIST AND REQUESTED ATTACHMENTS**

	Checklist	Page X of 16	Check Completed
1	Date application received by the ISD	1 of 16	
2	Certification page signed and dated by authorized school district representative	2 of 16	
3	Date application deemed complete by ISD	2 of 16	
4	Certification pages signed and dated by applicant or authorized business representative of applicant	4 of 16	
5	Completed company checklist	12 of 16	
6	School finance documents described in TAC 9.1054(c)(3) (Due within 20 days of district providing notice of completed application)	2 of 16	



**BAŞVURANIN BİLGİLERİ – BAŞVURUNUN SERTİFİKASYONU**

**Yetkili İşletme Temsilcisi (Başvuran)**

Adı

Kagan

Soyadı

Ari

Unvanı

Mali İşler Şefi

Kuruluş

Borusan Mannesmann Pipe U.S., Inc.

Açık Adresi

Meclisi Mebusan Cd. 37

Posta Adresi

[aynı]

Şehir

İstanbul

Eyalet

Türkiye

Posta Kodu

34427

Telefon Numarası

90-212-293-3165

Faks Numarası

90-2121-293-3165

Mobil Numarası (isteğe bağlı)

90-532-731-4676

İş e-posta Adresi

kari@borusan.com

Gelecekteki bilgi taleplerine cevap vermek için yetkili işletme temsilcisi dışında bir şirket görevlisi sorumlu olacak mı? ☐ Evet ☒ Hayır

Evet ise, lütfen o kişiye ait irtibat bilgilerini yazınız.

Adı

Soyadı

Unvanı

Kuruluş

Açık Adresi

Posta Adresi

Şehir

Eyalet

Posta Kodu

Telefon Numarası

Faks Numarası

Mobil Numarası (isteğe bağlı)

E-posta Adresi

Danışmana bu başvuruyla ilgili bilgi vermek ve almak için yetkilendiriyorum. ☒ Evet ☐ Hayır

Danışman birincil irtibat noktası mı olacak? ☒ Evet ☐ Hayır

Daha fazla bilgi için, internet sitemizi ziyaret edin: [www.window.state.tx.us/taxinfo/proptax/hb1200/index.html](http://www.window.state.tx.us/taxinfo/proptax/hb1200/index.html)

T.C.  
BEYOĞLU 23. NOTERİ  
SADIK YÖRÜK  
Vekili  
NERMİN CİVAN



İşbu belge orijinalinden aslına uygun olarak  
İNGİLİZCE Lisansından TÜRKÇE'ye tarafımdan  
tercüme edilmiştir.  
Yeminli Tercüman: HASAN DOĞRU

İşbu tercümenin dairemiz yeminli tercümanlarımızdan  
HASAN DOĞRU  
tarafından tercüme edildiğini onaylarım.  
Dosya No:201203001398



**TRANSLATION OFFICE**

LEVENT (0212) 283 08 69  
KADIKÖY (0216) 348 87 91  
ALTIYOL (0216) 550 43 73  
4.LEVENT (0212) 283 83 66  
ANKARA (0312) 231 76 80  
GEBZE (0262) 645 05 30  
KOŞUYOLU (0216) 339 35 97

EYLÜL TERCÜME  
REKLAM YAYIN. ŞAN. ve TİC. LTD. ŞTİ.  
KADIKÖY ŞUBE 1 KADIKÖY ŞUBE 2 1. LEVENT ŞUBE  
Tel: 0216 348 87 91 Tel: 0216 560 43 73 Tel: 0212 283 08 69  
Faks: 0216 338 37 03 Faks: 0216 560 43 79 Faks: 0212 324 06 52  
4. LEVENT ŞUBE ANKARA ŞUBE GEBZE ŞUBE  
Tel: 0212 283 83 66 Tel: 0312 231 76 80 Tel: 0262 645 05 30  
Faks: 0212 283 82 15 Faks: 0312 231 76 83 Faks: 0262 645 05 35  
www.eylultercume.com info@eylultercume.com Beşitay No: 3830245242

№43788

EYLÜL  
TERCÜME  
VE REKLAM  
TİC.LTD.ŞTİ.

Form 50-296 Vasıflı Mülkler hakkında Ekspertiz Değeri Sınırlaması Başvurusu

## BAŞVURANIN BİLGİLERİ – BAŞVURUNUN SERTİFİKASYONU (DEVAM)

Yetkili Şirket Danışmanı (Varsa)

Adı

Renn

Soyadı

Neilson

Unvanı

Ortak

Firma Adı

Baker Botts L.L.P.

Açık Adresi

One Shell Plaza, 910 Louisiana Street

Posta Adresi

[aynı]

Şehir

Houston

Eyalet

Teksas

Posta Kodu

77002-4995

Telefon Numarası

(713)229-1671

Faks Numarası

(713)229-7971

İş e-posta Adresi

renn.neilson@bakerbotts.com

İşletmenin bu başvuruyu yapmak üzere yetkili temsilcisiyim. Bu başvurunun Teksas Ceza Kanunu'nun 37. Bölümü'nde tanımlandığı üzere bir resmi kayıt olduğunu anlamaktayım. Bu başvuruda yer alan bilgiler bildiğim ve inandığım kadarıyla gerçek ve doğrudur.

Temsil ettiğim işletmenin, işletmenin kurulmuş olduğu eyaleti kanunları uyarınca itibarının yerinde olduğunu ve Teksas Eyaleti'ne borçlu olunan ödenmemiş vergileri olmadığını tasdik ve teyit ederim.

İmza (Yetkili İşletme Temsilcisi (Başvuran))

(imzalı)

Tarih

8 Kasım 2012

2012 yılı Kasım ayının ..... gününde imzam ve dairenin mührü altında verilmiştir

Noter, \_\_\_\_\_ Eyaleti

(Noterlik Mührü)

Görevimin sona erme tarihi \_\_\_\_\_

Bu başvuruda yanlış beyanda bulunduğunuz takdirde, Teksas Ceza Kanunu Madde 37.10 uyarınca bir A Sınıfı kabahatten ya da hapis cezası gerektiren cürümden suçlu bulunabilirsiniz.



İşbu belge orijinalinden aslına uygun olarak  
İNGİLİZCE Lisanından TÜRKÇE'ye tarafımdan  
tercüme edilmiştir.  
Yeminli Tercüman: HASAN DOĞRU

İşbu tercümenin dairemiz yeminli tercümanlarından  
HASAN DOĞRU  
tarafından tercüme edildiğini onaylarım.  
Dosya No:201203001398



## TRANSLATION OFFICE

LEVENT (0212) 283 08 69  
KADIKÖY (0216) 348 87 91  
ALTIYOL (0216) 550 43 73  
4.LEVENT (0212) 283 83 66  
ANKARA (0312) 231 76 80  
GEBZE (0262) 645 05 30  
KOŞUYOLU (0216) 339 35 97

**EYLÜL TERCÜME**  
REKLAM YAYIN. SAN. ve TİC. LTD. ŞTİ.  
KADIKÖY ŞUBE 1 KADIKÖY ŞUBE 2 1. LEVENT ŞUBE  
Tel :0216 348 87 91 Tel :0216 550 43 73 Tel :0212 283 08 69  
Faks :0216 338 33 03 Faks :0216 560 45 70 Faks :0212 324 06 52  
4. LEVENT ŞUBE ANKARA ŞUBE GEBZE ŞUBE  
Tel :0212 283 83 66 Tel :0312 231 76 80 Tel :0262 645 05 30  
Faks :0212 283 82 15 Faks :0312 231 76 83 Faks :0262 645 05 36  
www.eylultercume.com info@eylultercume.com Beşiktaş MD. 3830265242



43788

Application for Appraised Value Limitation on Qualified Property



APPLICANT INFORMATION - CERTIFICATION OF APPLICATION

Authorized Business Representative (Applicant)

First Name <b>Kagan</b>		Last Name <b>Ari</b>	
Title <b>Chief Financial Officer</b>			
Organization <b>Borusan Mannesmann Pipe U.S., Inc.</b>			
Street Address <b>Meclisi Mebusan Cd. 37</b>			
Mailing Address <b>[same]</b>			
City <b>Istanbul</b>		State <b>Turkey</b>	ZIP <b>34427</b>
Phone Number <b>90-212-293-3165</b>		Fax Number <b>90-2121-293-3165</b>	
Mobile Number (optional) <b>90-532-731-4676</b>		Business e-mail Address <b>kari@borusan.com</b>	

Will a company official other than the authorized business representative be responsible for responding to future information requests? ☐ Yes ☒ No

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

First Name		Last Name	
Title			
Organization			
Street Address			
Mailing Address			
City		State	ZIP
Phone Number		Fax Number	
Mobile Number (optional)		E-mail Address	

I authorize the consultant to provide and obtain information related to this application.. ☒ Yes ☐ No

Will consultant be primary contact? ☒ Yes ☐ No



AYLUL TERDÖME  
REKLAM YAYIN. SAN. ve TIC. LTD. STİ.  
KADIKÖY ŞUBE 1 KADIKÖY ŞUBE 2 1. LEVENT ŞUBE  
Tel: 0212 338 37 03 Tel: 0212 338 37 03 Tel: 0212 283 08 67  
Faks: 0212 338 37 03 Faks: 0212 338 37 03 Faks: 0212 324 06 52  
4. LEVENT ŞUBE ARHANA ŞUBE GEZİTE ŞUBE  
Tel: 0212 283 65 66 Tel: 0212 231 76 80 Tel: 0262 645 05 30  
Faks: 0212 283 65 66 Faks: 0212 231 76 83 Faks: 0262 645 05 30  
www.aylulterdome.com info@aylulterdome.com

№ 43788



Form 50-296

Application for Appraised Value Limitation on Qualified Property

**APPLICANT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)**

**Authorized Company Consultant (If Applicable)**

First Name

Renn

Last Name

Neilson

Title

Partner

Firm Name

Baker Botts L.L.P.

Street Address

One Shell Plaza, 910 Louisiana Street

Mailing Address

[same]

City

Houston

State

TX

ZIP

77002-4995

Phone Number

(713) 229-1671

Fax Number

(713) 229-7971

Business email Address

renn.neilson@bakerbotts.com

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 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.

Signature (Authorized Business Representative (Applicant))

*[Handwritten Signature]*

Date

November 8, 2012

GIVEN under my hand and seal of office this \_\_\_\_\_ day of November, 2012

Notary Public, State of \_\_\_\_\_

(Notary Seal)

My commission expires \_\_\_\_\_



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.

**EYLÜL TERCÜME**  
REKLAM YAYIN, SAN. ve TİC. LTD. ŞTİ.  
KADIKÖY ŞUBE 1 KADIKÖY ŞUBE 2 1. LEVENT ŞUBE  
Tel: 0216 348 87 91 Tel: 0216 550 43 73 Tel: 0212 283 08 69  
Faks: 0216 336 33 33 Faks: 0212 324 06 52  
4. LEVENT ŞUBE ANKARA ŞUBE GEBZE ŞUBE  
Tel: 0212 283 83 64 Tel: 0312 231 76 80 Tel: 0262 645 05 30  
Faks: 0212 283 62 15 Faks: 0312 231 26 83 Faks: 0262 645 05 35  
Bölge: 0312 3830245242



**APOSTILLE**  
( Convention de La Haye du 5 Octobre 1961 )

1. Ülke/Country/Pays/Staat TÜRKiYE - LA TURQUIE

İşbu resmi belge/This public document/Le présent acte public/Dieses zeugnis wurde

2. Nermin CİVAN tarafından imzalanmıştır./Has been signed by/a été signé par/durch ...  
unterschrieben

3. İmzalayanın sıfatı BAŞKATİP'dir./Acting in the capacity of/Agissant en qualité de/Titel des  
Unterzeichneten

4. Beyoğlu 23. Noterliği 'nin mühür/damgasını taşımaktadır-bears the seal/stamp of-/est revêtu du  
sceau/timbre de-trägt Siegel/Stempel von

**TASDİK / CERTIFIED / ATTESTE / BEGLAUBIGUNG:**

5. Kağıthane Kaymakamlığı' da/at/à/in

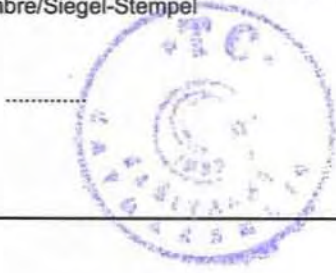
6. 13.11.2012 günü/the/le/Am

7. Yazı İşleri Müdürü Mühibe KARGI tarafından/by/par/durch den/die

8. No : 1792 ile tasdik edilmiştir./No:/sous No:/unter Nr.

9. Mühür - Damga/Seal-stamp/Sceau-  
timbre/Siegel-Stempel

10. İmza/Signature/Signature/Unterschrift:



Mühibe KARGI  
Yazı İşleri Müdürü

**FEES AND PAYMENTS**

☐ Enclosed is proof of application fee paid to the school district.

For the purpose of this question, "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.

Please answer only either A OR B:

A. 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

B. 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

**BUSINESS APPLICANT INFORMATION**

Legal Name under which application is made

Texas Taxpayer I.D. Number of entity subject to Tax Code, Chapter 171 (11 digits)

NAICS code

Is the applicant a party to any other Chapter 313 agreements? ☐ Yes ☐ No

If yes, please list name of school district and year of agreement.

**APPLICANT BUSINESS STRUCTURE**

Registered to do business in Texas with the Texas Secretary of State? ☐ Yes ☐ No

Identify business organization of applicant (corporation, limited liability corporation, etc.)

1. Is the applicant a combined group, or comprised of members of a combined group, as defined by Texas Tax Code Chapter 171.0001(7)? ☐ Yes ☐ No  
If so, please attach documentation of the combined group membership and contact information.

2. Is the applicant current on all tax payments due to the State of Texas? ☐ Yes ☐ No

3. Are all applicant members of the combined group current on all tax payments due to the State of Texas? ☐ NA ☐ Yes ☐ No

If the answer to either question is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (Use attachment if necessary.)

**ELIGIBILITY UNDER TAX CODE CHAPTER 313.024**

Are you an entity to which Tax Code, Chapter 171 applies? ☐ Yes ☐ No

The property will be used as an integral part, or as a necessary auxiliary part, in 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

Are you requesting that any of the land be classified as qualified investment? ☐ Yes ☐ No

Will any of the proposed qualified investment be leased under a capitalized lease? ☐ Yes ☐ No

Will any of the proposed qualified investment be leased under an operating lease? ☐ Yes ☐ No

Are you including property that is owned by a person other than the applicant? ☐ Yes ☐ No

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

**PROJECT DESCRIPTION**

Provide 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. (Use attachments as necessary)

Describe the ability of your company to locate or relocate in another state or another region of the state.

**PROJECT CHARACTERISTICS (CHECK ALL THAT APPLY)**

- |   |  |   |   |
|---|--|---|---|
| <input type="checkbox"/> New Jobs                     | <input type="checkbox"/> Construct New Facility  | <input type="checkbox"/> New Business / Start-up        | <input type="checkbox"/> Expand Existing Facility |
| <input type="checkbox"/> Relocation from Out-of-State | <input type="checkbox"/> Expansion               | <input type="checkbox"/> Purchase Machinery & Equipment |   |
| <input type="checkbox"/> Consolidation                | <input type="checkbox"/> Relocation within Texas |   |   |

**PROJECTED TIMELINE**

Begin Construction \_\_\_\_\_ Begin Hiring New Employees \_\_\_\_\_

Construction Complete \_\_\_\_\_ Fully Operational \_\_\_\_\_

Purchase Machinery & Equipment \_\_\_\_\_

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.

When do you anticipate the new buildings or improvements will be placed in service? \_\_\_\_\_



**ECONOMIC INCENTIVES**

Identify state programs the project will apply for:

State Source

Amount

_____	_____
_____	_____
_____	_____
Total	_____

Will other incentives be offered by local units of government? . . . . . ☐ Yes ☐ No

Please use the following box for additional details regarding incentives. (Use attachments if necessary.)

