

Attachment A

Application

**** AMENDED ****



**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

Robert

Last Name

Madding

Title

Superintendent

School District Name

Nederland Independent School District

Street Address

220 17th Street

Mailing Address

same

City

Nederland

State

TX

ZIP

77627

Phone Number

409-724-2391

Fax Number

409-724-4280

Mobile Number (optional)

E-mail Address

rmadding@nederland.k12.tx.us

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

Will consultant be primary contact? Yes No



SCHOOL DISTRICT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized School District Consultant (If Applicable)

First Name: Kevin, Last Name: O'Hanlon, Title: Consultant, Firm Name: O'Hanlon, McCollom & Demerath, Street Address: 808 West Ave, Mailing Address: 808 West Ave, City: Austin, State: TX, ZIP: 78701, Phone Number: 512-494-9949, Fax Number: 512-494-9919, Mobile Number (Optional):, E-mail Address: kohanlon@808west.com; mhanley@808west.com

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) and Date fields.

Has the district determined this application complete? [X] Yes [] No

If yes, date determined complete. _____

Have you completed the school finance documents required by TAC 9.1054(c)(3)? [] Yes [X] No

SCHOOL DISTRICT CHECKLIST AND REQUESTED ATTACHMENTS

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

APPLICANT INFORMATION - CERTIFICATION OF APPLICATION

Authorized Business Representative (Applicant)

First Name Richard		Last Name Booker	
Title Director, Tax Controversy and State Tax Planning			
Organization Sunoco, Inc.			
Street Address 1735 Market Street, 15th Floor			
Mailing Address same			
City Philadelphia		State PA	ZIP 19103
Phone Number (215) 977-6010		Fax Number (866) 244-0576	
Mobile Number (optional)		Business e-mail Address RBOOKER@sunocoinc.com	

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

APPLICANT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized Company Consultant (If Applicable)

First Name: **Jeff** Last Name: **Moore**
 Title: **Principal**
 Firm Name: **Ryan, Inc.**
 Street Address: **400 W. 15th Street, Suite 700**
 Mailing Address: **same**
 City: **Austin** State: **TX** ZIP: **78701**
 Phone Number: **(512) 691-7818** Fax Number: **(888) 373-1815**
 Business email Address: **jeff.moore@ryan.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: **7/1/13**

GIVEN under my hand and seal of office this 1st day of July, 2013



(Notary Seal)

My commission expires Oct 21, 2013

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.



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

Sunoco Partners NGL Facilities LLC

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

Pending (new entity)

NAICS code
325110

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.

N/A

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.)

Limited Liability Company

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.)

The most recent combined franchise tax report for the Sunoco group was filed on October 8, 2012 by Sunoco, Inc. (R&M), Taxpayer No. 231743283. See Exhibit A. The contact for Texas franchise tax matters is Richard Booker (contact information at page 3 of this application). By virtue of the 2012 acquisition of Sunoco, Inc. by Energy Transfer Partners, L.P. ("ETP"), subsequent Texas Franchise Tax reports will be filed on a combined basis with the ETP group. All members of the ETP combined group are also current on all tax payments due to the State of Texas.

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)

See Exhibit B

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

See Exhibit C

PROJECT CHARACTERISTICS (CHECK ALL THAT APPLY)

- New Jobs
- Construct New Facility
- New Business / Start-up
- Expand Existing Facility
- Relocation from Out-of-State
- Expansion
- Purchase Machinery & Equipment
- Consolidation
- Relocation within Texas

PROJECTED TIMELINE

Begin Construction Q1, 2014 Begin Hiring New Employees Q3 2014-Q1 2015
 Construction Complete Q3 2014-Q1 2015 Fully Operational Q1 2015
 Purchase Machinery & Equipment 2014

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? Q1 2015

ECONOMIC INCENTIVES

Identify state programs the project will apply for:

State Source	Amount
N/A	
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.)

Property tax abatement agreements executed with Jefferson County and Sabine Neches Navigation District. Industrial District Agreement with the City of Nederland- contract amendment being drafted.

THE PROPERTY

Identify county or counties in which the proposed project will be located Jefferson County

Central Appraisal District (CAD) that will be responsible for appraising the property Jefferson County Appraisal District

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: Jefferson County-100% City: Nederland - 100%
(Name and percent of project) (Name and percent of project)

Hospital District: _____ Water District: _____
(Name and percent of project) (Name and percent of project)

Other (describe): Sabine Neches Navigation District - 100% Other (describe): _____
(Name and percent of project) (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.

At the time of application, what is the estimated minimum qualified investment required for this school district? \$30,000,000

What is the amount of appraised value limitation for which you are applying? \$30,000,000

What is your total estimated qualified investment? \$310,100,000

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? September 2013

What is the anticipated date of the beginning of the qualifying time period? September 2013

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? \$310,100,000

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, See Exhibit B
(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 See Exhibit B
(3) a map of the qualified investment showing location of new buildings or new improvements with vicinity map. See Exhibit B

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? [X] 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? [X] 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? [X] Yes [] No
(3) on the same parcel of land as the building for which you are applying for an appraised value limitation? [X] 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? [X] Yes [] No

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

If the proposed investment includes a building or a permanent, non-removable component of a building, does it house tangible personal property? [X] 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: Description of qualified property matches description of qualified investment. See Exhibit B-1.

- (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 [X] 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? March 2013

Will the applicant own the land by the date of agreement execution? [] Yes [X] No

Will the project be on leased land? [X] 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 See Exhibit D. Land is not part of the qualified property.
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 See Exhibit D
3. Owner See Exhibit D
4. The current taxable value of the land. Attach estimate if land is part of larger parcel. See Exhibit D
5. A detailed map (with a vicinity map) showing the location of the land See Exhibit D

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) See Exhibit E

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

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. 4,707,033- See Exhibit G 2013
(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 2012
(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. N/A

Total number of new jobs that will have been created when fully operational 16

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? 16

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 1,055.45

110% of the county average weekly wage for manufacturing jobs in the county is 1,868.90

110% of the county average weekly wage for manufacturing jobs in the region is 1,242.24

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? 64,596.40

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? 82,965.16

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.)

See Exhibit I

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.

Schedule A (Rev. May 2010): Investment

Applicant Name: Oneok Hydrocarbon, LP
 ISD Name: Nederland ISD

Form 50-296

PROPERTY INVESTMENT AMOUNTS

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

The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	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)						
									1	2	3	4	5	6
Investment made before filing complete application with district (neither qualified property nor eligible to become qualified investment) Investment made after filing complete application with district, but before final board approval of application (eligible to become qualified property) 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)	Complete tax years of qualifying time period	2013-2014	2013	\$ 1,000,000	\$ 310,100,000	\$ 311,100,000		\$ 311,100,000						
				\$	\$	\$		\$						

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(A)-(D). For the purposes of investment, please list amount invested each year, not cumulative totals.

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(E).

Column C: 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.

Column D: Note: Land can be listed as part of investment during the "pre-year 1" time period. It cannot be part of qualifying investment.