**THE PROPERTY**

Identify county or counties in which the proposed project will be located \_\_\_\_\_

Central Appraisal District (CAD) that will be responsible for appraising the property \_\_\_\_\_

Will this CAD be acting on behalf of another CAD to appraise this property? . . . . . ☐ Yes ☐ No

List all taxing entities that have jurisdiction for the property and the portion of project within each entity

County: \_\_\_\_\_ (Name and percent of project)      City: \_\_\_\_\_ (Name and percent of project)

Hospital District: \_\_\_\_\_ (Name and percent of project)      Water District: \_\_\_\_\_ (Name and percent of project)

Other (describe): \_\_\_\_\_ (Name and percent of project)      Other (describe): \_\_\_\_\_ (Name and percent of project)

Is the project located entirely within this ISD? . . . . . ☐ Yes ☐ No

If not, please provide additional information on the project scope and size to assist in the economic analysis.

**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 rural, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's Web site at [www.window.state.tx.us/taxinfo/proptax/hb1200/values.html](http://www.window.state.tx.us/taxinfo/proptax/hb1200/values.html).

At the time of application, what is the estimated minimum qualified investment required for this school district? \_\_\_\_\_

What is the amount of appraised value limitation for which you are applying? \_\_\_\_\_

What is your total estimated *qualified* investment? \_\_\_\_\_

**NOTE:** See 313.021(1) for full definition. Generally, Qualified Investment is the sum of the investment in tangible personal property and buildings and new improvements made between beginning of the qualifying time period (date of application final approval by the school district) and the end of the second complete tax year.

What is the anticipated date of application approval? \_\_\_\_\_

What is the anticipated date of the beginning of the qualifying time period? \_\_\_\_\_

What is the total estimated investment for this project for the period from the time of application submission to the end of the limitation period? \_\_\_\_\_

Describe the qualified investment. [See 313.021(1).]

Attach the following items to this application:

- (1) 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,
- (2) a description of any new buildings, proposed improvements or personal property which you intend to include as part of your minimum qualified investment and
- (3) a map of the qualified investment showing location of new buildings or new improvements with vicinity map.

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 during the qualifying time period? ☐ Yes ☐ No

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:

- (1) in or on the new building or other new improvement for which you are applying? ☐ Yes ☐ No
- (2) 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? ☐ Yes ☐ No
- (3) on the same parcel of land as the building for which you are applying for an appraised value limitation? ☐ Yes ☐ No

("First placed in service" means the first use of the property by the taxpayer.)

Will the investment in real or personal property you propose 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

Does the investment in tangible personal property meet the requirements of Tax Code §313.021(1)? ☐ Yes ☐ No

If the proposed investment includes a building or a permanent, non-removable component of a building, does it house tangible personal property? ☐ Yes ☐ No

**QUALIFIED PROPERTY**

Describe the qualified property. [See 313.021(2)] (If qualified investment describes qualified property exactly you may skip items (1), (2) and (3) below.)

Attach the following items to this application:

- (1) 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,
- (2) a description of any new buildings, proposed improvements or personal property which you intend to include as part of your qualified property and
- (3) a map of the qualified property showing location of new buildings or new improvements – with vicinity map.

**Land**

Is the land on which you propose new construction or 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

If you answered "no" to the question above, what is the anticipated date on which you will submit proof of a reinvestment zone with boundaries encompassing the land on which you propose new construction or improvements? \_\_\_\_\_

Will the applicant own the land by the date of agreement execution? ☐ Yes ☐ No

Will the project be on leased land? ☐ Yes ☐ No

**QUALIFIED PROPERTY (CONTINUED)**

If the land upon which the new building or new improvement is to be built is part of the qualified property described by §313.021(2)(A), please attach complete documentation, including:

1. Legal description of the land
2. Each existing appraisal parcel number of the land on which the improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property
3. Owner
4. The current taxable value of the land. Attach estimate if land is part of larger parcel.
5. A detailed map (with a vicinity map) showing the location of the land

Attach 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. (With vicinity map)

Attach the order, resolution or ordinance establishing the zone, and the guidelines and criteria for creating the zone, if applicable.

**Miscellaneous**

Is the proposed project a building or new improvement to an existing facility? ☐ Yes ☐ No

Attach a description of any existing improvements and include existing appraisal district account numbers.

List current market value of existing property at site as of most recent tax year. \_\_\_\_\_  
(Market Value) (Tax Year)

Is any of the existing property subject to a value limitation agreement under Tax Code 313? ☐ Yes ☐ No

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 limitation? ☐ Yes ☐ No

**WAGE AND EMPLOYMENT INFORMATION**

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)? \_\_\_\_\_

The last complete calendar quarter before application review start date is the:

☐ First Quarter ☐ Second Quarter ☐ Third Quarter ☐ Fourth Quarter of \_\_\_\_\_  
(year)

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 TWC? \_\_\_\_\_

**Note:** For job definitions see TAC §9.1051(14) and Tax Code 313.021(3). If the applicant intends to apply a definition for "new job" other than TAC §9.1051(14)(C), then please provide the definition of "new job" as used in this application. \_\_\_\_\_

Total number of new jobs that will have been created when fully operational \_\_\_\_\_

Do you plan to create at least 25 new jobs (at least 10 new jobs for rural school districts) on the land and in connection with the new building or other improvement? ☐ Yes ☐ No

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

If you answered "yes" to the question above, attach evidence documenting that the new job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards. **Note: Even if a minimum new job waiver is provided, 80% of all new jobs must be qualifying jobs pursuant to Texas Tax Code, §313.024(d).**

What is the maximum number of qualifying jobs meeting all criteria of §313.021(3) you are committing to create? \_\_\_\_\_

If this project creates more than 1,000 new jobs, the minimum required wage for this project is 110% of the average county weekly wage for all jobs as described by 313.021(3)(E)(ii).

If this project creates less than 1,000 new jobs, does this district have territory in a county that meets the demographic characteristics of 313.051(2)? (see table of information showing this district characteristic at <http://www.window.state.tx.us/taxinfo/proptax/hb1200/values.html>)

If yes, the applicant must meet wage standard described in 313.051(b) (110% of the regional average weekly wage for manufacturing)

If no, the applicant shall designate one of the wage standards set out in §§313.021(5)(A) or 313.021(5)(B).

**WAGE AND EMPLOYMENT INFORMATION (CONTINUED)**

For the following three wage calculations please include on an attachment the four most recent quarters of data for each wage calculation. Show the average and the 110% calculation. Include documentation from TWC Web site. 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(7).

110% of the county average weekly wage for all jobs (all industries) in the county is \_\_\_\_\_

110% of the county average weekly wage for manufacturing jobs in the county is \_\_\_\_\_

110% of the county average weekly wage for manufacturing jobs in the region is \_\_\_\_\_

Please identify which Tax Code section you are using to estimate the wage standard required for this project:

☐ §313.021(5)(A) or ☐ §313.021(5)(B) or ☐ §313.021(3)(E)(ii), or ☐ §313.051(b)?

What is the estimated minimum required annual wage for each qualifying job based on the qualified property? \_\_\_\_\_

What is the estimated minimum required annual wage you are committing to pay for each of the qualifying jobs you create on the qualified property? \_\_\_\_\_

Will 80% of all new jobs created by the owner be qualifying jobs as defined by 313.021(3)? ..... ☐ Yes ☐ No

Will each qualifying job require at least 1,600 of work a year? ..... ☐ Yes ☐ No

Will any of the qualifying jobs be jobs transferred from one area of the state to another? ..... ☐ Yes ☐ No

Will any of the qualifying jobs be retained jobs? ..... ☐ Yes ☐ No

Will any of the qualifying jobs be created to replace a previous employee? ..... ☐ Yes ☐ No

Will any required qualifying jobs be filled by employees of contractors? ..... ☐ Yes ☐ No

If yes, what percent? \_\_\_\_\_

Does the applicant or contractor of the applicant offer to pay at least 80% of the employee's health insurance premium for each qualifying job? ..... ☐ Yes ☐ No

Describe each type of benefits to be offered to qualifying jobholders. (Use attachments as necessary.)

**ECONOMIC IMPACT**

Is an Economic Impact Analysis attached (If supplied by other than the Comptroller's office)? ..... ☐ Yes ☐ No

Is Schedule A completed and signed for all years and attached? ..... ☐ Yes ☐ No

Is Schedule B completed and signed for all years and attached? ..... ☐ Yes ☐ No

Is Schedule C (Application) completed and signed for all years and attached? ..... ☐ Yes ☐ No

Is Schedule D completed and signed for all years and attached? ..... ☐ Yes ☐ No

Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.

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.

**CONFIDENTIALITY NOTICE**

**Property Tax Limitation Agreement Applications  
Texas Government Code Chapter 313  
Confidential Information Submitted to the Comptroller**

Generally, an application for property tax value limitation, the information provided therein, and documents submitted in support thereof, are considered public information subject to release under the Texas Public Information Act.

There is an exception, outlined below, by which information will be withheld from disclosure.

The Comptroller's office will withhold information from public release if:

- 1) it describes the specific processes or business activities to be conducted or the specific tangible personal property to be located on real property covered by the application;
- 2) the information has been segregated in the application from other information in the application; and
- 3) the party requesting confidentiality provides the Comptroller's office a list of the documents for which confidentiality is sought and for each document lists the specific reasons, including any relevant legal authority, stating why the material is believed to be confidential.

All applications and parts of applications which are not segregated and marked as confidential as outlined above will be considered public information and will be posted on the internet.

Such information properly identified as confidential will be withheld from public release unless and until the governing body of the school district acts on the application, or we are directed to do so by a ruling from the Attorney General.

Other information in the custody of a school district or the comptroller submitted in connection with the application, including information related to the economic impact of a project or the essential elements of eligibility under Texas Tax Code, Chapter 313, such as

the nature and amount of the projected investment, employment, wages, and benefits, will not be considered confidential business information and will be posted on the internet.

All documents submitted to the Comptroller, as well as all information in the application once the school district acts thereon, are subject to public release unless specific parts of the application or documents submitted with the application are identified as confidential. Any person seeking to limit disclosure of such submitted records is advised to consult with their legal counsel regarding disclosure issues and also to take the appropriate precautions to safeguard copyrighted material, trade secrets, or any other proprietary information. The Comptroller assumes no obligation or responsibility relating to the disclosure or nondisclosure of information submitted by respondents. A person seeking to limit disclosure of information must submit in writing specific detailed reasons, including any relevant legal authority, stating why that person believes the material to be confidential.

The following outlines how the Comptroller's office will handle requests for information submitted under the Texas Public Information Act for application portions and submitted records appropriately identified as confidential.

- This office shall forward the request for records and a copy of the documents at issue to the Texas Attorney General's office for an opinion on whether such information may be withheld from disclosure under the Texas Public Information Act.
- The Comptroller will notify the person who submitted the application/documents when the information is forwarded to the Attorney General's office.
- Please be aware that this Office is obligated to comply with an Attorney General's decision, including release of information ruled public even if it was marked confidential.





## COMPANY CHECKLIST AND REQUESTED ATTACHMENTS

	Checklist	Page X of 16	Check Completed
1	Certification pages signed and dated by Authorized Business Representative (applicant)	4 of 16	
2	Proof of Payment of Application Fee (Attachment)	5 of 16	
3	For applicant members, documentation of Combined Group membership under Texas Tax Code 171.0001(7) (if Applicable) (Attachment)	5 of 16	
4	Detailed description of the project	6 of 16	
5	If project is located in more than one district, name other districts and list percentage in each district (Attachment)	7 of 16	
6	Description of Qualified Investment (Attachment)	8 of 16	
7	Map of qualified investment showing location of new buildings or new improvements with vicinity map.	8 of 16	
8	Description of Qualified Property (Attachment)	8 of 16	
9	Map of qualified property showing location of new buildings or new improvements with vicinity map	8 of 16	
10	Description of Land (Attachment)	9 of 16	
11	A detailed map showing location of the land with vicinity map.	9 of 16	
12	A description of all existing (if any) improvements (Attachment)	9 of 16	
13	Request for Waiver of Job Creation Requirement (if applicable) (Attachment)	9 of 16	
14	Calculation of three possible wage requirements with TWC documentation. (Attachment)	10 of 16	
15	Description of Benefits	10 of 16	
16	Economic Impact (if applicable)	10 of 16	
17	Schedule A completed and signed	13 of 16	
18	Schedule B completed and signed	14 of 16	
19	Schedule C (Application) completed and signed	15 of 16	
20	Schedule D completed and signed	16 of 16	
21	Map of Reinvestment Zone (Attachment) (Showing the actual or proposed boundaries and size, Certified to be accurate by either the government entity creating the zone, the local appraisal district, or a licensed surveyor, with vicinity map)*	9 of 16	
22	Order, Resolution, or Ordinance Establishing the Zone (Attachment)*	9 of 16	
23	Legal Description of Reinvestment Zone (Attachment)*	9 of 16	
24	Guidelines and Criteria for Reinvestment Zone(Attachment)*	9 of 16	

\*To be submitted with application or before date of final application approval by school board.

**Attachment 2**

**Proof of Payment of Application Fee**

Proof of payment of filing fee received by the  
Comptroller of Public Accounts per TAC Rule  
§9.1054 (b)(5)

*(Page Inserted by Office of Texas Comptroller of Public  
Accounts)*

**Attachment 3**

**Documentation of Combined Group membership  
under Texas Tax Code § 171.0001(7)**

**(Not applicable)**

The applicant is not part of a combined group for Texas franchise tax purposes.

#### **Attachment 4**

#### **Detailed Description of Project**

A portion of this page has been redacted.

Construction is anticipated to begin during the first quarter of 2013, and the project is expected to be fully operational by the 1st quarter of 2015.

#### **Taxing Units with Jurisdiction over Project Site**

<b>Taxing Jurisdiction</b>	<b>Percent of Project within Jurisdiction</b>
Chambers County Road	100%
Lee College	100%
Chambers County Improvement District #1	100%
Cedar Bayou Navigation District	100%
Chambers-Liberty Navigation District	100%



### **Ability to Locate Project in Another State**

Borusan Mannesmann Pipe U.S., Inc. is owned by a leading industrial conglomerate in Turkey, which exports its products throughout the world. This global presence provides great flexibility in facility location. The high level of skills provided and uncompromising dedication to superior product quality is sought throughout the U.S. and the world. Locations in other U.S. states are under serious consideration for this project.

## **Attachment 5**

### **Other districts in which the proposed project would be located**

The proposed project site is located entirely within the boundaries of Goose Creek Consolidated Independent School District.

**Attachment 6**

**Detailed Description of Qualified Investment**

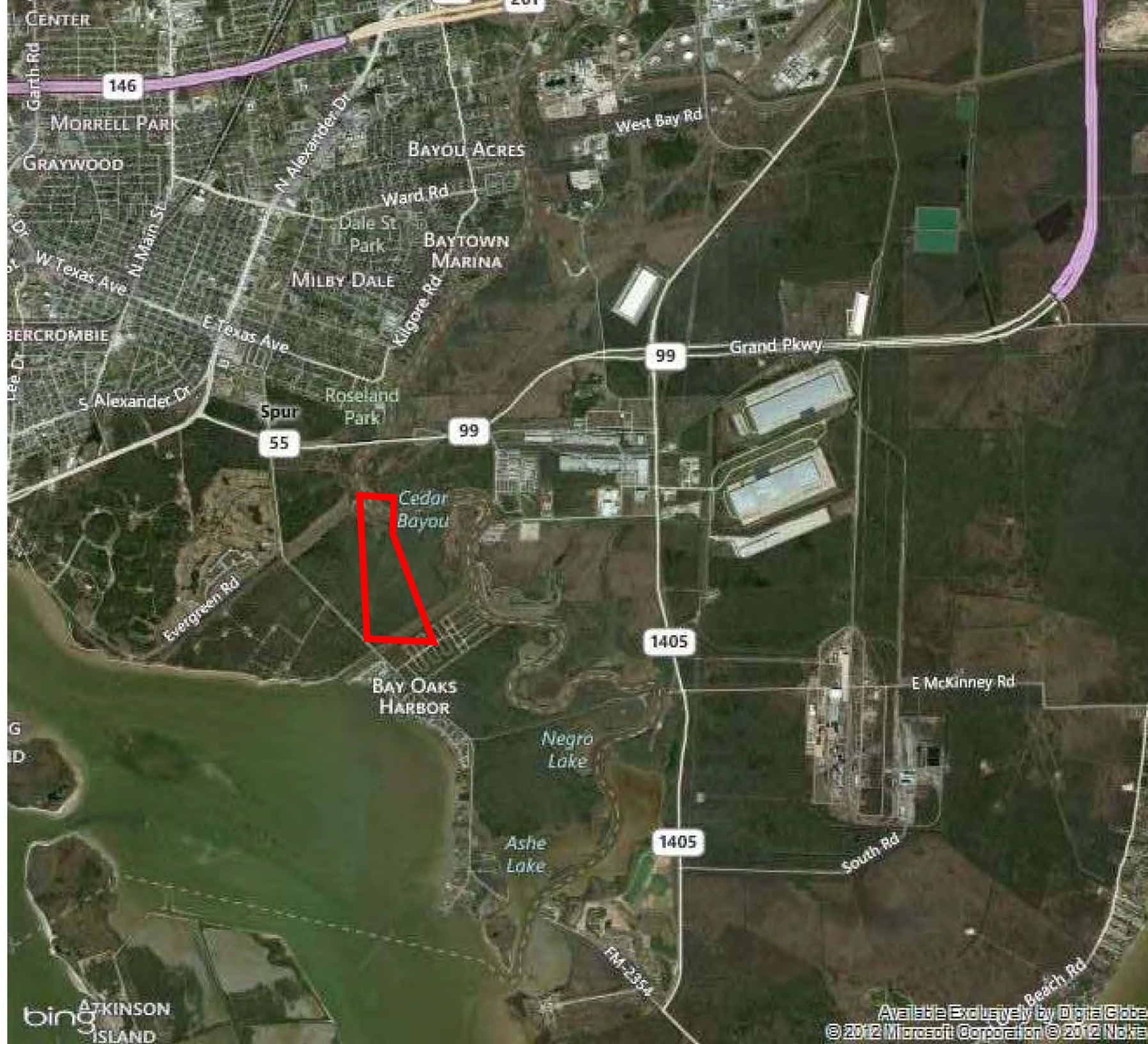
A portion of this page has been redacted.

## **Attachment 7**

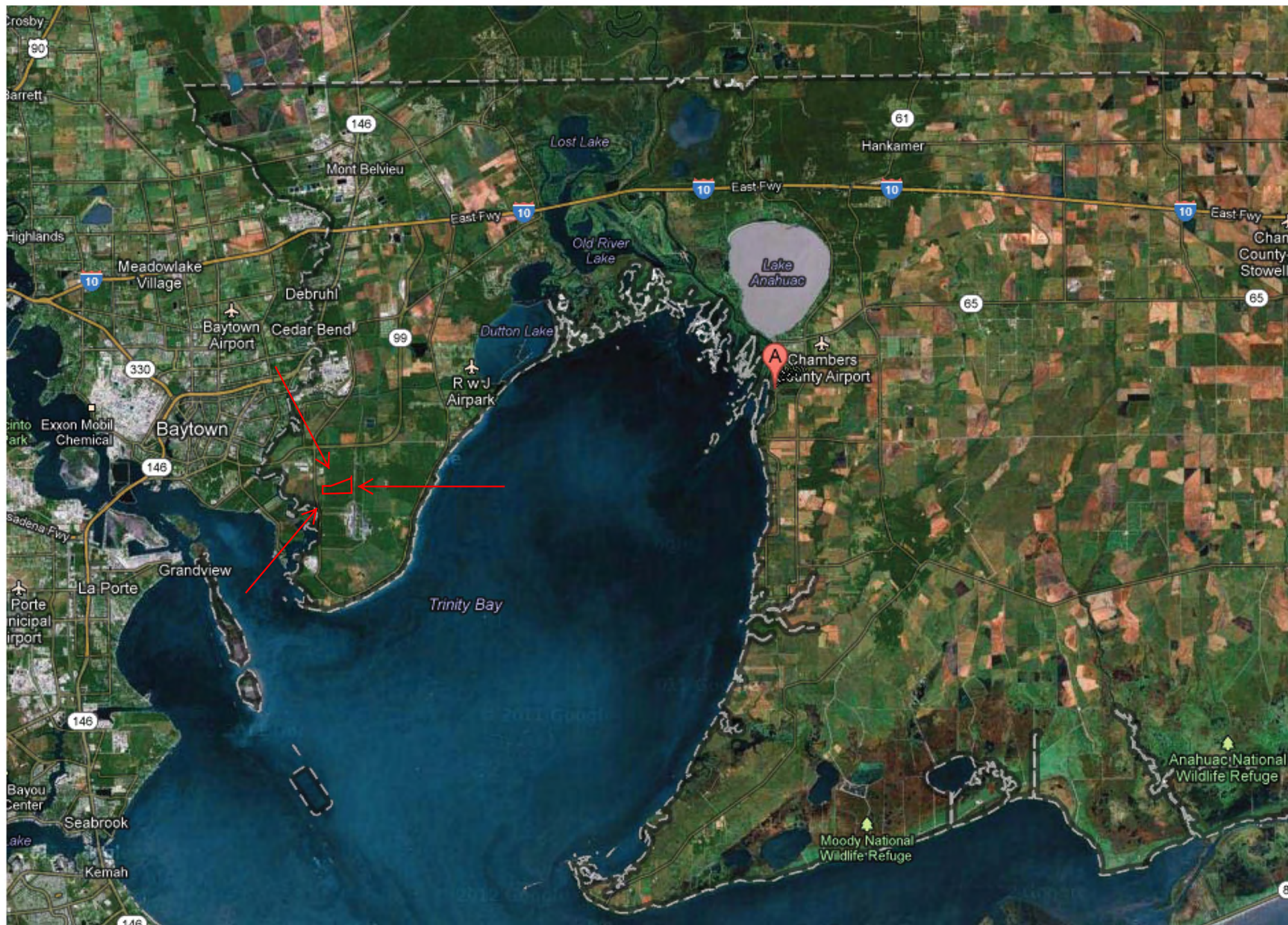
**Map of qualified investment showing location of new buildings or new improvements with vicinity map**

This page has been redacted.









**Attachment 8**

**Description of Qualified Property**

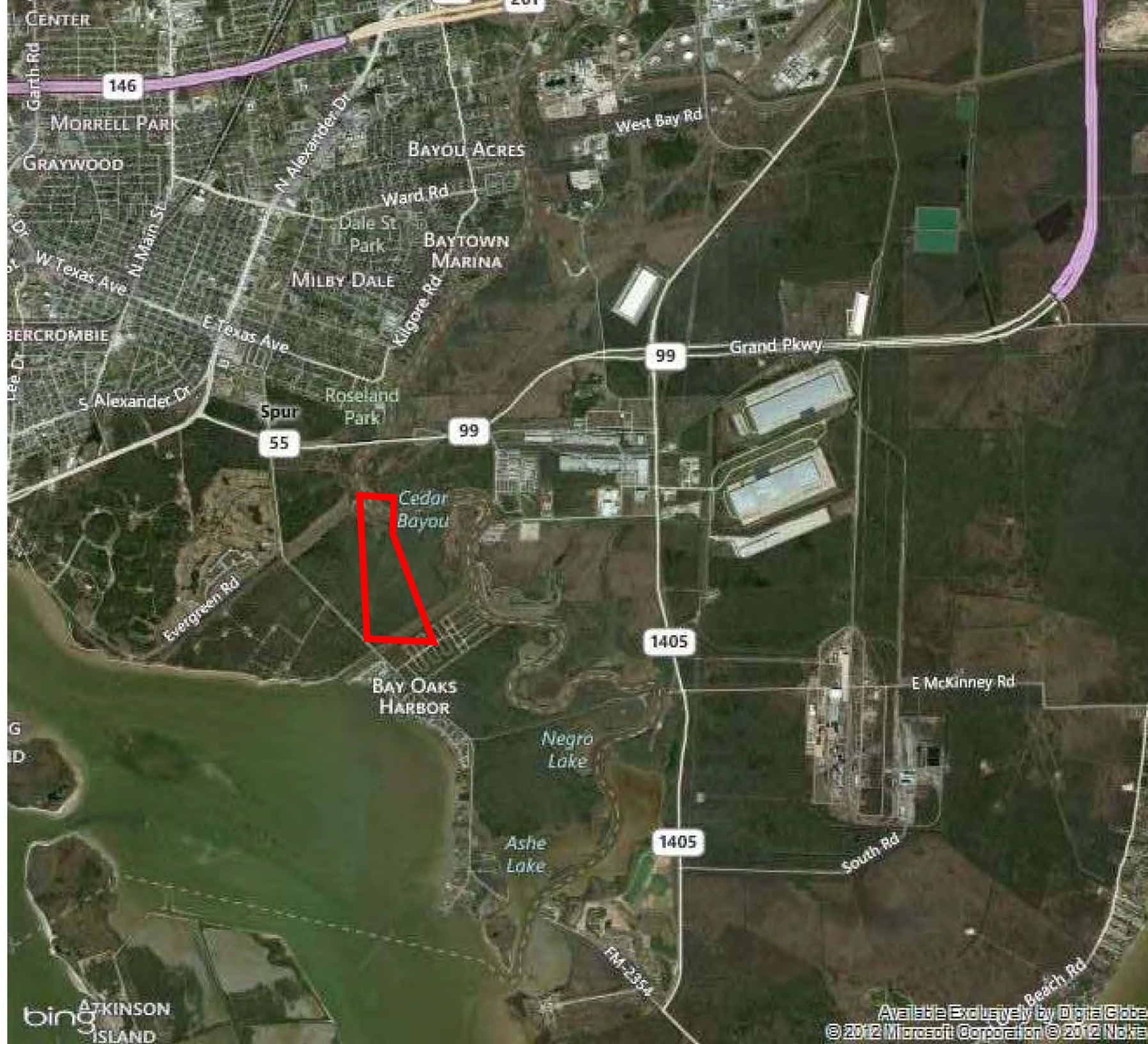
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## **Attachment 9**

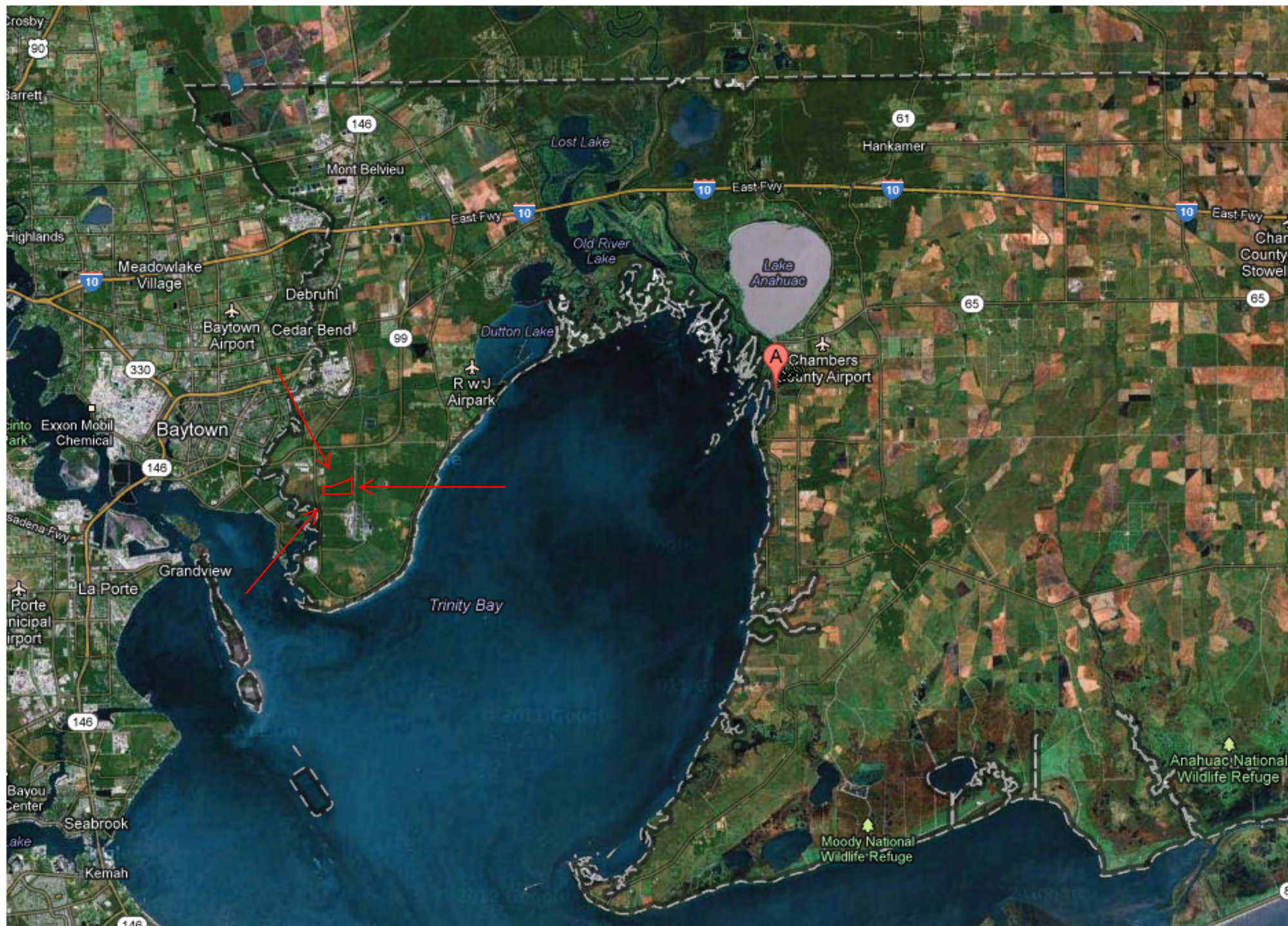
**Map of qualified property showing location of new buildings or new improvements  
with vicinity map**

This page has been redacted.









## **Attachment 10**

### **Description of Land**

The proposed project site is a portion of the following 623.066 acre tract:

John Ijams survey, abstract No. 15, Chambers County Texas

After the contract to purchase the property is signed with the seller, applicant will obtain a boundary survey of the property and provide a copy of the survey to the school district and the Comptroller. The applicant is unaware of any boundary survey that has ever been performed on the property.