Column E: 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.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE: 

DATE: 7/1/13

Schedule B (REV. MAY 2010): Estimated Market And Taxable Value
Sunoco Partners NGL Facilities LLC

Form 50-296

Applicant Name

ISD Name **Nederland ISD**

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Reductions from Market Value	Estimated Taxable Value	
				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 ISS - after all reductions	Final taxable value for M&O--after all reductions
	pre- year 1	2013-2014	2013						
Complete tax years of qualifying time period	1	2014-2015	2014	-	-	-	-	-	-
	2	2015-2016	2015	-	310,100,000	1,000,000	40,000,000	271,100,000	271,100,000
	3	2016-2017	2016	-	294,595,000	930,000	38,000,000	257,525,000	30,000,000
	4	2017-2018	2017	-	279,865,250	864,900	36,100,000	244,630,150	30,000,000
	5	2018-2019	2018	-	265,871,988	804,357	34,295,000	232,381,345	30,000,000
Value Limitation Period	6	2019-2020	2019	-	252,578,388	748,052	32,580,250	220,746,190	30,000,000
	7	2020-2021	2020	-	239,949,469	695,688	30,951,238	209,693,919	30,000,000
	8	2021-2022	2021	-	227,951,995	646,990	29,403,676	199,195,309	30,000,000
	9	2022-2023	2022	-	216,554,396	601,701	27,933,492	189,222,605	30,000,000
	10	2023-2024	2023	-	205,726,676	559,582	26,536,817	179,749,441	30,000,000
Credit Settle-Up Period	11	2024-2025	2024	-	195,440,342	520,411	25,209,976	170,750,777	170,750,777
	12	2025-2026	2025	-	185,668,325	483,982	23,949,478	162,202,829	162,202,829
	13	2026-2027	2026	-	176,384,909	450,104	22,752,004	154,083,009	154,083,009
Post-Settle-Up Period	14	2027-2028	2027	-	167,565,663	418,596	21,614,404	146,369,855	146,369,855
	15	2028-2029	2028	-	159,187,380	389,295	20,533,683	139,042,992	139,042,992

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.

[Handwritten Signature]

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

7/1/13

DATE

Schedule C- Application: Employment Information

Sunoco Partners NGL Facilities LLC
Nederland ISD

Applicant Name
ISD Name

Form 50-296

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Construction		New Jobs		Qualifying Jobs	
				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 meeting all criteria of Sec. 313.021(3) (cumulative)	Column F: Average annual wage of qualifying jobs
	pre-year 1	2013-2014	2013			0	\$ -	0	\$ -
	1	2014-2015	2014	1,500,000 hours	\$ 60,000.00	8	\$ 89,076.00	8	\$ 89,076.00
	2	2015-2016	2015			16	\$ 89,076.00	16	\$ 89,076.00
	3	2016-2017	2016			16	\$ 89,076.00	16	\$ 89,076.00
	4	2017-2018	2017			16	\$ 89,076.00	16	\$ 89,076.00
	5	2018-2019	2018			16	\$ 89,076.00	16	\$ 89,076.00
	6	2019-2020	2019			16	\$ 89,076.00	16	\$ 89,076.00
	7	2020-2021	2020			16	\$ 89,076.00	16	\$ 89,076.00
	8	2021-2022	2021			16	\$ 89,076.00	16	\$ 89,076.00
	9	2022-2023	2022			16	\$ 89,076.00	16	\$ 89,076.00
	10	2023-2024	2023			16	\$ 89,076.00	16	\$ 89,076.00
	11	2024-2025	2024			16	\$ 89,076.00	16	\$ 89,076.00
	12	2025-2026	2025			16	\$ 89,076.00	16	\$ 89,076.00
	13	2026-2027	2026			16	\$ 89,076.00	16	\$ 89,076.00
	14	2027-2028	2027			16	\$ 89,076.00	16	\$ 89,076.00
	15	2028-2029	2028			16	\$ 89,076.00	16	\$ 89,076.00
Tax Credit Period (with 50% cap on credit)	Complete tax years of qualifying time period								
	Value Limitation Period								
Credit Settle-Up Period	Continue to Maintain Viable Presence								
	Post- Settle-Up Period								
	Post- Settle-Up Period								

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.


SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

7/1/13
DATE

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

Applicant Name

Sunoco Partners NGL Facilities LLC

ISD Name

Nederland ISD

Form 50-296

				Sales Tax Information		Other Property Tax Abatements Sought				
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	Year	School Year (YYYY-YYYY)	Tax/Calendar Year YYYY	Column F:	Column G:	Franchise Tax	County	City	Hospital	Navigation District
				Estimate of total annual expenditures* subject to state sales tax	Estimate of total annual expenditures* made in Texas NOT subject to sales tax					
		2013-2014	2013							
Complete tax years of qualifying time period	1	2014-2015	2014	\$ 125,325,000	\$ 114,000,000					
	2	2015-2016	2015	\$ 33,420,000	\$ 30,400,000	\$ 59,092.80	100			100
	3	2016-2017	2016	\$ 130,000		\$ 60,274.66	100			100
	4	2017-2018	2017	\$ 130,000		\$ 61,480.15	90			90
	5	2018-2019	2018	\$ 130,000		\$ 62,709.75	90			90
	6	2019-2020	2019	\$ 130,000		\$ 63,963.95	80			80
	7	2020-2021	2020	\$ 130,000		\$ 65,243.23	80			80
	8	2021-2022	2021	\$ 130,000		\$ 66,548.09				
	9	2022-2023	2022	\$ 130,000		\$ 67,879.05				
	10	2023-2024	2023	\$ 130,000		\$ 69,236.63				
	11	2024-2025	2024	\$ 130,000		\$ 70,621.37				
	12	2025-2026	2025	\$ 130,000		\$ 72,033.79				
	13	2026-2027	2026	\$ 130,000		\$ 73,474.47				
	14	2027-2028	2027	\$ 130,000		\$ 74,943.96				
	15	2028-2029	2028	\$ 130,000		\$ 76,442.84				

*For planning, construction and operation of the facility.

[Signature]
 SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

7/1/15
 DATE

EXHIBIT A

DOCUMENTATION OF COMBINED GROUP

EXHIBIT B
FACILITY DESCRIPTION

Sunoco Partners NGL Facilities LLC

Application for Appraised Value Limitation – Exhibit B

The proposed project is a facility to manufacture natural gas liquids (NGL's) in the form of liquefied petroleum gas (LPG).

The primary products are expected to be propane and butane, although additional products may be added based on market demand.

The facility would be constructed on approximately 80.395 acres of land adjacent to the existing Sunoco facility in Nederland.

The Nederland facility would be receiving Propane/Butane via 16" Pipeline. The proposed facility in Nederland would perform the final finishing stage in the LPG manufacturing process; including removal of water from the stream through the use of the mole sieve dehydration beds, and further, removal of sulfur from the inlet stream utilizing caustic treatment technology. In addition, the treated stream would be refrigerated to change pressure and temperature of the propane and/or butane materials so that they can be stored in atmospheric storage tanks that are specially designed with vapor recovery and condensing systems to maintain supercool temperatures.

Significant components of the facility would include:

- 2 refrigeration trains with 3 compressors each to supercool liquid stream of liquefied petroleum gas (LPG) for atmospheric storage in 2 new 600,000 bbl tanks.
- Inlet treating for sulfur and water, mole sieve dehydration beds, and amine/or caustic treatment for sulfur.
- A glycol heating system with heat exchangers for warming LPG
- Tanks, feed pipeline (16-inch steel; length of approximately 14,256 feet), pipeline metering, an origination station, potentially a new ship dock to support NGL loading and unloading

Applicant is obtaining the legal description of the right of way for the portion of the feed pipeline to be located in the Nederland Independent School District. When such description is complete, Applicant will supplement this Application to include the surveyed right of way.

The following are attached:

- Exhibit B-1 Equipment List
- Exhibit B-2 Facility Schematics
- Exhibit B-3 Map of the New Facilities
- Exhibit B-4 Vicinity Map

EXHIBIT B-1
EQUIPMENT LIST



Sunoco Logistics
Nederland Tx
LPG Terminal

Equipment List

Tag No	Title	Equipment Description	Spare
Tk-101	Butane Tank	300,000 bbl	1x100 %
Tk-102	Propane Tank	600,000 bbl	1x100 %
	Propane/Butane Receiving		
	Propane Dehydration Unit		1x100 %
	Drier/Regenerator Vessel	Pressure Vessel (cs)	
	Dry Gas Dust Filter	Pressure Vessel (cs)	1x100 %
	Regeneration Gas Heater	Shell&Tube Exchanger	1x100 %
	Condenser	Fin-Fan Air Cooler	
	Separator	Pressure Vessel (cs)	
	Regen Gas Compressor	Centrifugal	
	Hot Oil Heater	Gas Fired Heater	1x100 %
	Hot Oil Expansion Tank	Pressure Vessel (cs)	
	Hot Oil Pumps	Centrifugal	2x100 %
	Hot Oil Filter	Pressure Vessel (cs)	1x100 %
	Butane Dehydration Unit		1x100 %
	Drier/Regenerator Vessel	Pressure Vessel (cs)	
	Dry Gas Dust Filter	Pressure Vessel (cs)	1x100 %
	Regeneration Gas Heater	Shell&Tube Exchanger	1x100 %
	Condenser	Fin-Fan Air Cooler	
	Separator	Pressure Vessel (cs)	
	Regen Gas Compressor	Centrifugal	
	Hot Oil Heater	Gas Fired Heater	1x100 %
	Hot Oil Expansion Tank	Pressure Vessel (cs)	
	Hot Oil Pumps	Centrifugal	2x100 %
	Hot Oil Filter	Pressure Vessel (cs)	1x100 %
			1x100 %
C-101A/B	Propane First Stage Compressor	Flooded Screw Comp	2x50 %
C-102A/B	Propane Second Stage Compressor	Flooded Screw Comp	2x50 %
C-103A/B	Propane Third Stage Compressor	Flooded Screw Comp	2x50 %
E-101A/B	Propane First Stage Chiller	Kettle Reboiler	2x50 %
E-102A/B	Propane Second Stage Chiller	Kettle Reboiler	2x50 %
E-103A/B	Propane Third Stage	Kettle Reboiler	2x50 %
E-104A/B	Condenser	Fin-Fan Air Cooler	2x50 %
V-106A/B	Receiver	Pressure Vessel	2x50 %
E-301A/B	Butane Chiller	Kettle Reboiler	2x50 %
	Ship Loading System		
LA-101A/B	Propane/Butane Loading Arm	Liquid Arms	2x50 %
LA-102	Propane/Butane Vapor Return Arm	Vapor Arms	1x100 %
B-101	Propane/Butane Vapor Return Blowers	Rotary Blower	1x100 %
P-102A/B	Propane Ship Loading Pump	In-ground vert. pump	2x50 %
P-103	Propane Recirculation Pump	In-ground vert. pump	1x100 %
P-302A/B	Butane Ship Loading Pump	In-ground vert. pump	2x50 %
P-303	Butane Recirculation Pump	In-ground vert. pump	1x100 %
	BOG System		
C-201A/B	Propane BOG Compressor	Flooded Screw Comp	2x50 %
E-201A/B	Propane BOG Condenser	Fin-Fan Air Cooler	2x50 %
E-202A/B	Propane Economizer	Kettle Reboiler	2x50 %
V-201A/B	Propane BOG Receiver	Pressure Vessel	2x50 %
C-301A/B	Butane BOG Compressor	Flooded Screw Comp	2x50 %

LPG Import/Export
Sunoco Nederland, Tx
Dec. 09 2012.



Sunoco Logistics
Nederland Tx

Equipment List

LPG Terminal

E-301A/B	Butane BOG Condenser	Fin-Fan Air Cooler	2x50 %
E-302A/B	Butane Economizer	Kettle Reboiler	2x50 %
V-301A/B	Butane BOG Receiver	Pressure Vessel	2x50 %
	Sendout to Pipeline System		
P-101A/B	Propane Booster Pump to Pipeline	In-ground can pump	2x50 %
E-104	Propane Warmer	Shell&Tube type	1x100 %
P-301A/B	Butane Booster Pump to Pipeline	In-ground can pump	2x50 %
E-304	Butane Warmer	Shell&Tube type	1x100 %
P-401A/B	WEG Pumps	Centrigugal Type	2x50 %
H-401A/B	WEG Heater		2x50 %
Z-101	Flare		
	Instrument Air Compressors		2x100 %
	Metering Systems		
	Propane Receiving Metering System		
	Butane Receiving Metering System		
	Propane Sendout Metering System		
	Butane Sendout Metering System		
	Transformer		
	DCS		
	Plant Lighting System		
	Firewater Distribution System		
	Fire Extinguisher		
	Gas, Smoke, and Fire Detectors		

LPG Import/Export
Sunoco Nederland, Tx
Dec. 09 2012.