Property ID: 37419

Owner: CEDAR CROSSING LP

<div>Property ID:</div> <div>37419</div>	<div>Account Number:</div> <div>00015-00000-00300-360900</div>																						
<div>Property Legal Description:</div> <div>15 TR 0-3-9 JIJAMS</div>	<div>Deed Information:</div> <table><tr><td>Volume:</td><td>456</td></tr><tr><td>Page:</td><td>155</td></tr><tr><td>File Number:</td><td>3125-B</td></tr><tr><td>Deed Date:</td><td>5/22/2000</td></tr></table>	Volume:	456	Page:	155	File Number:	3125-B	Deed Date:	5/22/2000														
Volume:	456																						
Page:	155																						
File Number:	3125-B																						
Deed Date:	5/22/2000																						
<div>Property Location:</div>	<div>Block:</div>																						
<div>Survey / Sub Division Abstract:</div>	<div>Section / Lot:</div>																						
<div>Owner Information:</div> <div>CEDAR CROSSING LP</div> <div>1200 SMITH STREET #1260</div> <div>HOUSTON , TX 77002</div>	<div>Property Detail:</div> <table><tr><td>Property Exempt:</td><td></td></tr><tr><td>Category / SPTB Code:</td><td>D1</td></tr><tr><td>Total Acres:</td><td>413.115</td></tr><tr><td>Total Living Sqft:</td><td>See Detail</td></tr><tr><td>Owner Interest:</td><td>1.000000</td></tr><tr><td>Homestead Exemption:</td><td></td></tr><tr><td>Homestead Cap Value:</td><td>0</td></tr><tr><td>Land Ag / Timber Value:</td><td>16,530</td></tr><tr><td>Land Market Value:</td><td>454,430</td></tr><tr><td>Improvement Value:</td><td>0</td></tr><tr><td>Property Market Value:</td><td>454,430</td></tr></table>	Property Exempt:		Category / SPTB Code:	D1	Total Acres:	413.115	Total Living Sqft:	See Detail	Owner Interest:	1.000000	Homestead Exemption:		Homestead Cap Value:	0	Land Ag / Timber Value:	16,530	Land Market Value:	454,430	Improvement Value:	0	Property Market Value:	454,430
Property Exempt:																							
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Homestead Cap Value:	0																						
Land Ag / Timber Value:	16,530																						
Land Market Value:	454,430																						
Improvement Value:	0																						
Property Market Value:	454,430																						
<div>Previous Owner:</div>																							

Jur Code	Jur Name	Total Market	Homestead	Total Exemption	Taxable
00	CHAMBERS AD	454,430		0	16,530
01	CHAMBERS COUNTY	454,430		0	16,530
01R	CHAMBERS COUNTY ROAD	454,430		0	16,530
21	CITY OF BAYTOWN-INDUST	454,430		0	16,530
32	GOOSECREEK ISD	454,430		0	16,530
60	CHAMBERS-LIBERTY NAV	454,430		0	16,530
64	LEE COLLEGE	454,430		0	16,530
67	CHAMBERS CO IMP DIST #1	454,430		0	16,530

Property ID: 37419

Owner: CEDAR CROSSING LP

Land Detail

Land Sequence 1		
Acres: 413.115	Market Class: RS48A-11	Market Value: 454,430
Land Method: AC	Ag/Timber Class: ARN	Ag/Timber Value: 16,530
Land Homesiteable: NO	Land Type: NATP	Ag Code: 1D1
Front Foot: N/A	Rear Foot: N/A	Lot Depth: N/A
Front Ft Avg: N/A	Lot Depth %: N/A	Land Square Ft: N/A
Land Note:		

Total Land Value: \$ 454,430

Property ID: 37419

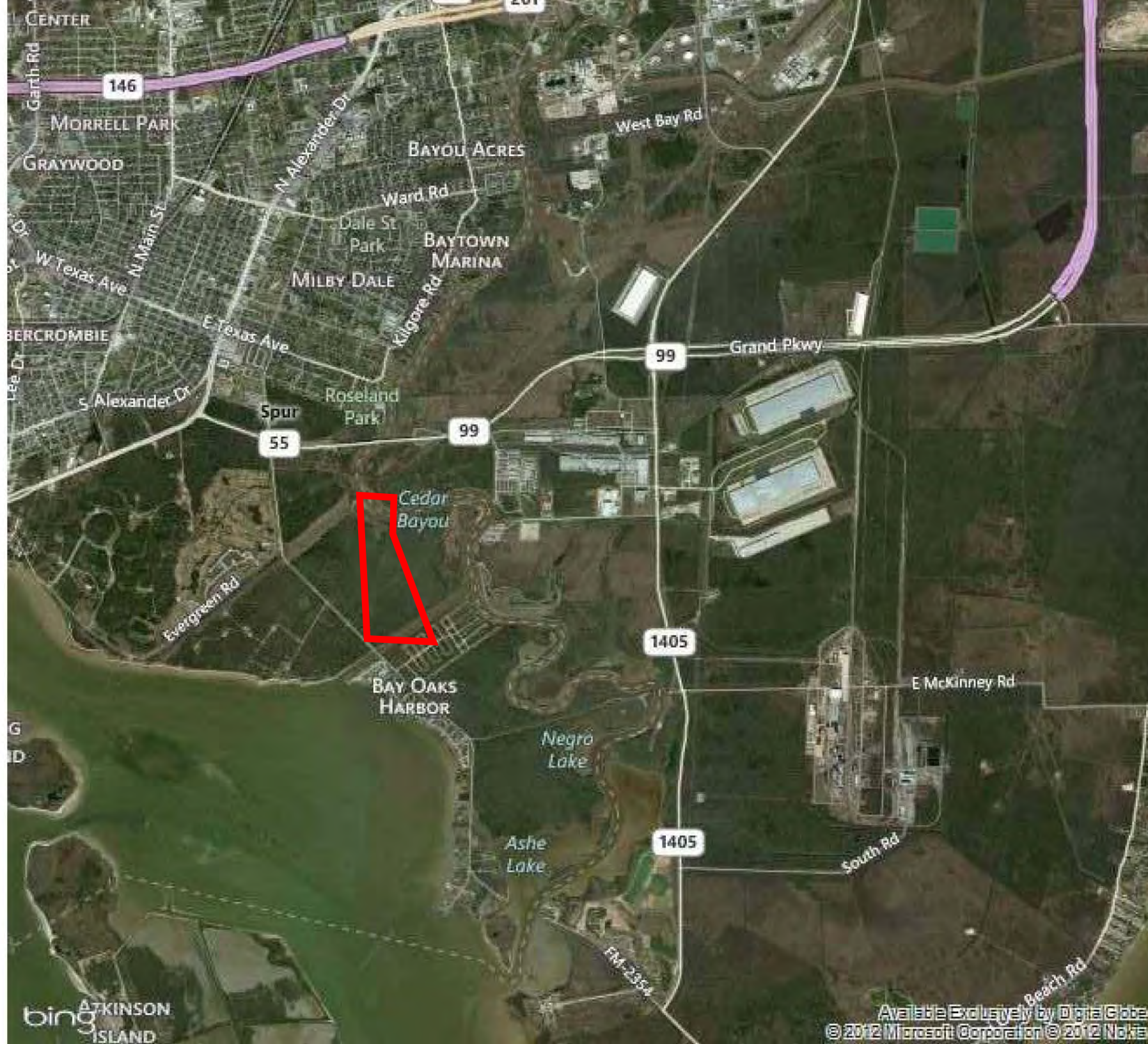
Owner: CEDAR CROSSING LP

Previous Owner Information

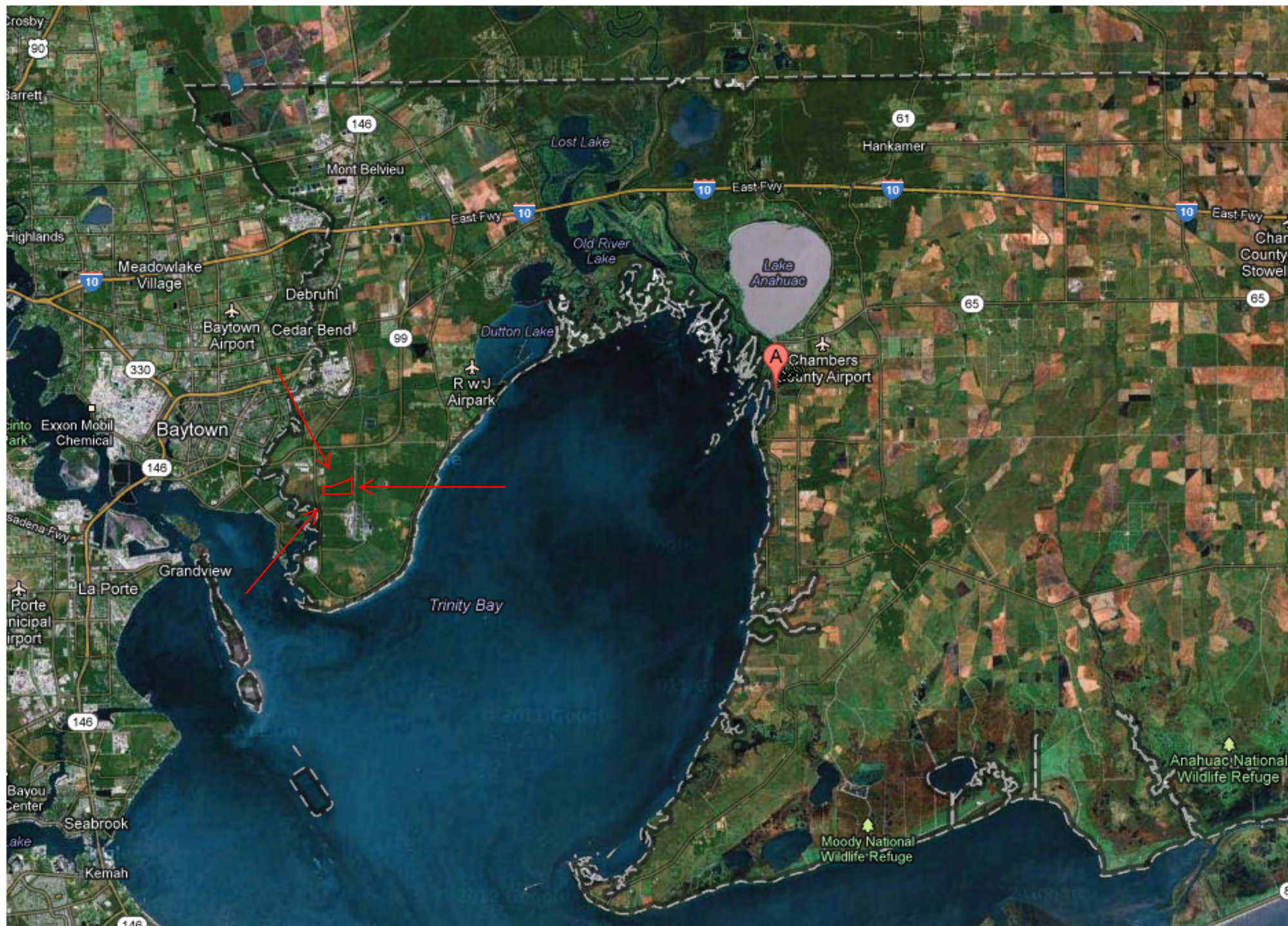
Parcel ID	Seller	Buyer	Volume	Page	File Number	Deed Date
37419		CEDAR CROSSING LP	456	155	3125-B	5/22/2000

## **Attachment 11**

**A detailed map showing location of the land with vicinity map**







## **Attachment 12**

### **A description of all existing (if any) improvements**

There are no existing improvements on the proposed project site.

**Attachment 13**

**Request for Waiver of Job Creation Requirement**

**(Not applicable)**

Applicant is not requesting a waiver of the job creation requirement.



## Attachment 14

### Calculation of three possible wage requirements with TWC documentation

1. 110% of the county average weekly wage for all jobs (all industries) in the county

Year	Period	Wages
2011	3Q	\$928
2011	4Q	\$978
2012	1Q	\$971
2012	2Q	\$946

Average = \$956 average weekly wage

x 1.1 (110%)

**\$1,051.33** 110% of county average weekly wage for all jobs

\* \* \* \* \*

2. 110% of the county average weekly wage for manufacturing jobs in the county

Year	Period	Wages
2011	3Q	\$1,502
2011	4Q	\$1,737
2012	1Q	\$1,492
2012	2Q	\$1,635

Average = \$1,592 average weekly wage

x 1.1 (110%)

**\$1,750.65** 110% of county average weekly wage for manufacturing jobs

\* \* \* \* \*

3. 110% of the county average weekly wage for manufacturing jobs in the region (Houston-Galveston Area Council)

\$53,711 average annual wage for manufacturing jobs

x 1.1 (110%)

\$59,082.10

/ 52

**\$1,136.20** 110% of county average weekly wage for manufacturing jobs in region

[Back](#)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2011	1st Qtr	Chambers County	Total All	00	0	10	Total, All Industries	\$907
2011	2nd Qtr	Chambers County	Total All	00	0	10	Total, All Industries	\$887
2011	3rd Qtr	Chambers County	Total All	00	0	10	Total, All Industries	\$928
2011	4th Qtr	Chambers County	Total All	00	0	10	Total, All Industries	\$978
2012	1st Qtr	Chambers County	Total All	00	0	10	Total, All Industries	\$971
2012	2nd Qtr	Chambers County	Total All	00	0	10	Total, All Industries	\$946
2012	2nd Qtr	Chambers County	Total All	31	2	31-33	Manufacturing	\$1,635
2012	1st Qtr	Chambers County	Total All	31	2	31-33	Manufacturing	\$1,492
2011	4th Qtr	Chambers County	Total All	31	2	31-33	Manufacturing	\$1,737
2011	3rd Qtr	Chambers County	Total All	31	2	31-33	Manufacturing	\$1,502
2011	2nd Qtr	Chambers County	Total All	31	2	31-33	Manufacturing	\$1,537
2011	1st Qtr	Chambers County	Total All	31	2	31-33	Manufacturing	\$1,473

**2011 Manufacturing Wages by Council of Government Region**  
**Wages for All Occupations**

COG	Wages	
	Hourly	Annual
<b>Texas</b>	<b>\$22.89</b>	<b>\$47,610</b>
<a href="#">1. Panhandle Regional Planning Commission</a>	\$19.32	\$40,196
<a href="#">2. South Plains Association of Governments</a>	\$16.45	\$34,210
<a href="#">3. NORTEX Regional Planning Commission</a>	\$18.14	\$37,733
<a href="#">4. North Central Texas Council of Governments</a>	\$24.03	\$49,986
<a href="#">5. Ark-Tex Council of Governments</a>	\$16.52	\$34,366
<a href="#">6. East Texas Council of Governments</a>	\$18.27	\$37,995
<a href="#">7. West Central Texas Council of Governments</a>	\$17.76	\$36,949
<a href="#">8. Rio Grande Council of Governments</a>	\$15.69	\$32,635
<a href="#">9. Permian Basin Regional Planning Commission</a>	\$21.32	\$44,349
<a href="#">10. Concho Valley Council of Governments</a>	\$15.92	\$33,123
<a href="#">11. Heart of Texas Council of Governments</a>	\$18.82	\$39,150
<a href="#">12. Capital Area Council of Governments</a>	\$26.46	\$55,047
<a href="#">13. Brazos Valley Council of Governments</a>	\$15.71	\$33,718
<a href="#">14. Deep East Texas Council of Governments</a>	\$15.48	\$32,207
<a href="#">15. South East Texas Regional Planning Commission</a>	\$28.23	\$58,724
<a href="#">16. Houston-Galveston Area Council</a>	<b>\$25.82</b>	<b>\$53,711</b>
<a href="#">17. Golden Crescent Regional Planning Commission</a>	\$20.38	\$42,391
<a href="#">18. Alamo Area Council of Governments</a>	\$18.00	\$37,439
<a href="#">19. South Texas Development Council</a>	\$13.85	\$28,806
<a href="#">20. Coastal Bend Council of Governments</a>	\$22.35	\$46,489
<a href="#">21. Lower Rio Grande Valley Development Council</a>	\$15.08	\$31,365
<a href="#">22. Texoma Council of Governments</a>	\$20.76	\$43,190
<a href="#">23. Central Texas Council of Governments</a>	\$16.17	\$33,642
<a href="#">24. Middle Rio Grande Development Council</a>	\$13.65	\$28,382

Source: Texas Occupational Employment and Wages

Data published: July 2012

Data published annually, next update will be summer 2013

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.

## **Attachment 15**

### **Description of Benefits**

Applicant will offer its employees a group health benefit plan for which it will pay at least 80% of the premiums assessed for employee-only coverage.

**Attachment 16**

**Economic Impact**

# A Report of the Economic Impact on the State of Texas from Borusan Mannesmann Boru in Baytown, Texas

October 19, 2012

Prepared by:

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# Executive Summary

## The Project

Borusan Mannesmann Boru plans a pipe manufacturing facility in Chambers County near Baytown.

The company plans to spend \$148million on the facility: \$11 million on land, \$37 million on buildings and other real property improvements and \$100 million on machinery and equipment.

The facility will create 250 permanent jobs over two years with average annual salaries of \$52,280.

## Total Capital Investment and Employment that Will be Maintained

Over the first ten years, the facility will have the following total capital investment and number of permanent jobs that will be maintained at this facility:

Total Capital Investment and Permanent Employment That Will Be Maintained		
Year	Level of Capital Investment	Level of Permanent Employment
2013	\$148,000,000	125
2014	\$148,000,000	250
2015	\$148,000,000	250
2016	\$148,000,000	250
2017	\$148,000,000	250
2018	\$148,000,000	250
2019	\$148,000,000	250
2020	\$148,000,000	250
2021	\$148,000,000	250
2022	\$148,000,000	250



## Economic Output During Construction

The economic impact/increase in gross state product during construction of buildings and improvements will be as follows:

Economic Impact of Construction at the Firm's Facility			
	Direct	Indirect and Induced	Total
Economic output/increase in gross state product	\$137,000,000	\$208,637,300	\$345,637,300
Peak construction employment	352	416	768
Payroll/increase in state personal income	\$24,660,000	\$33,456,222	\$58,116,222

## Economic Impacts During the Facility's Operations

### *Total Economic Output/Increase in State Gross Product*

The total annual economic output/increase in gross state product during the facility's operations is shown below.