Preliminary Load list

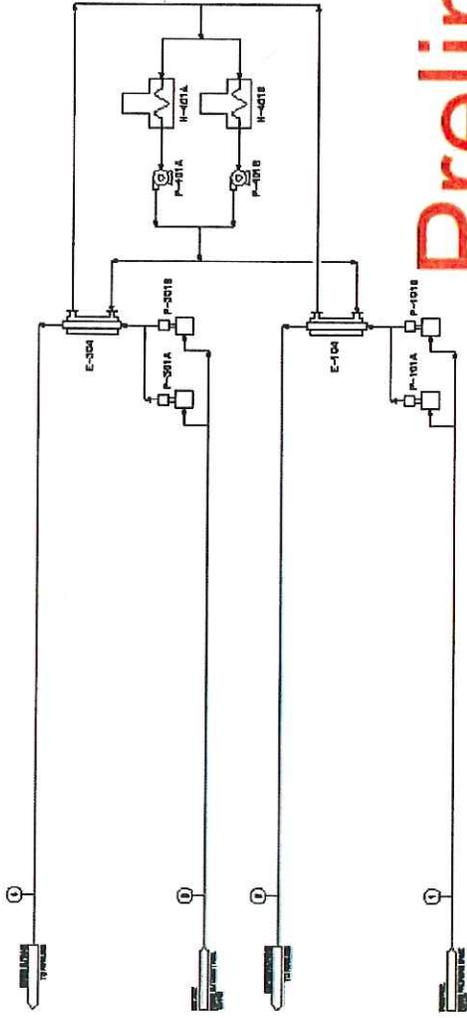
Nederland Terminal Load List

Tag No	Title	Equipment Type	Spare	Total Motor KW	Cases	
					Rundown KW	Rundown+ ship load KW
Tk-101	Butane Tank		300,000 bbl			
Tk-102	Propane Tank		800,000 bbl			
	Propane/Butane Receiving					
	Propane Dehydration Unit		1x100 %			
	Condenser Fan Motors			258	258	258
	Regem Gas Compressor					
	Hot Oil Circulation Pump					
	Butane Dehydration Unit		1x100 %			
	Condenser Fan Motors			88	88	88
	Regem Gas Compressor			200	200	200
	Hot Oil Circulation Pump					
	Chiller System					
C-101A/B	Propane First Stage Compressor	Oil flooded Screw Comp	2x50 %	2,751	2,751	2,751
C-102A/B	Propane Second Stage Compressor	Oil flooded Screw Comp	2x50 %	5,510	5,510	5,510
C-103A/B	Propane Third Stage Compressor	Oil flooded Screw Comp	2x50 %	10,898	10,898	10,898
E-104A/B	Condenser Fan Motors			630	630	630
	Ship Loading System					
LA-101A/B	Propane/Butane Loading Arm		2x50 %	12		12
B-101	Propane/Butane Vapor Return Blowers	Rotary Blower	1x100 %	119		119
P-102A/B	Propane Ship Loading Pump	Inground vertical turbine Pump	3x50 %	656		656
P-103	Propane Recirculation Pump	Inground vertical turbine Pump	1x100 %	21		21
P-302A/B	Butane Ship Loading Pump	Inground vertical turbine Pump	3x50 %	693		693
P-303	Butane Recirculation Pump	Inground vertical turbine Pump	1x100 %	21		21
	BOG System					
C-201A/B	Propane BOG Compressor	Oil flooded Screw Comp	2x50 %	4,118	4,118	4,118
E-201A/B	Propane BOG Condenser Fan Motor			64	64	64
C-301A/B	Butane BOG Compressor	Oil flooded Screw Comp	2x50 %	760	760	760
E-301A/B	Butane BOG Condenser Fan Motor			26	26	26
	Sendout to Pipeline System					
P-101A/B	Propane Booster Pump to Pipeline	Inground vertical turbine Pump	2x50 %	1,148	1,148	1,148
P-301A/B	Butane Booster Pump to Pipeline	Inground vertical turbine Pump	2x50 %	441	441	441
P-401A/B	WEG Pumps	Centrifugal Pump	2x50 %	38	38	38
H-401A/B	WEG Heater Fan Motor		2x50 %	41	41	41
	Miscellaneous Equipment			164	164	164
				28,748	27,226	28,748

EXHIBIT B-2
FACILITY SCHEMATICS



1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. 37. 38. 39. 40. 41. 42. 43. 44. 45. 46. 47. 48. 49. 50. 51. 52. 53. 54. 55. 56. 57. 58. 59. 60. 61. 62. 63. 64. 65. 66. 67. 68. 69. 70. 71. 72. 73. 74. 75. 76. 77. 78. 79. 80. 81. 82. 83. 84. 85. 86. 87. 88. 89. 90. 91. 92. 93. 94. 95. 96. 97. 98. 99. 100.

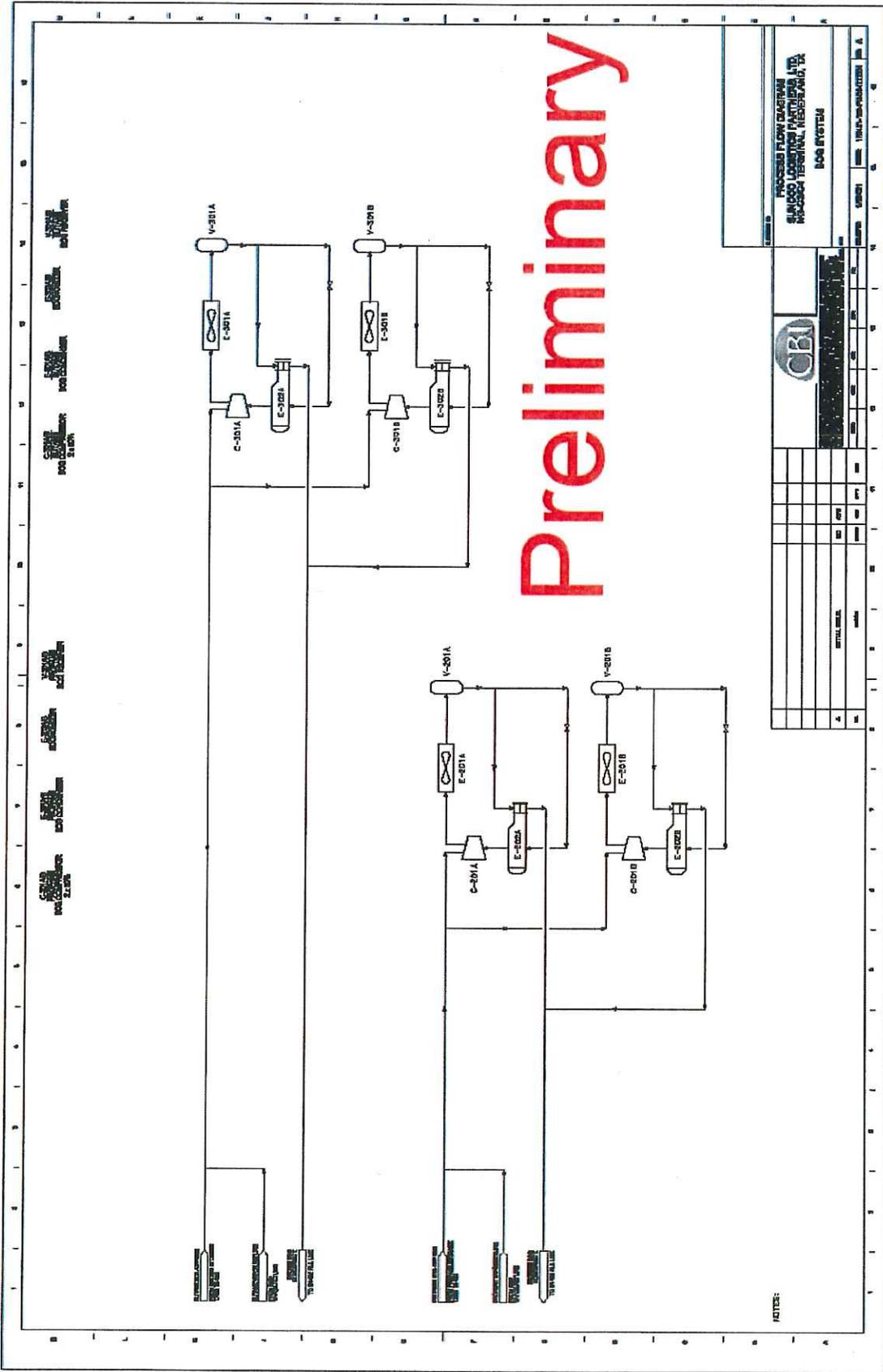


Preliminary

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PROJECT FLOW DIAGRAM
 BU/NO. LOCATION: MATTERS, LTA
 PROJECT: TERMINAL, RESERVOIR, TA
 BENDOLUTTO PIPELINE SYSTEM