Total Economic Output/Increase in Gross State Product During the Facility's Operations			
Year	Direct	Indirect and Induced	Total Economic Output
2013	\$0	\$0	\$0
2014	\$125,000,000	\$176,637,500	\$301,637,500
2015	\$131,250,000	\$185,469,375	\$316,719,375
2016	\$137,812,500	\$194,742,844	\$332,555,344
2017	\$144,703,125	\$204,479,986	\$349,183,111
2018	\$151,938,281	\$214,703,985	\$366,642,266
2019	\$159,535,195	\$225,439,184	\$384,974,380
2020	\$167,511,955	\$236,711,144	\$404,223,099
2021	\$175,887,553	\$248,546,701	\$424,434,254
2022	\$184,681,930	\$260,974,036	\$445,655,966
Total	\$1,378,320,540	\$1,947,704,755	\$3,326,025,295

### *Total Employment During the Facility's Operations*

Total employment to be maintained during the facility's operations is shown below.

Total Employment During the Facility's Operations			
Year	Direct	Indirect and Induced	Total Jobs
2013	125	388	513
2014	250	777	1,027
2015	250	777	1,027
2016	250	777	1,027
2017	250	777	1,027
2018	250	777	1,027
2019	250	777	1,027
2020	250	777	1,027
2021	250	777	1,027
2022	250	777	1,027

### *Total Payroll/State Personal Income During the Facility's Operations*

Total payroll/state personal income during the facility's operations is shown below.

Total Payroll/State Personal Income During the Facility's Operations			
Year	Direct	Indirect and Induced	Total Payroll
2013	\$6,535,000	\$14,850,788	\$21,385,788
2014	\$13,462,100	\$30,592,622	\$44,054,722
2015	\$13,865,963	\$31,510,401	\$45,376,364
2016	\$14,281,942	\$32,455,713	\$46,737,655
2017	\$14,710,400	\$33,429,384	\$48,139,784
2018	\$15,151,712	\$34,432,266	\$49,583,978
2019	\$15,606,264	\$35,465,234	\$51,071,497
2020	\$16,074,451	\$36,529,191	\$52,603,642
2021	\$16,556,685	\$37,625,067	\$54,181,752
2022	\$17,053,386	\$38,753,819	\$55,807,204

## Retail Sales During Construction and Operations

Retail sales in the state during construction projects at the facility are shown below:

Retail Sales During Construction	
Retail sales during construction	\$15,110,218

Retail sales in the state during the facility's operations are shown below.

Retail Sales During the Facility's Operations	
2013	\$5,580,305
2014	\$32,890,638
2015	\$34,307,966
2016	\$35,789,538
2017	\$37,338,393
2018	\$38,957,722
2019	\$40,650,870
2020	\$42,421,354
2021	\$44,272,861
2022	\$46,209,266
Total	\$358,418,913

## State Revenues

During construction, the State of Texas will receive the following revenues:

State Revenues During Construction	
State revenues during construction	\$1,732,365

During the facility's operations, the state will receive revenues as shown below.

State Revenues During the Facility's Operations	
2013	\$646,287
2014	\$2,868,462
2015	\$2,985,601
2016	\$3,107,826
2017	\$3,235,452
2018	\$3,368,662
2019	\$3,507,717
2020	\$3,652,889
2021	\$3,804,465
2022	\$3,962,748
Total	\$31,140,109

Details of information summarized above in this executive summary are on the following pages.

# A Report of the Economic Impact of Borusan Mannesmann Boru

## Introduction

This report presents the results of an economic impact analysis performed by Impact DataSource, Austin, Texas. The analysis was to determine the economic impact of Borusan Mannesmann Boru's proposed facility in Baytown, Texas on the state during the first ten years of the construction and operations of the facility and the fiscal impact on the State of Texas during this same period.

## A Description of the Facility and Its Operations

Borusan Mannesmann Boru plans a pipe manufacturing facility in Chambers County near Baytown.

The company plans to spend \$148million on the facility: \$11 million on land, \$37 million on buildings and other real property improvements and \$100 million on machinery and equipment.

The facility will create 250 permanent jobs over two years with average annual salaries of \$52,280.

### Timeline for Permanent Employment and Investment

The facility's timeline for total jobs to be created and investment over the next ten years will be as follows:

Timeline for Permanent Employment and Investment					
Year	Number of New Workers to be Hired Each Year	Land	Buildings and Other Real Property Improvements	Machinery and Equipment	Total Capital Investment
2013	125	\$11,000,000	\$37,000,000	\$100,000,000	\$148,000,000
2014	125	\$0	\$0	\$0	\$0
2015		\$0	\$0	\$0	\$0
2016		\$0	\$0	\$0	\$0
2017		\$0	\$0	\$0	\$0
2018		\$0	\$0	\$0	\$0
2019		\$0	\$0	\$0	\$0
2020		\$0	\$0	\$0	\$0
2021		\$0	\$0	\$0	\$0
2022		\$0	\$0	\$0	\$0
Total	250	\$11,000,000	\$37,000,000	\$100,000,000	\$148,000,000

### Total Capital Investment and Total Employment

The facility's proposed capital investment and total employment will be as follows:

Total Capital Investment and Employment Over the First Ten Years	
Total capital investment	\$148,000,000
Total employment	250

## Economic Impacts During Construction

The facility plans to spend the following estimated amounts constructing the facility:

Construction Costs	
2013	\$137,000,000
2014	\$0
2015	\$0
2016	\$0
2017	\$0
2018	\$0
2019	\$0
2020	\$0
2021	\$0
2022	\$0
Total	\$137,000,000



### Construction Economic Output/Increase in Gross State Product

The facility's construction projects will provide direct, indirect and induced economic output/increase in gross state product, as shown below.

Economic Output/Increase in Gross State Product During Construction			
Year	Direct Construction Output	Indirect and Induced Output	Total Output
2013	\$137,000,000	\$208,637,300	\$345,637,300
2014	\$0	\$0	\$0
2015	\$0	\$0	\$0
2016	\$0	\$0	\$0
2017	\$0	\$0	\$0
2018	\$0	\$0	\$0
2019	\$0	\$0	\$0
2020	\$0	\$0	\$0
2021	\$0	\$0	\$0
2022	\$0	\$0	\$0
Total	\$137,000,000	\$208,637,300	\$345,637,300

An explanation of the multipliers used to calculate indirect and induced impacts is later in this report.

## Construction Employment

The estimated number of construction workers to be supported by the facility's construction is shown below.

Number of Construction Workers for a \$1 Million Construction Project	
Total estimated construction	\$1,000,000
On-site labor costs as a percentage of construction costs	18%
Estimated annual construction worker's salary	\$70,000
Estimated number of construction workers for \$1 million one year construction project	2.57

The number of construction workers employed during the facility's construction is shown below.

Construction Workers Employed During Construction		
Year	Construction Costs	Number of Construction Workers
2013	\$137,000,000	352
2014	\$0	0
2015	\$0	0
2016	\$0	0
2017	\$0	0
2018	\$0	0
2019	\$0	0
2020	\$0	0
2021	\$0	0
2022	\$0	0
Total	\$137,000,000	

During construction, the following number of direct, indirect and induced jobs will be supported:

<b>Direct, Indirect and Induced Employment During Construction</b>			
<b>Year</b>	<b>Direct Construction Employment</b>	<b>Indirect and Induced Employment</b>	<b>Total Employment</b>
2013	352	416	768
2014	0	0	0
2015	0	0	0
2016	0	0	0
2017	0	0	0
2018	0	0	0
2019	0	0	0
2020	0	0	0
2021	0	0	0
2022	0	0	0

## Construction Payroll

Construction workers will have the following payrolls:

Direct Construction Payroll			
Year	Construction Costs	Median Annual Construction Salaries	Total Construction Payroll
2013	\$137,000,000	\$70,000	\$24,660,000
2014	\$0	\$72,100	\$0
2015	\$0	\$74,263	\$0
2016	\$0	\$76,491	\$0
2017	\$0	\$78,786	\$0
2018	\$0	\$81,149	\$0
2019	\$0	\$83,584	\$0
2020	\$0	\$86,091	\$0
2021	\$0	\$88,674	\$0
2022	\$0	\$91,334	\$0
Total	\$137,000,000		\$24,660,000

The direct, indirect and induced payrolls during construction will be the following:

Direct, Indirect and Induced Payroll During Construction			
Year	Direct Construction Payroll	Indirect and Induced Payroll	Total Payroll
2013	\$24,660,000	\$33,456,222	\$58,116,222
2014	\$0	\$0	\$0
2015	\$0	\$0	\$0
2016	\$0	\$0	\$0
2017	\$0	\$0	\$0
2018	\$0	\$0	\$0
2019	\$0	\$0	\$0
2020	\$0	\$0	\$0
2021	\$0	\$0	\$0
2022	\$0	\$0	\$0
Total	\$24,660,000	\$33,456,222	\$58,116,222

## Fiscal Impacts During Construction

### Taxable Sales

The percent of construction costs for building materials and the percent of total worker salaries to be spent on taxable goods and services are shown below.

Percent of Construction Costs and Worker Salaries Subject to Sales Tax	
Percent of construction costs for materials	82%
Percent of construction materials that will be subject to sales tax	0%
Percent of worker salaries spent on taxable goods and services	26%

The facility's construction projects will result in the following taxable sales:

Estimated Taxable Sales			
Year	Estimated Taxable Construction Materials	Estimated Taxable Worker Spending	Total Taxable Sales
2013	\$0	\$15,110,218	\$15,110,218
2014	\$0	\$0	\$0
2015	\$0	\$0	\$0
2016	\$0	\$0	\$0
2017	\$0	\$0	\$0
2018	\$0	\$0	\$0
2019	\$0	\$0	\$0
2020	\$0	\$0	\$0
2021	\$0	\$0	\$0
2022	\$0	\$0	\$0
Total	\$0	\$15,110,218	\$15,110,218

## Sales Tax Collections

With a 6.25% sales tax, the state will collect the following sales tax on construction materials and on construction worker spending:

Estimated Sales Tax Collections During Construction			
Year	On Construction Materials	On Taxable Worker Spending	Total Sales Tax Collections
2013	\$0	\$944,389	\$944,389
2014	\$0	\$0	\$0
2015	\$0	\$0	\$0
2016	\$0	\$0	\$0
2017	\$0	\$0	\$0
2018	\$0	\$0	\$0
2019	\$0	\$0	\$0
2020	\$0	\$0	\$0
2021	\$0	\$0	\$0
2022	\$0	\$0	\$0
Total	\$0	\$944,389	\$944,389

### Taxable Margins Subject to Texas Franchise Tax

If direct, indirect and induced revenues during construction are revenues for organizations subject to Texas' franchise tax, their taxable margins will be subject to the tax. If this is the case, and the estimated taxable margins of the construction companies and indirect and induced companies are 10% of revenues, then construction on this project will result in the following taxable margins:

Estimated Taxable Margins During Construction Subject to Texas' Franchise Tax			
Year	On Direct Revenues During Construction	On Indirect and Induced Revenues	Total Taxable Margins
2013	\$13,700,000	\$20,863,730	\$34,563,730
2014	\$0	\$0	\$0
2015	\$0	\$0	\$0
2016	\$0	\$0	\$0
2017	\$0	\$0	\$0
2018	\$0	\$0	\$0
2019	\$0	\$0	\$0
2020	\$0	\$0	\$0
2021	\$0	\$0	\$0
2022	\$0	\$0	\$0
Total	\$13,700,000	\$20,863,730	\$34,563,730

### Franchise Tax Collections

Texas franchise tax is a tax on "taxable margin," which is a concept similar to taxable income. Generally, an entity's taxable margin is its revenue less either its cost of goods sold or its compensation expense, but not both. If 70% of the entity's revenue is less than either of these calculations, then 70% of revenue is the taxable margin. Taxable margin must then be apportioned to business done in Texas, measured by the ratio of gross receipts from business done in Texas to gross receipts from business done everywhere. The tax rate is then applied to the apportioned margin. A half percent rate is used for taxable entities primarily engaged in retail or wholesale trade, and a 1% rate is used for all other entities.



The estimated franchise tax to be collected by the state from construction companies and indirect and induced businesses is shown below.

<b>Estimated Franchise Tax Collections During Construction</b>		
Year	Total Taxable Margins	Franchise Tax Collections
2013	\$34,563,730	\$345,637
2014	\$0	\$0
2015	\$0	\$0
2016	\$0	\$0
2017	\$0	\$0
2018	\$0	\$0
2019	\$0	\$0
2020	\$0	\$0
2021	\$0	\$0
2022	\$0	\$0
Total	\$34,563,730	\$345,637

#### **Other Taxes and Revenues from Workers**

During the facility's construction, other taxes -- in addition to sales and franchise taxes -- will be collected for the State's general fund. The estimated annual collections from each worker of these other taxes during construction are the following:

<b>Other Revenues for the State from Each Worker During Construction</b>	
Gasoline taxes	\$38
Motor vehicle sales and use taxes	\$250
Cigarette and tobacco taxes	\$16
Alcohol beverage taxes	\$90
Net lottery proceeds	\$183
Total	\$576

Other taxes and revenues from workers for the State during construction will be the following:

Other Revenues for the State from Workers During Construction						
Year	Gasoline Taxes	Motor Vehicle Sales and Use Taxes	Cigarette and Tobacco Taxes	Alcoholic Beverage Taxes	Net Lottery Proceeds	Total Other Taxes and Revenues
2013	\$28,797	\$191,978	\$11,908	\$69,443	\$140,213	\$442,339
2014	\$0	\$0	\$0	\$0	\$0	\$0
2015	\$0	\$0	\$0	\$0	\$0	\$0
2016	\$0	\$0	\$0	\$0	\$0	\$0
2017	\$0	\$0	\$0	\$0	\$0	\$0
2018	\$0	\$0	\$0	\$0	\$0	\$0
2019	\$0	\$0	\$0	\$0	\$0	\$0
2020	\$0	\$0	\$0	\$0	\$0	\$0
2021	\$0	\$0	\$0	\$0	\$0	\$0
2022	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$28,797	\$191,978	\$11,908	\$69,443	\$140,213	\$442,339

## Summary of General Fund Revenues for the State During Construction

During the facility's construction projects, the State will receive the following revenues for its general fund:

General Fund Revenues for the State During Construction				
Year	Sales Tax Collections	Franchise Tax Collections	Other Taxes and Revenues	Total Revenues
2013	\$944,389	\$345,637	\$442,339	\$1,732,365
2014	\$0	\$0	\$0	\$0
2015	\$0	\$0	\$0	\$0
2016	\$0	\$0	\$0	\$0
2017	\$0	\$0	\$0	\$0
2018	\$0	\$0	\$0	\$0
2019	\$0	\$0	\$0	\$0
2020	\$0	\$0	\$0	\$0
2021	\$0	\$0	\$0	\$0
2022	\$0	\$0	\$0	\$0
Total	\$944,389	\$345,637	\$442,339	\$1,732,365

## Economic Impacts During the Facility's Operations

The facility will have the following estimated annual operating expenses during the first ten years of operations:

The Facility's Estimated Annual Operating Expenses During the First Ten Years of Operations		
2013	Year 1	\$0
2014	Year 2	\$125,000,000
2015	Year 3	\$131,250,000
2016	Year 4	\$137,812,500
2017	Year 5	\$144,703,125
2018	Year 6	\$151,938,281
2019	Year 7	\$159,535,195
2020	Year 8	\$167,511,955
2021	Year 9	\$175,887,553
2022	Year 10	\$184,681,930

## Economic Output During Operations

The facility's annual operating expenses will result in the following direct, indirect and induced output:

Output During Operations			
Year	Direct Operations Output	Indirect and Induced Output	Total Output
2013	\$0	\$0	\$0
2014	\$125,000,000	\$176,637,500	\$301,637,500
2015	\$131,250,000	\$185,469,375	\$316,719,375
2016	\$137,812,500	\$194,742,844	\$332,555,344
2017	\$144,703,125	\$204,479,986	\$349,183,111
2018	\$151,938,281	\$214,703,985	\$366,642,266
2019	\$159,535,195	\$225,439,184	\$384,974,380
2020	\$167,511,955	\$236,711,144	\$404,223,099
2021	\$175,887,553	\$248,546,701	\$424,434,254
2022	\$184,681,930	\$260,974,036	\$445,655,966
Total	\$1,378,320,540	\$1,947,704,755	\$3,326,025,295