NOTES:

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PROJECT: LOG SYSTEM
DESIGNED BY: [REDACTED]
CHECKED BY: [REDACTED]
DATE: [REDACTED]

EXHIBIT B-3

MAP OF THE NEW FACILITIES

EXHIBIT B-4
VICINITY MAP

Proposed Layout





GENERAL NOTES:

REFERENCE DRAWINGS

| DRAWING NO. | TITLE |
|-------------|-------|
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REVISIONS

| NO. | DATE | DESCRIPTION |
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APPROVALS

| NO. | DATE | BY | FOR |
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ENERGY TRANSFER PARTNERS

AERIAL ROUTE MAP
NECHES RIVER DOCK FACILITIES
CITY OF BEAUMONT
JEFFERSON COUNTY, TEXAS

DATE: 12/09/12
SCALE: AS SHOWN
PROJECT NO.: 11301-14-001

EXHIBIT C

ABILITY TO RELOCATE

Sunoco

Application for Appraised Value Limitation – Exhibit C

Applicant's former group parent company, Sunoco, Inc. ("Sunoco"), is headquartered in Philadelphia, PA, and is a leading logistics and retail company. Sunoco was a petroleum refiner and has a network of approximately 4,900 retail gasoline locations and other facilities in 23 states. The Company formerly owned the general partner interest of Sunoco Logistics Partners L.P. (NYSE: SXL), which consisted of a 2-percent ownership interest and incentive distribution rights, and owned a 32 percent interest in the Partnership's limited partner units.

Applicant is a subsidiary of Sunoco Logistics Partners L.P., which is an owner and operator of complementary pipeline, terminal and crude oil acquisition and marketing assets. On October 5, 2012, Sunoco was acquired by Energy Transfer Partners, L.P. ("ETP"). In connection with the acquisition, Sunoco's interests in the Sunoco Logistics Partners L.P. general partner and limited partnership were contributed to ETP, resulting in a change of control of the Partnership's general partner. As a result, the Partnership became a consolidated subsidiary of ETP.

Based on strong demand for its products and services, Sunoco Logistics Partners, L.P. presently is evaluating opportunities for investment in new and/or expanded manufacturing and other facilities in Canada and at least two other states, in addition to Texas. The proposed Nederland NGL project is competing against these other proposed projects for the necessary capital investment.

ETP, and an ETP subsidiary, Lone Star NGL, LLC, were working closely with a third party facility on the Houston Ship Channel in Harris County to develop the project. The parties were very close to executing a commercial agreement. Sunoco Logistics Partners L.P. then convinced ETP and Lone Star of the potential advantages of developing a new facility at Nederland as an alternative. It was agreed at that time to evaluate the Nederland option, and determine if it was economically viable compared with the original plan.

Sunoco Logistics Partners L.P. has been working quickly to develop the proposed engineering and operational plans, as well as the financial models, to attempt to support constructing the proposed NGL project in Nederland. A package of tax incentives, including a School District Tax Limitation Agreement, is a very important aspect of the financial model and outcome of this proposal. Without these incentives, it is uncertain whether ETP will commit to the Nederland project.

EXHIBIT D-E
LAND DESCRIPTION/OWNERSHIP/
TAX PARCELS
REINVESTMENT ZONE BOUNDARIES

The pages that follow include a plat and metes and bounds description of the land to be included in the Reinvestment Zone and on which the proposed project will be located.

The land is owned by Sunoco Partners Marketing and Terminals LP and has been leased to the Applicant, Sunoco Partners NGL Facilities LLC.

The land is part of Jefferson County Appraisal District accounts nos. _____
_____.

80.395 Acre Tract

Being a 80.395 acre tract of land, more or less, with said tract having 30.159 acres out of the Burr and Caswell Survey, Abstract Number 406, 7.758 acres out of the John C. Kucher Survey, Abstract Number 158, and 32.478 acres out of the William Carroll Survey, Abstract Number 13 in Jefferson County, Texas, and tract being 29.673 acres out of that 247.794 acre tract to be conveyed from the City of Nederland to Sunoco Partners Marketing and Terminals, L.P. and 3.446 acres out of that 11.475 acre tract to be conveyed from the City of Nederland to Sunoco Partners Marketing and Terminals, L.P. out of that 934.0 acre tract conveyed to the City of Nederland, Texas in deed recorded under Film File Code Number 101-27-1067 of the Official Public Records of Jefferson County, Texas, and 47.276 acres being out of the existing Sunoco Partners Marketing and Terminals, L.P. tract, with said 80.395 acre tract being described as follows:

BEGINNING at a 1 inch iron pipe found in the east line of this tract, being the most easterly northeast corner of said 934.0 acre tract and said 247.794 acre tract, and being an interior corner of the Sunoco Partners Marketing and Terminals, L.P. tract, said corner having a Texas State Plane Grid Coordinate for the Texas South Central Zone of North 13,948,066.69, East 3,553,705.98 with a convergence angle of 02° 27' 16";

THENCE South 21° 01' 38" West with the east line of this tract and said 934.0 acre tract and said 247.794 acre tract and a west line of said Sunoco Partners Marketing and Terminals, L.P. tract a distance of 1798.63 feet to a 1 inch iron pipe found for an angle point in the east line of this tract and said 934.0 acre tract and said 247.794 acre tract and west line of said Sunoco tract;

THENCE South 16° 57' 23" West with the east line of this tract and said 934.0 acre tract and said 247.794 acre tract and a west line of said Sunoco Partners Marketing and Terminals, L.P. tract a distance of 762.11 feet to ½ inch iron rod with a cap stamped "SESCO" set for the most easterly southeast corner of this tract;

THENCE North 64° 01' 46" West with a south line of this tract a distance of 786.80 feet to a ½ inch iron rod with a cap stamped "SESCO" set for the most easterly southwest corner of this tract, being in the west line of that 58.6 acre tract conveyed to Sun Oil Company as the Second Tract in deed recorded in Volume 375, Page 493 of the Deed Records of Jefferson County, Texas;

THENCE North 34° 05' 25" East with a west line of this tract and the west line of said 58.6 acre tract a distance of 772.89 feet to a ½ inch iron rod with a cap stamped "SESCO" set for an angle point in a west line of this tract, same being the north corner of said 58.6 acre tract and the southwest corner of that 54.7 acre tract conveyed to Sun Oil Company as the Third Tract in deed recorded in Volume 375, Page 493 of the Deed Records of Jefferson County, Texas, and said corner of being the northeast corner of said Kucher Survey and an interior corner of said Burr and Caswell Survey;