## Employment during Operations

The facility expects to have the following number of new jobs:

Number of Jobs to be Created		
Year	Number of New Jobs to be Created	Cumulative Number of New Jobs
2013	125	125
2014	125	250
2015	0	250
2016	0	250
2017	0	250
2018	0	250
2019	0	250
2020	0	250
2021	0	250
2022	0	250
Total	250	

Therefore, the following number of direct, indirect and induced jobs will be supported during the facility's operations:

Direct, Indirect and Induced Employment During Operations			
Year	Direct Operations Employment	Indirect and Induced Employment	Total Employment
2013	125	388	513
2014	250	777	1,027
2015	250	777	1,027
2016	250	777	1,027
2017	250	777	1,027
2018	250	777	1,027
2019	250	777	1,027
2020	250	777	1,027
2021	250	777	1,027
2022	250	777	1,027

The estimated annual payroll at the facility will be the following:

Estimated Annual Payroll	
Percent of annual increase	3.0%
Average annual salaries:	
Year 1	\$52,280
Year 2	\$53,848
Year 3	\$55,464
Year 4	\$57,128
Year 5	\$58,842
Year 6	\$60,607
Year 7	\$62,425
Year 8	\$64,298
Year 9	\$66,227
Year 10	\$68,214
Annual payroll:	
2013	\$6,535,000
2014	\$13,462,100
2015	\$13,865,963
2016	\$14,281,942
2017	\$14,710,400
2018	\$15,151,712
2019	\$15,606,264
2020	\$16,074,451
2021	\$16,556,685
2022	\$17,053,386

The direct, indirect and induced payrolls during the facility's operations will be the following:

<b>Direct, Indirect and Induced Payroll During Operations</b>			
<b>Year</b>	<b>Direct Operations Payroll</b>	<b>Indirect and Induced Payroll</b>	<b>Total Payroll</b>
2013	\$6,535,000	\$14,850,788	\$21,385,788
2014	\$13,462,100	\$30,592,622	\$44,054,722
2015	\$13,865,963	\$31,510,401	\$45,376,364
2016	\$14,281,942	\$32,455,713	\$46,737,655
2017	\$14,710,400	\$33,429,384	\$48,139,784
2018	\$15,151,712	\$34,432,266	\$49,583,978
2019	\$15,606,264	\$35,465,234	\$51,071,497
2020	\$16,074,451	\$36,529,191	\$52,603,642
2021	\$16,556,685	\$37,625,067	\$54,181,752
2022	\$17,053,386	\$38,753,819	\$55,807,204
<b>Total</b>	<b>\$143,297,903</b>	<b>\$325,644,484</b>	<b>\$468,942,386</b>

## Fiscal Impacts During the Facility's Operations

### Taxable Sales on Direct and Indirect Worker Spending

An estimated 26% of the gross salaries of direct and indirect workers will be spent on taxable goods and services. If this is the case, worker spending will result in taxable sales, as shown below.

Taxable Spending by Direct and Indirect Workers		
Year	Worker Salaries	Workers' Taxable Spending
2013	\$21,385,788	\$5,560,305
2014	\$44,054,722	\$11,454,228
2015	\$45,376,364	\$11,797,855
2016	\$46,737,655	\$12,151,790
2017	\$48,139,784	\$12,516,344
2018	\$49,583,978	\$12,891,834
2019	\$51,071,497	\$13,278,589
2020	\$52,603,642	\$13,676,947
2021	\$54,181,752	\$14,087,255
2022	\$55,807,204	\$14,509,873
Total	\$468,942,386	\$121,925,020



### The Facility's Taxable Sales

The facility's expects to have the following sales subject to Texas sales tax:

The Facility's Taxable Sales	
Year	Taxable Sales
2013	\$0
2014	\$0
2015	\$0
2016	\$0
2017	\$0
2018	\$0
2019	\$0
2020	\$0
2021	\$0
2022	\$0
Total	\$0

### Taxable Spending by the Facility and Indirect and Induced Companies

An estimated three percent of the facility's expenditures and ten percent of revenues of indirect and induced companies may be spent on taxable goods and services. If this is the case, the following taxable spending can be expected from the companies:

Taxable Spending by the Facility and Indirect Companies			
Year	The Facility's Taxable Spending	Estimated Taxable Spending by Indirect and Induced Companies	Total Facility and Companies' Taxable Spending
2013	\$0	\$0	\$0
2014	\$3,750,000	\$17,663,750	\$21,413,750
2015	\$3,937,500	\$18,546,938	\$22,484,438
2016	\$4,134,375	\$19,474,284	\$23,608,659
2017	\$4,341,094	\$20,447,999	\$24,789,092
2018	\$4,558,148	\$21,470,399	\$26,028,547
2019	\$4,786,056	\$22,543,918	\$27,329,974
2020	\$5,025,359	\$23,671,114	\$28,696,473
2021	\$5,276,627	\$24,854,670	\$30,131,297
2022	\$5,540,458	\$26,097,404	\$31,637,862
Total	\$41,349,616	\$194,770,475	\$236,120,092

### Taxable Spending by Out-of-Town Visitors to the Facility

The facility expects the following number of out-of-town visitors:

Number of Visitors	
Annual increase in the number of visitors	10%
2013	100
2014	110
2015	121
2016	133
2017	146
2018	161
2019	177
2020	195
2021	214
2022	236

These visitors will spend the following number of days visiting the facility and spend the following amounts:

Spending by a Typical Out-of-State Visitors	
Average number of days spent visiting the facility	2
Average number of nights spent in a local hotel	2
Average daily spending in the community subject to sales tax	\$100
Average nightly room rate at a local motel	\$150
Average annual increase in nightly room rate	3.0%
Average annual increase in daily taxable spending in the community	3.0%

Therefore, taxable spending by these visitors in the community and spending on lodging subject to hotel occupancy taxes are shown below.

<b>Spending by Out-of-Town Visitors</b>		
Year	Taxable Spending in the Community	Spending on Lodging in the Community
2013	\$20,000	\$30,000
2014	\$22,660	\$33,000
2015	\$25,674	\$36,300
2016	\$29,088	\$39,930
2017	\$32,957	\$45,241
2018	\$37,340	\$51,258
2019	\$42,307	\$58,075
2020	\$47,934	\$65,799
2021	\$54,309	\$74,550
2022	\$61,532	\$84,465
Total	\$373,800	\$518,618

## Total Taxable Sales

Taxable spending by workers and spending by the facility and related indirect and induced companies will result in the following total taxable sales:

Estimated Total Taxable Sales					
Year	Workers' Taxable Spending	The Facility's Taxable Sales	The Facility and Companies' Taxable Spending	Taxable Spending by Visitors in the Community	Total Taxable Sales
2013	\$5,560,305	\$0	\$0	\$20,000	\$5,580,305
2014	\$11,454,228	\$0	\$21,413,750	\$22,660	\$32,890,638
2015	\$11,797,855	\$0	\$22,484,438	\$25,674	\$34,307,966
2016	\$12,151,790	\$0	\$23,608,659	\$29,088	\$35,789,538
2017	\$12,516,344	\$0	\$24,789,092	\$32,957	\$37,338,393
2018	\$12,891,834	\$0	\$26,028,547	\$37,340	\$38,957,722
2019	\$13,278,589	\$0	\$27,329,974	\$42,307	\$40,650,870
2020	\$13,676,947	\$0	\$28,696,473	\$47,934	\$42,421,354
2021	\$14,087,255	\$0	\$30,131,297	\$54,309	\$44,272,861
2022	\$14,509,873	\$0	\$31,637,862	\$61,532	\$46,209,266
Total	\$121,925,020	\$0	\$236,120,092	\$373,800	\$358,418,913

## Sales Tax Collections

With a 6.25% sales tax, the state will collect the following sales tax on the spending of workers, companies and visitors:

Estimated Sales Tax Collections During Operations					
Year	On Workers' Spending	On The Facility's Taxable Sales	On Taxable Companies' Spending	On Taxable Spending of Visitors in the Community	Total Sales Tax Collections
2013	\$347,519	\$0	\$0	\$1,250	\$348,769
2014	\$715,889	\$0	\$1,338,359	\$1,416	\$2,055,665
2015	\$737,366	\$0	\$1,405,277	\$1,605	\$2,144,248
2016	\$759,487	\$0	\$1,475,541	\$1,818	\$2,236,846
2017	\$782,271	\$0	\$1,549,318	\$2,060	\$2,333,650
2018	\$805,740	\$0	\$1,626,784	\$2,334	\$2,434,858
2019	\$829,912	\$0	\$1,708,123	\$2,644	\$2,540,679
2020	\$854,809	\$0	\$1,793,530	\$2,996	\$2,651,335
2021	\$880,453	\$0	\$1,883,206	\$3,394	\$2,767,054
2022	\$906,867	\$0	\$1,977,366	\$3,846	\$2,888,079
Total	\$7,620,314	\$0	\$14,757,506	\$23,363	\$22,401,182

## Hotel Occupancy Tax Collections

From the overnight lodging spending of visitors to the facility, the state will collect the following hotel occupancy taxes:

Estimated Hotel Occupancy Tax Collections from Visitors		
Year	Spending on Lodging	Total Hotel Occupancy Tax Collections
2013	\$30,000	\$1,800
2014	\$33,000	\$1,980
2015	\$36,300	\$2,178
2016	\$39,930	\$2,396
2017	\$45,241	\$2,714
2018	\$51,258	\$3,075
2019	\$58,075	\$3,484
2020	\$65,799	\$3,948
2021	\$74,550	\$4,473
2022	\$84,465	\$5,068
Total	\$518,618	\$31,117

## Franchise Tax Collections from the Company and Indirect and Induced Businesses

Texas franchise tax is a tax on “taxable margin,” which is a concept similar to taxable income. Generally, an entity’s taxable margin is its revenue less either its cost of goods sold or its compensation expense, but not both. If 70% of the entity’s revenue is less than either of these calculations, then 70% of revenue is the taxable margin. Taxable margin must then be apportioned to business done in Texas, measured by the ratio of gross receipts from business done in Texas to gross receipts from business done everywhere. The tax rate is then applied to the apportioned margin. A half percent rate is used for taxable entities primarily engaged in retail or wholesale trade, and a 1% rate is used for all other entities.

*Estimated Taxable Margins of the Company and Indirect and Induced Companies*

The facility's estimated taxable margins subject to Texas franchise tax may be 2% of operating expenses and the estimated taxable margins of indirect companies may be 10% of revenues. If this is the case, the estimated taxable margins of the company and indirect and induced companies that will be subject to corporate franchise taxes in the state of Texas are shown below.

<b>Revenues of the Company Subject to Franchise Taxes and Taxable Margins of Indirect and Induced Companies During Operations</b>			
Year	Taxable Margins of the Company Subject to Texas Franchise Taxes	Revenues of Indirect and Induced Businesses Subject to Franchise Taxes	Total Revenues Subject to Franchise Taxes
2013	\$0	\$0	\$0
2014	\$2,500,000	\$17,663,750	\$20,163,750
2015	\$2,625,000	\$18,546,938	\$21,171,938
2016	\$2,756,250	\$19,474,284	\$22,230,534
2017	\$2,894,063	\$20,447,999	\$23,342,061
2018	\$3,038,766	\$21,470,399	\$24,509,164
2019	\$3,190,704	\$22,543,918	\$25,734,622
2020	\$3,350,239	\$23,671,114	\$27,021,353
2021	\$3,517,751	\$24,854,670	\$28,372,421
2022	\$3,693,639	\$26,097,404	\$29,791,042
Total	\$27,566,411	\$194,770,475	\$222,336,886



*Estimated Franchise Tax Payments by the Company and Indirect and Induced Companies*

The estimated annual franchise tax payments to the State by the facility and indirect and induced businesses are shown below.

<b>Estimated Franchise Tax Collections from the Facility and Indirect and Induced Businesses During Operations</b>			
	The Facility	Indirect Businesses	Total
2013	\$0	\$0	\$0
2014	\$25,000	\$176,638	\$201,638
2015	\$26,250	\$185,469	\$211,719
2016	\$27,563	\$194,743	\$222,305
2017	\$28,941	\$204,480	\$233,421
2018	\$30,388	\$214,704	\$245,092
2019	\$31,907	\$225,439	\$257,346
2020	\$33,502	\$236,711	\$270,214
2021	\$35,178	\$248,547	\$283,724
2022	\$36,936	\$260,974	\$297,910
Total	\$275,664	\$1,947,705	\$2,223,369

**Other Taxes and Revenues from Workers**

During the facility's operations, other taxes -- in addition to sales and franchise taxes -- will be collected for the State's general fund. The estimated annual collections of other taxes from each worker during operations are the following:

<b>Other Revenues for the State from Each Worker During Operations</b>	
Gasoline taxes	\$38
Motor vehicle sales and use taxes	\$250
Cigarette and tobacco taxes	\$16
Alcoholic beverage taxes	\$90
Net lottery proceeds	\$183
Total	\$576

Other taxes and revenues for the State from workers during the facility's operations will be the following:

Other Revenues for the State from Workers During Operations						
Year	Gasoline Taxes	Motor Vehicle Sales and Use Taxes	Cigarette and Tobacco Taxes	Alcoholic Beverage Taxes	Net Lottery Proceeds	Total Other Taxes and Revenues
2013	\$19,252	\$128,344	\$7,961	\$46,425	\$93,737	\$295,718
2014	\$39,658	\$264,388	\$16,399	\$95,636	\$193,098	\$609,180
2015	\$40,848	\$272,320	\$16,891	\$98,505	\$198,891	\$627,455
2016	\$42,073	\$280,489	\$17,398	\$101,460	\$204,858	\$646,279
2017	\$43,336	\$288,904	\$17,920	\$104,504	\$211,004	\$665,667
2018	\$44,636	\$297,571	\$18,458	\$107,639	\$217,334	\$685,637
2019	\$45,975	\$306,498	\$19,011	\$110,868	\$223,854	\$706,206
2020	\$47,354	\$315,693	\$19,582	\$114,194	\$230,569	\$727,393
2021	\$48,775	\$325,164	\$20,169	\$117,620	\$237,487	\$749,214
2022	\$50,238	\$334,919	\$20,774	\$121,149	\$244,611	\$771,691
Total	\$422,144	\$2,814,291	\$174,564	\$1,018,000	\$2,055,443	\$6,484,441

## The Total Revenues for the State of Texas from the Facility's Operations

The total increase in state revenues from the facility's operations are shown below.

General Fund Revenues for the State During Operations					
Year	Sales Tax Collections	Hotel Occupancy Taxes	Franchise Tax Collections	Other Taxes and Revenues	Total State Revenues
2013	\$348,769	\$1,800	\$0	\$295,718	\$646,287
2014	\$2,055,665	\$1,980	\$201,638	\$609,180	\$2,868,462
2015	\$2,144,248	\$2,178	\$211,719	\$627,455	\$2,985,601
2016	\$2,236,846	\$2,396	\$222,305	\$646,279	\$3,107,826
2017	\$2,333,650	\$2,714	\$233,421	\$665,667	\$3,235,452
2018	\$2,434,858	\$3,075	\$245,092	\$685,637	\$3,368,662
2019	\$2,540,679	\$3,484	\$257,346	\$706,206	\$3,507,717
2020	\$2,651,335	\$3,948	\$270,214	\$727,393	\$3,652,889
2021	\$2,767,054	\$4,473	\$283,724	\$749,214	\$3,804,465
2022	\$2,888,079	\$5,068	\$297,910	\$771,691	\$3,962,748
Total	\$22,401,182	\$31,117	\$2,223,369	\$6,484,441	\$31,140,109

## Discussion of Indirect and Induced Impacts

This analysis calculated the direct economic impact of the facility from its construction projects and during its operations. In addition, the indirect and induced impacts were also calculated.

Indirect revenues, jobs and salaries are created in new or existing firms in the state, such as parts suppliers, that may supply goods and services to the facility. In addition, induced revenues, jobs and salaries are created and supported in new or existing businesses, such as retail stores, gas stations, banks, restaurants, and service companies that may supply goods and services to workers and their families.

To estimate the indirect and induced economic impact of the facility on the state, regional economic multipliers were used. Regional economic multipliers for Texas are included in the US Department of Commerce's Regional Input-Output Modeling System (RIMS II).

Three types of regional economic multipliers were used in this analysis: an output multiplier, an employment multiplier and an earnings multiplier.

An output multiplier was used to estimate the indirect and induced output or revenues created and supported in the state. An employment multiplier was used to estimate the number of indirect and

induced jobs created and supported in the state. An earnings multiplier was used to estimate the amount of salaries to be paid to workers in these new indirect and induced jobs.

The multipliers show the estimated indirect and induced revenues of other companies in the state for every dollar of revenues at the facility. An employment multiplier shows the number of indirect and induced jobs created for every direct job at the facility and the amount of salaries paid to these workers for every dollar paid to a direct worker at the facility. The indirect and induced multipliers shown below were used in this analysis:

Indirect and Induced Multipliers Used in this Analysis		
	During Construction	During Operations
Output multiplier	1.5229	1.4131
Employment multiplier	1.1798	3.1070
Earnings multiplier	1.1134	2.2725

#### About Impact DataSource

Impact DataSource is a nineteen-year-old Austin economic consulting, research and analysis firm. The firm has conducted economic impact analyses of numerous projects in Texas and 25 other states. In addition, the firm has developed economic impact analysis computer programs for several clients including the New Mexico Economic Development Department.

The firm's principal, Jerry Walker, performed this economic impact analysis. He is an economist and has Bachelor of Science and Master of Business Administration degrees in accounting and economics from Nicholls State University, Thibodaux, Louisiana.

## Some Rates and Assumptions Used in this Analysis

### State tax rates for tax revenues that go into the state's general revenue fund:

Texas business franchise tax:

Texas franchise tax is a tax on “taxable margin,” which is a concept similar to taxable income. Generally, an entity’s taxable margin is its revenue less either its cost of goods sold or its compensation expense, but not both. If 70% of the entity’s revenue is less than either of these calculations, then 70% of revenue is the taxable margin. Taxable margin must then be apportioned to business done in Texas, measured by the ratio of gross receipts from business done in Texas to gross receipts from business done everywhere. The tax rate is then applied to the apportioned margin. A half percent rate is used for taxable entities primarily engaged in retail or wholesale trade, and a 1% rate is used for all other entities.

Sales and use tax rate	6.25%
Hotel occupancy tax rate	6%
Gasoline tax, per gallon	\$0.20
Percent of gasoline taxes going into state general revenues	25%
Motor vehicle sales and use tax	6.25%

Percent of total salaries that a typical worker spends on taxable goods and services	33%
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Estimated other taxes collected annually by the state for the general revenue fund for each worker household:

	Total Collections in 2010	Number of Households in the State (Estimated 2010)	Amount of Annual Collections Per Worker Household
Cigarette and tobacco taxes	\$138,764,873	8,948,598	\$16
Alcoholic beverage taxes	\$809,233,737	8,948,598	\$90
Net lottery proceeds	\$1,633,922,591	8,948,598	\$183
Total			\$289

### Some assumptions used in this analysis:

*Annual state gasoline tax collections per worker:*

Miles driven per year by a typical worker	15,000
Miles per gallon	20
Number of gallons of gasoline purchased each year by a typical worker	750

Gasoline tax, per gallon	\$0.20
Gasoline taxes paid each year by a typical worker	\$150
Percent of gasoline taxes going into the general fund	25%
Gasoline taxes paid each year by a typical worker going to the general fund	\$38

*Annual motor vehicle sales and use tax collections per worker:*

Number of new or used automobiles purchased per 10 workers each year	2
Average value of new or used automobiles purchased by a typical worker who purchases an automobile	\$20,000
Motor vehicle sales and use tax	6.25%
Annual motor vehicle sales and use taxes paid by a typical worker	\$250.00

*Estimated other taxes collected annually by the state for the general revenue fund for each worker household:*

Summary of annual state taxes, other than sales taxes, collected from each worker:

Gasoline taxes	\$37.50
Motor vehicle sales and use taxes	\$250.00
Cigarette and tobacco taxes	\$15.51
Alcoholic beverage taxes	\$90.43
Net lottery proceeds	\$182.59
Total	\$576.03

Estimated annual increase in the above taxes per worker over each of the next ten years	3%
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**Attachment 17**

**Schedule A completed and signed**

## Schedule A (Rev. May 2010): Investment

Applicant Name Borusan Mannesmann Pipe U.S., Inc.  
 ISD Name Goose Creek Consolidated Independent School District

Form 50-296

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: Tangible Personal Property The amount of new investment (original cost) placed in service during this year	Column B: Building or permanent nonremovable component of building (annual 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 but investment affecting economic impact and total value	Column E: Total Investment (A+B+D)
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	Investment made before filing complete application with district (neither qualified property nor eligible to become qualified investment)		2012-2013	2013	\$0	\$0		\$0	\$0
	Investment made after filing complete application with district, but before final board approval of application (eligible to become qualified property)				\$6,525,000	\$0		\$0	\$6,525,000
	Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period (qualified investment and eligible to become qualified property)				\$46,475,000	\$37,000,000	\$83,475,000	\$11,000,000	\$94,475,000
	Complete tax years of qualifying time period	1	2013-2014	2014	\$47,000,000	\$0	\$47,000,000	\$0	\$47,000,000
		2	2014-2015	2015	\$0	\$0	\$0	\$140,000,000	\$140,000,000
	Tax Credit Period (with 50% cap on credit)	3	2015-2016	2016	\$0	\$0		\$0	\$0
		4	2016-2017	2017	\$0	\$0		\$0	\$0
		5	2017-2018	2018	\$0	\$0		\$0	\$0
		6	2019-2020	2019	\$0	\$0		\$0	\$0
		7	2020-2021	2020	\$0	\$0		\$0	\$0
		8	2021-2022	2021	\$0	\$0		\$0	\$0
		9	2022-2023	2022	\$0	\$0		\$0	\$0
		10	2023-2024	2023	\$0	\$0		\$0	\$0
Credit Settle-Up Period	Continue to Maintain Viable Presence	11	2024-2025	2024	\$0	\$0		\$0	\$0
		12	2025-2026	2025	\$0	\$0		\$0	\$0
		13	2026-2027	2026	\$0	\$0		\$0	\$0
	Post- Settle-Up Period	14	2027-2028	2027	\$0	\$0		\$0	\$0
	Post- Settle-Up Period	15	2028-2029	2028	\$0	\$0		\$0	\$0

Qualifying Time Period usually begins with the final board 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 considers qualified investment - 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 in tangible personal property].

Include estimates of investment for "replacement" property-property that is part of original agreement but scheduled for probable replacement during limitation period.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings that the applicant considers  
 qualified investment under Tax Code §313.021(1)(E).

For the years outside the qualifying time period, this number should simply represent the planned investment in new buildings or nonremovable components of buildings.

Column D: Dollar value of other investment that may not be qualified investment but that may affect economic impact and total value-for planning, construction and operation of the facility.  
 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 "pre-year 1" time period. It cannot be part of qualifying investment.

Notes: For advanced clean energy projects, nuclear projects, projects with deferred qualifying time periods, and projects with lengthy application review periods, insert additional rows as needed.

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

Karen ARI, CFO  
 SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

November 9, 2012  
 DATE



**Attachment 18**

**Schedule B completed and signed**

# Schedule B (Rev. May 2010): Estimated Market And Taxable Value

Applicant Name

Borusan Mannesmann Pipe U.S., Inc.

ISD Name

Goose Creek Consolidated Independent School District

Form 50-296

					Qualified Property			Reductions from Market Value	Estimated Taxable Value	
				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 building or "in or on the new improvement"		Final taxable value for I&S - after all reductions	Final taxable value for M&O--after all reductions
		Year	School Year (YYYY-YYYY)					Exempted Value		
		pre- year 1	2012-2013	2013	\$11,000,000	\$37,000,000	\$53,000,000	\$0	\$101,000,000	\$101,000,000
	Complete tax years of qualifying time period	1	2013-2014	2014	\$11,000,000	\$36,260,000	\$100,000,000	\$0	\$147,260,000	\$147,260,000
		2	2014-2015	2015	\$11,000,000	\$35,534,800	\$95,000,000	\$0	\$141,534,800	\$141,534,800
	Value Limitation Period	3	2015-2016	2016	\$11,000,000	\$34,824,104	\$90,000,000	\$0	\$135,824,104	\$30,000,000
Tax Credit Period (with 50% cap on credit)		4	2016-2017	2017	\$11,000,000	\$34,127,622	\$85,000,000	\$0	\$130,127,622	\$30,000,000
		5	2017-2018	2018	\$11,000,000	\$33,445,069	\$80,000,000	\$0	\$124,445,069	\$30,000,000
		6	2019-2020	2019	\$11,000,000	\$32,776,168	\$75,000,000	\$0	\$118,776,168	\$30,000,000
		7	2020-2021	2020	\$11,000,000	\$32,120,645	\$70,000,000	\$0	\$113,120,645	\$30,000,000
		8	2021-2022	2021	\$11,000,000	\$31,478,232	\$65,000,000	\$0	\$107,478,232	\$30,000,000
		9	2022-2023	2022	\$11,000,000	\$30,848,667	\$60,000,000	\$0	\$101,848,667	\$30,000,000
		10	2023-2024	2023	\$11,000,000	\$30,231,694	\$55,000,000	\$0	\$96,231,694	\$30,000,000
Credit Settle-Up Period	Continue to Maintain Viable Presence	11	2024-2025	2024	\$11,000,000	\$29,627,060	\$50,000,000	\$0	\$90,627,060	\$90,627,060
		12	2025-2026	2025	\$11,000,000	\$29,034,519	\$50,000,000	\$0	\$90,034,519	\$90,034,519
		13	2026-2027	2026	\$11,000,000	\$28,453,828	\$50,000,000	\$0	\$89,453,828	\$89,453,828
Post- Settle-Up Period		14	2027-2028	2027	\$11,000,000	\$27,884,752	\$50,000,000	\$0	\$88,884,752	\$88,884,752
Post- Settle-Up Period		15	2028-2029	2028	\$11,000,000	\$27,327,057	\$50,000,000	\$0	\$88,327,057	\$88,327,057

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

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed enter those amounts for future years.

Kagan ARI, CFO

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

November 9, 2012

DATE

**Attachment 19**

**Schedule C completed and signed**

### Schedule C- Application: Employment Information

**Applicant Name** Borusan Mannesman Pipe U.S., Inc.  
**ISD Name** Goose Creek Consolidated Independent School District

Form 50-296

					Construction		New Jobs		Qualifying Jobs	
		Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Column A: Number of Construction FTE's or man-hours (specify)	Column B: Average annual wage rates for construction workers	Column C: Number of new jobs applicant commits to create (cumulative)	Column D: Average annual wage rate for all new jobs.	Column E: Number of qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column F: Average annual wage of qualifying jobs
		pre- year 1	2012-2013	2013	319 FTE's	\$70,000	30	\$55,280	24	\$65,000
	Complete tax years of qualifying time period	1	2013-2014	2014	0	N/A	180	\$56,938	144	\$66,950
		2	2014-2015	2015	0	N/A	220	\$58,647	176	\$68,959
	Tax Credit Period (with 50% cap on credit)	3	2015-2016	2016	0	N/A	250	\$60,406	200	\$71,027
		4	2016-2017	2017	0	N/A	250	\$62,218	200	\$73,158
		5	2017-2018	2018	0	N/A	250	\$64,085	200	\$75,353
		6	2019-2020	2019	0	N/A	250	\$66,007	200	\$77,613
		7	2020-2021	2020	0	N/A	250	\$67,987	200	\$79,942
		8	2021-2022	2021	0	N/A	250	\$70,027	200	\$82,340
		9	2022-2023	2022	0	N/A	250	\$72,128	200	\$84,810
		10	2023-2024	2023	0	N/A	250	\$74,292	200	\$87,355
Credit Settle-Up Period	Continue to Maintain Viable Presence	11	2024-2025	2024	0	N/A	250	\$76,520	200	\$89,975
		12	2025-2026	2025	0	N/A	250	\$78,816	200	\$92,674
		13	2026-2027	2026	0	N/A	250	\$81,181	200	\$95,455
Post- Settle-Up Period		14	2027-2028	2027	0	N/A	250	\$83,616	200	\$98,318
Post- Settle-Up Period		15	2028-2029	2028	0	N/A	250	\$86,124	200	\$101,268

Notes: For job definitions see TAC §9.1051(14) and Tax Code §313.021(3).

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

Kagan ARI, CFO  
 SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

November 9, 2012  
 DATE

**Attachment 20**

**Schedule D completed and signed**



Schedule D: (Rev. May 2010): Other Tax Information

Applicant Name					Borusan Mannesman Pipe U.S., Inc.		ISD Name		Goose Creek Consolidated Independent School District		Form 50-296	
					Sales Tax Information		Franchise Tax	Other Property Tax Abatements Sought				
					Sales Taxable Expenditures		Franchise Tax	County	City	Hospital	Other	
		Year	School Year (YYYY-YYYY)	Tax/Calendar Year YYYY	Column F: Estimate of total annual expenditures* subject to state sales tax	Column G: Estimate of total annual expenditures* made in Texas NOT subject to sales tax	Column H: Estimate of Franchise tax due from (or attributable to) the applicant	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement	
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)			2012-2013	2013	\$0	\$124,000,000	\$0	0%	N/A	N/A	0%	
	Complete tax years of qualifying time period	1	2013-2014	2014	\$3,750,000	\$125,000,000	\$25,000	100%	N/A	N/A	100%	
		2	2014-2015	2015	\$3,937,500	\$131,250,000	\$26,250	100%	N/A	N/A	100%	
		3	2015-2016	2016	\$4,134,375	\$137,812,500	\$27,563	100%	N/A	N/A	100%	
		4	2016-2017	2017	\$4,341,094	\$144,703,133	\$28,941	75%	N/A	N/A	75%	
		5	2017-2018	2018	\$4,558,148	\$151,938,267	\$30,388	75%	N/A	N/A	75%	
		6	2019-2020	2019	\$4,786,056	\$159,535,200	\$31,907	60%	N/A	N/A	60%	
		7	2020-2021	2020	\$5,025,359	\$167,511,967	\$33,502	60%	N/A	N/A	60%	
		8	2021-2022	2021	\$5,276,627	\$175,887,567	\$35,178	0%	N/A	N/A	0%	
		9	2022-2023	2022	\$5,540,458	\$184,681,933	\$36,936	0%	N/A	N/A	0%	
		10	2023-2024	2023	\$5,540,458	\$184,681,933	\$36,936	0%	N/A	N/A	0%	
		11	2024-2025	2024	\$5,540,458	\$184,681,933	\$36,936	0%	N/A	N/A	0%	
		12	2025-2026	2025	\$5,540,458	\$184,681,933	\$36,936	0%	N/A	N/A	0%	
		13	2026-2027	2026	\$5,540,458	\$184,681,933	\$36,936	0%	N/A	N/A	0%	
		14	2027-2028	2027	\$5,540,458	\$184,681,933	\$36,936	0%	N/A	N/A	0%	
		15	2028-2029	2028	\$5,540,458	\$184,681,933	\$36,936	0%	N/A	N/A	0%	

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

Hagan ARI, CFO  
SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

November 9, 2012  
DATE

## Schedule D: (Rev. May 2010): Other Tax Information

Goose Creek Consolidated Independent  
School District Form 50-296Applicant  
Name

Borusan Mannesman Pipe U.S., Inc.