THENCE North 28° 20' 36" East with a west line of this tract and the west line of said 54.7 acre tract a distance of 1719.30 feet to a ½ inch iron rod with a cap stamped "SESCO" set for an interior corner of this tract, being in a north line of said 934.0 acre tract and said 247.794 acre tract

and in a south line of said Sunoco tract;

THENCE North 74° 32' 59" West with a south line of this tract and a north line of said 934.0 acre tract and said 247.794 acre tract and a south line of said Sunoco tract a distance of 1953.20 feet to a 1 inch iron pipe found for an interior corner of this tract, same being an interior corner of said Sunoco tract and a northwest corner of said 934.0 acre tract and northwest corner of said 247.794 acre tract;

THENCE South 61° 01' 27" West with a south line of this tract and a south line of said Sunoco tract and a north line of said 934.0 acre tract and said 247.794 acre tract a distance of 520.80 feet to a 1 inch iron pipe found for an angle point in a south line of this tract, same being an angle point in a north line of said 934.0 acre tract and said 247.794 acre tract and in a south line of said Sunoco tract;

THENCE South 37° 08' 56" West with an east line of this tract and a most northerly west line of said 247.794 acre tract and a west line of said 934.0 acre tract and a westerly east line of said Sunoco tract, at a distance of 1300.54 feet a ½ inch iron rod with a cap stamped "SESCO" found for the southwest corner of said 247.794 acre tract, continuing for a total distance of 1337.03 feet to a 1 inch iron pipe found for a southeast corner of this tract, same being a southeast corner of said Sunoco tract and an interior corner of said 934.0 acre tract;

THENCE North 52° 27' 07" West with a south line of this tract and a south line of said Sunoco tract and a north line of said 934.0 acre tract a distance of 1278.42 feet to a 1 inch iron pipe found for an angle point in a south line of this tract and a south line of said Sunoco tract and a north line of said 934.0 acre tract;

THENCE North 22° 24' 08" West with a south line of this tract and a south line of said Sunoco tract and a north line of said 934.0 acre tract a distance of 1045.74 feet to a 1 inch iron pipe found for an angle point in a south line of this tract and a south line of said Sunoco tract and a north line of said 934.0 acre tract;

THENCE North 49° 01' 56" West with a south line of this tract and a south line of said Sunoco tract and a north line of said 934.0 acre tract a distance of 694.43 feet to a 1 inch iron pipe found for an angle point in a south line of this tract and a south line of said Sunoco tract and a north line of said 934.0 acre tract;

THENCE North 74° 30' 03" West with a south line of this tract and a south line of said Sunoco tract and a north line of said 934.0 acre tract a distance of 1005.19 feet to a 1 inch iron pipe found for a southwest corner of this tract, same being the southwest corner of said Sunoco tract and an interior corner of said 934.0 acre tract, same being the southeast corner of said 11.475 acre tract;

THENCE North 15° 29' 57" East with a west line of this tract and the east line of said 11.475 acre tract and the west line of said Sunoco tract and an east line of said 934.0 acre tract a distance of 188.44 feet to a ½ inch iron rod with a cap stamped "SESCO" set for an interior corner of this tract;

THENCE North 70° 05' 26" West with a south line of this tract a distance of 404.79 feet to a ½ inch iron rod with a cap stamped "SESCO" set for an angle point;

THENCE North 73° 36' 59" West with a south line of this tract a distance of 337.28 feet to a ½ inch iron rod with a cap stamped "SESCO" set for the southwest corner of this tract, being in the west line of said 11.475 acre tract;

THENCE North 15° 29' 57" East with the west line of this tract and the west line of said 11.475 acre tract a distance of 186.03 feet to the northwest corner of this tract, being in the south bank of the Neches River;

THENCE South 53° 04' 41" East with a north line of this tract and the south bank of the Neches River a distance of 154.73 feet to an angle point in the north line of this tract and the south bank of the Neches River;

THENCE South 89° 59' 21" East with a north line of this tract and the south bank of the Neches River a distance of 435.10 feet to an angle point in the north line of this tract and the south bank of the Neches River;

THENCE South 59° 48' 43" East with a north line of this tract and the south bank of the Neches River a distance of 183.48 feet to the most westerly northeast corner of this tract, being in the east line of said 11.475 acre tract and in an east line of said 934.0 acre tract and in the west line of said Sunoco tract;

THENCE South 78° 24' 27" East with a north line of this tract and north line of said Sunoco tract and the south bank of the Neches River a distance of 444.57 feet to an angle point in the north line of this tract and Sunoco tract;

THENCE South 77° 08' 07" East with a north line of this tract and north line of said Sunoco tract and the south bank of the Neches River a distance of 50.11 feet to an angle point in the north line of this tract and Sunoco tract;

THENCE South 45° 20' 13" East with a north line of this tract and north line of said Sunoco tract and the south bank of the Neches River a distance of 85.09 feet to an angle point in the north line of this tract and Sunoco tract;

THENCE South 05° 47' 16" East with a north line of this tract and north line of said Sunoco tract and the south bank of the Neches River a distance of 130.57 feet to an angle point in the north line of this tract and Sunoco tract;

THENCE South 73° 42' 54" East with a north line of this tract and north line of said Sunoco tract and the south bank of the Neches River a distance of 505.49 feet to an angle point in the north line of this tract and Sunoco tract;

THENCE South 76° 53' 27" East with a north line of this tract and north line of said Sunoco tract

and the south bank of the Neches River a distance of 237.13 feet to an angle point in the north line of this tract and Sunoco tract;

THENCE South 65° 55' 43" East with a north line of this tract and north line of said Sunoco tract and the south bank of the Neches River a distance of 162.92 feet to an angle point in the north line of this tract and Sunoco tract;

THENCE South 69° 54' 46" East with a north line of this tract and north line of said Sunoco tract and the south bank of the Neches River a distance of 253.48 feet to an angle point in the north line of this tract and Sunoco tract;

THENCE South 61° 54' 12" East with a north line of this tract and north line of said Sunoco tract and the south bank of the Neches River a distance of 87.63 feet to an angle point in the north line of this tract and Sunoco tract;

THENCE North 81° 36' 03" East with a north line of this tract and north line of said Sunoco tract and the south bank of the Neches River a distance of 192.59 feet to an angle point in the north line of this tract and Sunoco tract;

THENCE North 50° 01' East with a north line of this tract and north line of said Sunoco tract and the south bank of the Neches River a distance of 83.11 feet to an angle point in the north line of this tract and Sunoco tract;

THENCE North 39° 45' 31" East with a north line of this tract and north line of said Sunoco tract and the south bank of the Neches River a distance of 163.70 feet to an angle point in the north line of this tract and Sunoco tract;

THENCE South 71° 35' 43" East with a north line of this tract and north line of said Sunoco tract and the south bank of the Neches River a distance of 100.06 feet to a ½ inch iron rod with a cap stamped "SESCO" set for a northeast corner of this tract;