ISD Name

					Sales Tax Information		Franchise Tax	Other Property Tax Abatements Sought			
					Sales Taxable Expenditures		Franchise Tax	County	City	Hospital	Other
		Year	School Year (YYYY-YYYY)	Tax/ Calendar Year YYYY	Column F: Estimate of total annual expenditures* subject to state sales tax	Column G: Estimate of total annual expenditures* made in Texas NOT subject to sales tax	Column H: Estimate of Franchise tax due from (or attributable to) the applicant	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)			2012-2013	2013	\$0	\$124,000,000	\$0	0%	N/A	0%	0%
	Complete tax years of qualifying time period	1	2013-2014	2014	\$3,750,000	\$125,000,000	\$25,000	100%	N/A	100%	100%
		2	2014-2015	2015	\$3,937,500	\$131,250,000	\$26,250	100%	N/A	100%	100%
		3	2015-2016	2016	\$4,134,375	\$137,812,500	\$27,563	100%	N/A	100%	100%
		4	2016-2017	2017	\$4,341,094	\$144,703,133	\$28,941	75%	N/A	75%	75%
		5	2017-2018	2018	\$4,558,148	\$151,938,267	\$30,388	75%	N/A	75%	75%
		6	2019-2020	2019	\$4,786,056	\$159,535,200	\$31,907	60%	N/A	60%	60%
		7	2020-2021	2020	\$5,025,359	\$167,511,967	\$33,502	60%	N/A	60%	60%
		8	2021-2022	2021	\$5,276,627	\$175,887,567	\$35,178	0%	N/A	0%	0%
		9	2022-2023	2022	\$5,540,458	\$184,681,933	\$36,936	0%	N/A	0%	0%
		10	2023-2024	2023	\$5,540,458	\$184,681,933	\$36,936	0%	N/A	0%	0%
		11	2024-2025	2024	\$5,540,458	\$184,681,933	\$36,936	0%	N/A	0%	0%
		12	2025-2026	2025	\$5,540,458	\$184,681,933	\$36,936	0%	N/A	0%	0%
		13	2026-2027	2026	\$5,540,458	\$184,681,933	\$36,936	0%	N/A	0%	0%
		14	2027-2028	2027	\$5,540,458	\$184,681,933	\$36,936	0%	N/A	0%	0%
		15	2028-2029	2028	\$5,540,458	\$184,681,933	\$36,936	0%	N/A	0%	0%

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

Kagan ARI, CFO  
SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

November 9, 2012  
DATE



## **Attachment 21**

### **Map of Reinvestment Zone**

The reinvestment zone has not yet been designated by either the Chambers County Commissioners Court or the Goose Creek Consolidated Independent School District. Applicant fully anticipates that a reinvestment zone will be designated to encompass the proposed project site, and as soon as they are available, applicant will supply the school district with 1) a map of the reinvestment zone, certified to be accurate, with vicinity map, 2) a copy of the order, resolution, or ordinance establishing the zone, and 3) a legal description of the reinvestment zone.

## **Attachment 22**

### **Order, Resolution, or Ordinance Establishing the Zone**

The reinvestment zone has not yet been designated by either the Chambers County Commissioners Court or the Goose Creek Consolidated Independent School District. Applicant fully anticipates that a reinvestment zone will be designated to encompass the proposed project site, and as soon as they are available, applicant will supply the school district with 1) a map of the reinvestment zone, certified to be accurate, with vicinity map, 2) a copy of the order, resolution, or ordinance establishing the zone, and 3) a legal description of the reinvestment zone.

## **Attachment 23**

### **Legal Description of Reinvestment Zone**

The reinvestment zone has not yet been designated by either the Chambers County Commissioners Court or the Goose Creek Consolidated Independent School District. Applicant fully anticipates that a reinvestment zone will be designated to encompass the proposed project site, and as soon as they are available, applicant will supply the school district with 1) a map of the reinvestment zone, certified to be accurate, with vicinity map, 2) a copy of the order, resolution, or ordinance establishing the zone, and 3) a legal description of the reinvestment zone.

## **Attachment 24**

### **Guidelines and Criteria for Reinvestment Zone**

Chambers County's guidelines and criteria for designating a reinvestment zone are attached hereto.

# **GUIDELINES AND CRITERIA FOR TAX ABATEMENT IN CHAMBERS COUNTY**

## **SECTION 1 INTRODUCTION**

In recognition of the fact that:

- a.) The creation and retention of job opportunities that bring new wealth is the highest civic priority;
- b.) New jobs and investments will benefit the area economy, provide needed opportunities, strengthen the real estate market and generate tax revenue to support local services;
- c.) The communities within Chambers County must compete with other localities across the nation currently offering tax inducements to attract new plant and modernization projects;
- d.) Any tax incentives offered in Chambers County would reduce needed tax revenue unless strictly limited in application to those new and existing industries that bring new wealth to the community;
- e.) Any tax incentives should not adversely affect the competitive position of existing companies operating in Chambers County;
- f.) The abatement of property taxes, when offered to attract primary jobs in industries which bring in money from outside a community instead of merely re-circulating dollars within a community, has been shown to be an effective method of enhancing and diversifying an area's economy;
- g.) Effective September 1<sup>st</sup>, 1987, Texas law requires any eligible taxing jurisdiction to establish guidelines and criteria for tax abatement agreements prior to granting tax abatement, said guidelines and criteria to be unchanged for a two-year period unless amended by a three-quarters vote; and Chambers County has developed the following guidelines and criteria for tax abatement.

## **SECTION 2 DEFINITIONS**

- a.) **“Abatement”** means the full or partial exemption from ad valorem taxes of the increase in value of certain real property in a reinvestment zone designated for economic development purposes.
- b.) **“Eligible Jurisdiction”** means Chambers County and any municipality, school district or college district that levies ad valorem taxes upon property located within the proposed or existing reinvestment zone.
- c.) **“Agreement”** means a contractual agreement between a property owner and an eligible jurisdiction for the purpose of tax abatement.
- d.) **“Base Year Value”** means the assessed value of eligible property on the January 1<sup>st</sup> preceding the execution of the agreement.
- e.) **“Economic Life”** means the number of years a property improvement is expected to be in service in a facility.

- f.) **“Deferred Maintenance”** means improvements necessary for continued operations, which do not improve productivity or alter the process technology.
- g.) **“Expansion”** means the addition of buildings, structures, or fixed machinery or equipment for purposes of increasing production capacity.
- h.) **“Facility”** means property improvements completed or in the process of construction which together comprise an integral whole.
- i.) **“Manufacturing Facility”** means buildings and structures, including fixed machinery and equipment, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.
- j.) **“Modernization”** means the replacement and upgrading of existing facilities, which increases the productive input or output, updates the technology or substantially lowers the unit cost of the operation. Modernization may result from the construction, alteration or installation of buildings, structures, of fixed machinery or equipment. It shall not be for the purpose of reconditioning, refurbishing or repairing.
- k.) **“New Facility”** means a property previously undeveloped, which is placed into service, by means other than or in conjunction with expansion or modernization.
- l.) **“Other Basic Industry”** means buildings and structures including fixed machinery and equipment not elsewhere described, used or to be used for the production of products or services and which result in the creation of new permanent jobs and bring in new wealth.
- m.) **“Wholesale Distribution Facility”** means buildings and structures, including fixed machinery and equipment, used or to be used primarily to receive, store, service or distribute goods or materials owned by the facility operator.
- n.) **“Entertainment and Recreation Facility”** means buildings and structures, including fixed machinery and equipment, used or to be used to provide entertainment through the admission of the general public.
- o.) **“Service Facility”** means buildings and structures, including fixed machinery and equipment, used or to be used to service goods.
- p.) **“Research Facility”** means building structures, including fixed machinery and equipment, used or to be used primarily for research or experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes of such goods or materials.

### **SECTION 3**

#### **ABATEMENT AUTHORIZED**

- a.) **Authorized Facility.** A facility may be eligible for abatement if it is a: Manufacturing Facility, Research Facility, Wholesale Distribution Facility, Service Facility, Entertainment and Recreation Facility, or other Basic Industry.
- b.) **Creation of New Value.** Abatement may be only be granted for the additional value over the base year value resulting from eligible property improvements made subsequent to and listed in tax abatement agreement between the eligible jurisdiction and the property owner subject to such limitations as the eligible jurisdiction may require.

- c.) **New and Existing Facilities.** Abatement may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion.
- d.) **Eligible Property.** Abatement may be extended to the value of buildings, structures, fixed machinery and equipment, site improvements plus that office space and related fixed improvements necessary to the operation and administration of the facility.
- e.) **Ineligible Property.** The following types of property shall be fully taxable and ineligible for tax abatement: land; inventories; supplies; tools; furnishings and other forms of movable personal property; vehicles; watercraft; aircraft; housing; deferred maintenance investments; any improvements, including those to produce, store or distribute natural gas, fluids or gases, which are not integral to the operation of the facility; property which has an economic life of less than 15 years; property owned or used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas.
- f.) **Owned/Leased Facilities.** In order for a facility to qualify for tax abatement, the land and eligible property must be owned and operated by the same individual or company or be leased to a facility operator whose lease term is at least 10 years.
- g.) **Value and Term of Abatement.** Tax Abatement for eligible property shall be granted effective with the January 1<sup>st</sup> valuation date immediately following the date of execution of the agreement and shall not exceed five (5) years, including construction time. The percentage of the new value created pursuant to the agreement on which taxes will be abated in each of the years for which abatement is granted shall be as follows:

1 <sup>st</sup> year	100%
2 <sup>nd</sup> year	100%
3 <sup>rd</sup> year	75%
4 <sup>th</sup> year	60%
5 <sup>th</sup> year	50%

If a modernization project includes facility replacements, the value to which abatement applies shall be the value of the new unit(s) less the value of the old unit(s).

Provided, however, that the value on which abatement is granted in any year shall not exceed the estimated increase in market value (required to be included in the tax abatement agreement in accordance with Section 6 (a), (1) resulting from construction of or improvements to eligible facilities.)

- h.) **Economic Qualification.** In order to be eligible for designation as a reinvestment zone and receive tax abatement, the proposed improvement;
  - (1) Must be reasonably expected to increase the value of property in the amount of \$500,000 or more after the period of abatement has expired;
  - (2) Must be reasonably expected to prevent the loss of employment and to create employment at the facility for at least five people on a permanent basis and the owner must agree to exercise its best efforts to insure that 50% of new employees, or a minimum of two (2) employees, are residents of Chambers County, Harris County, Jefferson County, Galveston County, Hardin County and/or Liberty County; 10% of new employees, or a minimum of two (2) employees, are residents of Chambers County; and 5% of new employees, or a minimum of one (1) employee are resident(s) of the city in which the facility is located;

- (3) Must not be expected to solely or primarily have the effect of transferring employment from one part of Chambers County to another; and
- (4) If a new facility, must be necessary because capacity cannot be provided efficiently utilizing existing improved property when reasonable allowance is made for necessary improvements.

Further, the owner of the proposed improvement must make every reasonable effort to use local resources in employees, goods and services at the facility.

- i.) **Taxability.** For tax years beginning on or after the execution of the tax abatement agreement to the end of the agreement period taxes shall be payable as follows;
  - (1) the value of ineligible property as provided in Section 3(e) shall be fully taxable;
  - (2) the base year value of existing eligible property shall be fully taxable; and
  - (3) the value of eligible property shall be taxable in the manner described in Section 3(g).

#### **SECTION 4 APPLICATION**

- a.) **Filing of Application.** Any present or potential owner of taxable property in Chambers County may request the creation of a reinvestment zone and tax abatement by filing a written request with the County Judge of Chambers County if the property is located outside of the taxing jurisdiction of a municipality.
- b.) **Content of Application.** The application shall consist of a completed application form accompanied by: a general description of the new improvements to be undertaken; a general descriptive list of the improvements for which an abatement is requested; a list of the kind, number and location of all proposed improvements of the property; a map and location of all proposed improvements of the property; a map and property description; and a time schedule for undertaking and completing the proposed improvements. In the case of modernization, a statement of the assessed value of the facility, separately stated for real and personal property shall be given for the tax year immediately preceding the application. The application form may require such financial and other information as the municipality or County deems appropriate for evaluating the financial capacity and other factors of the applicant. Sworn statement that no construction has been undertaken on the project.
- c.) **Notice to Eligible Jurisdiction.** Upon receipt of an approved application, Chambers County, shall notify in writing the presiding officer of the governing body of each eligible jurisdiction.
- d.) **Abatement Inapplicable to Prior Projects.** Chambers County shall not establish a reinvestment zone or enter into an abatement agreement if it finds that the request for the abatement was approved by Commissioner's Court after the construction, alteration, or installation of improvements began as related to a proposed modernization, expansion or new facility.
- e.) **Variance.** Requests for variance from the provisions of Subsections (a), (e) and (g) of Section 3 must be made in written form. Such request shall include a complete description of the circumstances explaining why the applicant should be granted a variance.



## **SECTION 5**

### **PUBLIC HEARING AND APPROVAL**

- a.) **Public Hearing for Designation of Zone.** A resolution designating a reinvestment zone may not be adopted until the governing body has held a public hearing at which interested persons are entitled to speak and present evidence for or against the designation. Notice of the hearing shall be published at least seven (7) days prior to the hearing in a newspaper paper having general circulation in the eligible jurisdiction. The presiding officers of other eligible jurisdictions shall be notified in writing at least (7) days prior to the hearing.
- b.) **Findings Required for Agreement.** In order to enter into a tax abatement agreement, the eligible jurisdiction must find that the terms of the proposed agreement and the subject property meet these guidelines and criteria and that:
  - (1) there will be no substantial adverse effect on the provision of the jurisdiction's service or tax base; and
  - (2) the planned use of the property will not constitute a hazard to public safety, health or morals.

## **SECTION 6**

### **AGREEMENT**

- a.) **Contents of Agreement.** After approval, the eligible jurisdiction shall formally approve and execute an agreement with the owner of the facility which agreement shall include:
  - (1) estimated value to be abated and the base year value;
  - (2) percent of value to be abated each year as provided in Section 3(g);
  - (3) the commencement date and the termination date of abatement;
  - (4) the proposed use of the facility; nature of construction, time schedule, map, property description and improvement list as provided in Section 4(b);
  - (5) contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, recapture, administration and assignment as provided in Sections 3(a), 3(f), 3(g), 7, 8, and 9, or other provisions that may be required for uniformity or by state law; and
  - (6) amount of investment and average number of jobs involved.

Such agreement shall normally be executed within 60 days after the applicant has forwarded all necessary information and documentation to the County. Upon execution of this agreement, it becomes the responsibility of the applicant to file with the County the necessary reports annually certifying employment and investment level as stated in the executed contract.

## **SECTION 7**

### **RECAPTURE**

The tax abatement agreement shall contain provisions for recapture of taxes abated in the event that 1) the improvements for which abatement was granted are not completed in accordance with agreement, 2) the owner allows ad valorem taxes owed the eligible

jurisdictions granting abatement to become delinquent and fails to timely and properly follow the legal procedures for protest and/or contest of such taxes, 3) the owner discontinues operating or using the property as required by the agreement, or 4) the owner breaches any of the terms or conditions of the agreement.

## **SECTION 8 ADMINISTRATION**

- a.) **Appraisal and Assessment.** The Chief Appraiser of the County shall annually determine an appraisal of the real and personal property comprising the reinvestment zone. Each year, the company or individual receiving abatement shall furnish the assessor with such information as may be necessary for the abatement. Once value has been established, the Chief Appraiser shall notify the affected jurisdictions, which levy taxes of the amount of the assessment.
- b.) **Access to Property.** The agreement shall stipulate that employees and/or designated representatives of the contracting eligible jurisdiction shall have access to the subject property during the term of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only upon twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the facility.
- c.) **Annual Evaluations.** Upon completion of construction, the jurisdiction creating the reinvestment zone shall annually evaluate each facility receiving abatement to ensure compliance with the agreement and report possible violations of the agreement to the eligible jurisdictions.

## **SECTION 9 ASSIGNMENT**

A tax abatement agreement may not be assigned unless written consent is first granted by the eligible jurisdiction that has entered into the agreement, which consent shall be at the sole discretion of such eligible jurisdiction. Any assignment shall provide that the assignee shall irrevocably and unconditionally assume all the duties and obligations of the assignor upon the same terms and conditions as set out in the agreement. Any assignment of a tax abatement agreement shall be to an entity that contemplates the same improvements to, and operation of the property as the assignor, except to the extent such improvements have been completed. No assignment shall be approved by an eligible jurisdiction if the assignor or the assignee is indebted to the eligible jurisdiction for ad valorem taxes or other obligations.

## **SECTION 10 SUNSET PROVISIONS**

- a.) These guidelines and criteria are effective upon the date of their adoption and will remain in force for two years, at which time all reinvestment zones and tax abatement contracts created pursuant to its provisions will be reviewed by the County to determine whether the goals have been achieved. Based on that review, the guidelines and criteria will be modified, renewed or eliminated.
- b.) This policy applies only to the tax abatement under the provisions of the Property Redevelopment and Tax Abatement Act, Tex. Tax Code Ann. Chapter 312.