THENCE South 18° 24' 17" West with an east line of this tract a distance of 445.09 feet to a ½ inch iron rod with a cap stamped "SESCO" set for an angle point;

THENCE South 67° 35' 52" West with an east line of this tract a distance of 549.47 feet to a ½ inch iron rod with a cap stamped "SESCO" set for an interior corner of this tract;

THENCE South 22° 24' 08" East with a north line of this tract a distance of 939.29 feet to a ½ inch iron rod with a cap stamped "SESCO" set for an angle point in the north line of this tract;

THENCE South 52° 27' 07" East with a north line of this tract a distance of 1109.02 feet to a ½ inch iron rod with a cap stamped "SESCO" set for an interior corner of this tract;

THENCE North 37° 08' 56" East with a west line of this tract a distance of 1113.47 feet to a ½ inch iron rod with a cap stamped "SESCO" set for an angle point;

THENCE North 14° 53' 06" East with a west line of this tract a distance of 674.47 feet to a northwest corner of this tract, being on the south bank of the Neches River;

THENCE South 58° 00' 17" East with the north line of this tract and the south bank of the Neches River a distance of 92.38 feet to an angle point in the north line of this tract;

THENCE South 73° 22' 38" East with the north line of this tract and the south bank of the Neches River a distance of 332.45 feet to an angle point in the north line of this tract;

THENCE South 57° 30' 55" East with the north line of this tract a distance of 363.96 feet to a ½ inch iron rod with a cap stamped "SESCO" set for an angle point in the north line of this tract;

THENCE South 74° 32' 59" East with the north line of this tract a distance of 1544.04 feet to a ½ inch iron rod with a cap stamped "SESCO" set for an angle point in the north line of this tract;

THENCE North 87° 00' 06" East with the north line of this tract and distance of 227.16 feet to a ½ inch iron rod with a cap stamped "SESCO" set for an angle point in the north line of this tract, being in the west line of said referenced 54.7 acre tract;

THENCE South 74° 32' 59" East with the north line of this tract a distance of 308.61 feet to a ½ inch iron rod with a cap stamped "SESCO" set for the northeast corner of this tract;

THENCE South 21° 01' 38" West with the east line of this tract a distance of 222.94 feet to the place of BEGINNING.

Said tract of land herein described contains 80.395 acres of land, more or less.

The bearings in the description above are based on the Texas State Plane Grid Coordinates for the Texas South Central Zone, the distances stated herein a true surface distances.


James A. Skinner
R.P.L.S. No. 1614

Surveyed in March 2013.



STATE OF TEXAS

COUNTY OF JEFFERSON

EXHIBIT

**METES AND BOUNDS DESCRIPTION FOR A PROPOSED SUNOCO L.P. PIPELINE L.P. 16-
INCH WIDE PERMANENT RIGHT-OF-WAY ACROSS NEDERLAND INDEPENDENT
SCHOOL DISTRICT BOUNDARY LIMITS**

Being the centerline survey description of a proposed 16-inch wide easement and right-of-way, extending over, through continuing along and across the approximate Nederland Independent School District Boundary Limits located in Jefferson County, Texas, situated in the WM. Carroll Survey, Abstract No. 13 and the T.&N.O. R.R. Survey, Abstract No. 257, Chambers County, Texas.

All Bearings and coordinates shown hereon are referenced to the North American Datum 1983 – Texas South Central Zone. Distances shown hereon are grid.

BEGINNING (P.O.B) at a point for the start of the 16-inch wide Sunoco L.P., pipeline;

Thence, South 37° 57' 41" West, along the centerline of said 16-inch Sunoco L.P. pipeline, a distance of 6.24' to an angle point;

Thence, North 52° 01' 54" West, continuing along said centerline, a distance of 65.48' to an angle point;

Thence, South 37° 57' 21" West, continuing along said centerline, a distance of 78.95' to an angle point;

Thence, South 37° 57' 54" West, continuing along said centerline, a distance of 251.08 feet to an angle point;

Thence, South 38° 00' 59" West, continuing along said centerline, a distance of 608.81 feet to an angle point;

Thence, South 38° 02' 50" West, continuing along said centerline, a distance of 401.45 feet to an angle point;

Thence, South 37° 51' 52" West, continuing along said centerline, a distance of 480.20 feet to an angle point;

Thence, South 37° 53' 26" West, continuing along said centerline, a distance of 508.84 feet to an angle point;

Thence, South 38° 14' 06" West, continuing along said centerline, a distance of 622.23 feet to an angle point;

Thence, South 37° 48' 43" West, continuing along said centerline, a distance of 444.07 feet to an angle point;

Thence, South 37° 53' 11" West, continuing along said centerline, a distance of 309.15 feet to an angle point;

Thence, South 37° 32' 38" West, continuing along said centerline, a distance of 509.17 feet to an angle point;

Thence, South 33° 03' 05" West, continuing along said centerline, a distance of 529.07 feet to an angle point;

Thence, South 24° 53' 51" West, continuing along said centerline, a distance of 270.27 feet to an angle point;

Thence, South 47° 17' 53" East, continuing along said centerline, a distance of 158.48 feet to an angle point;

Thence, South 37° 46' 10" West, continuing along said centerline, a distance of 1478.79 feet to an angle point;

Thence, North 52° 13' 50" West, continuing along said centerline, a distance of 68.54 feet to an angle point;

Thence, South 37° 25' 31" West, continuing along said centerline, a distance of 517.79 feet to an angle point;

Thence, South 55° 22' 05" West, continuing along said centerline, a distance of 136.55 feet to an angle point;

Thence, South 08° 01' 44" East, continuing along said centerline, a distance of 97.79 feet to an angle point;

Thence, South 81° 58' 00" West, continuing along said centerline, a distance of 268.13 feet to an angle point;

Thence, South 63° 18' 05" West, continuing along said centerline, a distance of 49.05 feet to an angle point;

Thence, South 57° 16' 12" West, continuing along said centerline, a distance of 68.92 feet to an angle point;

Thence, South 38° 14' 25" West, continuing along said centerline, a distance of 898.73 feet to an angle point;

Thence, South 53° 24' 35" East, continuing along said centerline, a distance of 44.27 feet to an angle point;

Thence, South 36° 35' 25" West, continuing along said centerline, a distance of 2965.60 feet to an angle point;

Thence, South 86° 14' 17" West, continuing along said centerline, a distance of 788.97 feet to an angle point;

Thence, South 86° 09' 30" West, continuing along said centerline, a distance of 833.99 feet to an angle point;

Thence, South 86° 44' 19" West, continuing along said centerline, a distance of 375.93 feet to an angle point;

Thence, South 86° 27' 16" West, continuing along said centerline, a distance of 934.00 feet to an angle point;

Thence, South 85° 58' 45" West, continuing along said centerline, a distance of 434.29 feet to an angle point;

Thence, South 86° 09' 19" West, continuing along said centerline, a distance of 230.89 feet to an angle point;

Thence, South 87° 47' 33" West, continuing along said centerline, a distance of 682.35 feet to an angle point;

Thence, South 86° 22' 37" West, continuing along said centerline, a distance of 1800.25 feet;

Thence, South 86° 30' 28" West, continuing along said centerline, a distance of 453.10 feet (for a total distance of 18,371.42 feet or $\pm 1,113.42$ rods) to a point for the approximate intersection of the Nederland Independent School District boundary line and the centerline of said 16-inch Sunoco L.P. pipeline and the **POINT OF TERMINATION** of the herein described centerline survey.

This description is based on the preliminary route drawings of the aforementioned 16-inch Sunoco L.P. pipeline prepared by Morris P. Herbert Inc. dated July 5, 2013 and the approximate location of the Nederland Independent School District Boundary Limits as shown on the TX HomeTown Locator website.

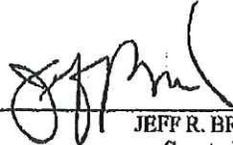
MORRIS P. HEBERT, INC.
10101 SOUTHWEST FREEWAY, SUITE 400
HOUSTON, TEXAS 77074
(713) 219-1470

EXHIBIT F
JEFFERSON COUNTY
RESOLUTION CREATING
REINVESTMENT ZONE

to attract major investments that would be a benefit to the property and that would contribute to the economic development of the community

Section 7. That this Order shall take effect from and after its passage as the law in such cases provides.

Signed this 18th day of March, 2013.



JEFF R. BRANICK
County Judge



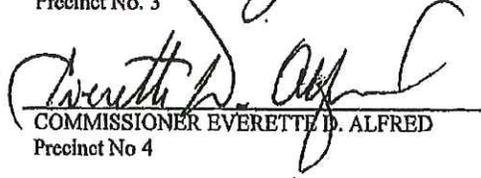
COMMISSIONER EDDIE ARNOLD
Precinct No. 1



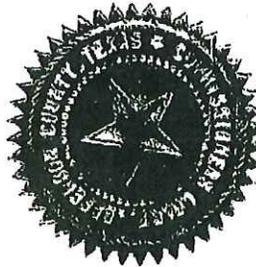
COMMISSIONER MICHAEL S. SINEGAL
Precinct No. 3

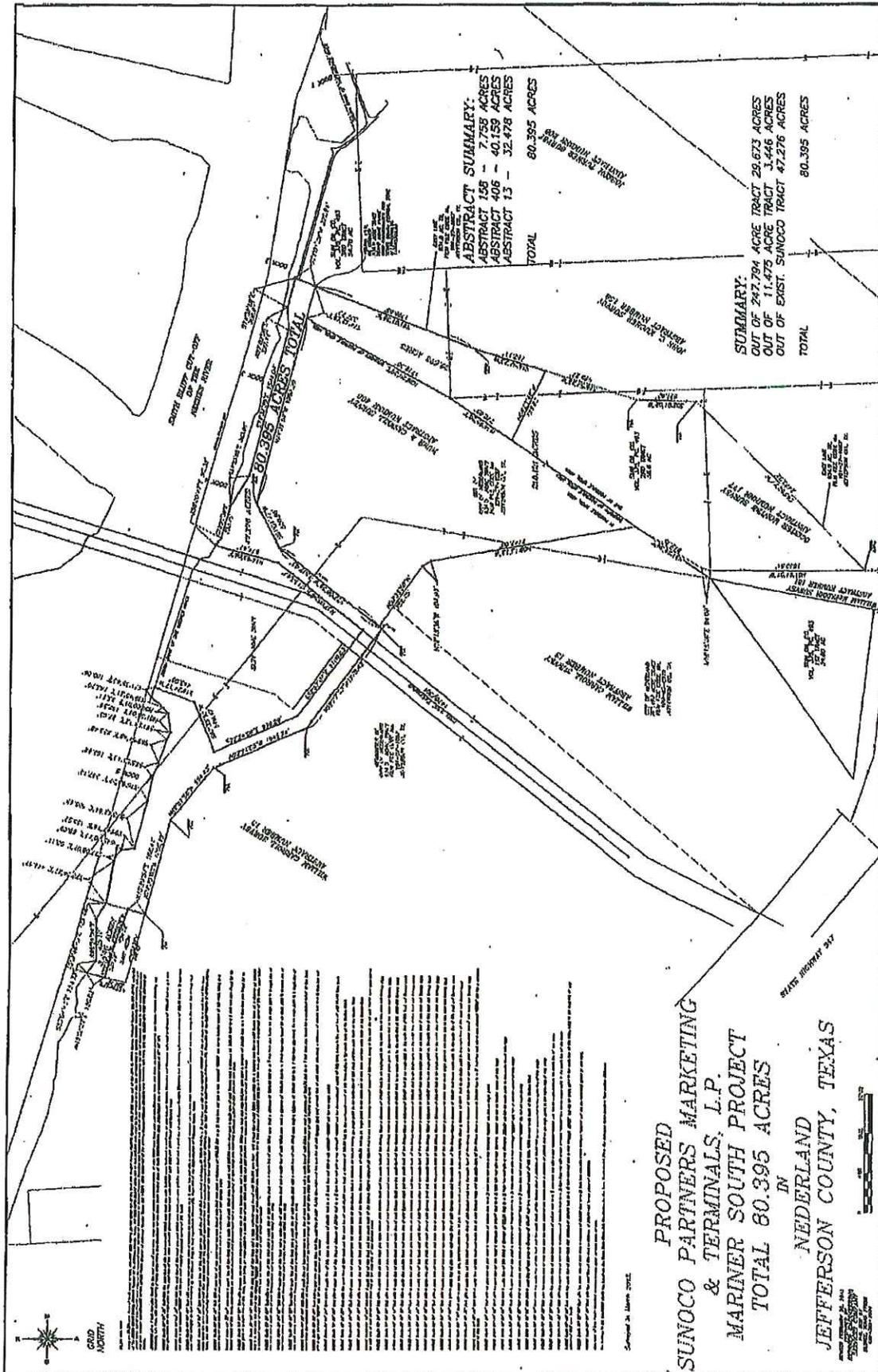


COMMISSIONER BRENT A. WEAVER
Precinct No. 2



COMMISSIONER EVERETTE D. ALFRED
Precinct No 4





ABSTRACT SUMMARY:
 ABSTRACT 158 - 7,758 ACRES
 ABSTRACT 406 - 40,159 ACRES
 ABSTRACT 13 - 32,478 ACRES
TOTAL 80,395 ACRES

SUMMARY:
 OUT OF 247,794 ACRE TRACT 28,673 ACRES
 OUT OF 11,475 ACRE TRACT 3,446 ACRES
 OUT OF EXIST. SUNOCO TRACT 47,276 ACRES
TOTAL 80,395 ACRES

80,395 ACRES TOTAL

**PROPOSED
 SUNOCO PARTNERS MARKETING
 & TERMINALS, L.P.
 MARINER SOUTH PROJECT
 TOTAL 80,395 ACRES
 IN
 NEDERLAND
 JEFFERSON COUNTY, TEXAS**

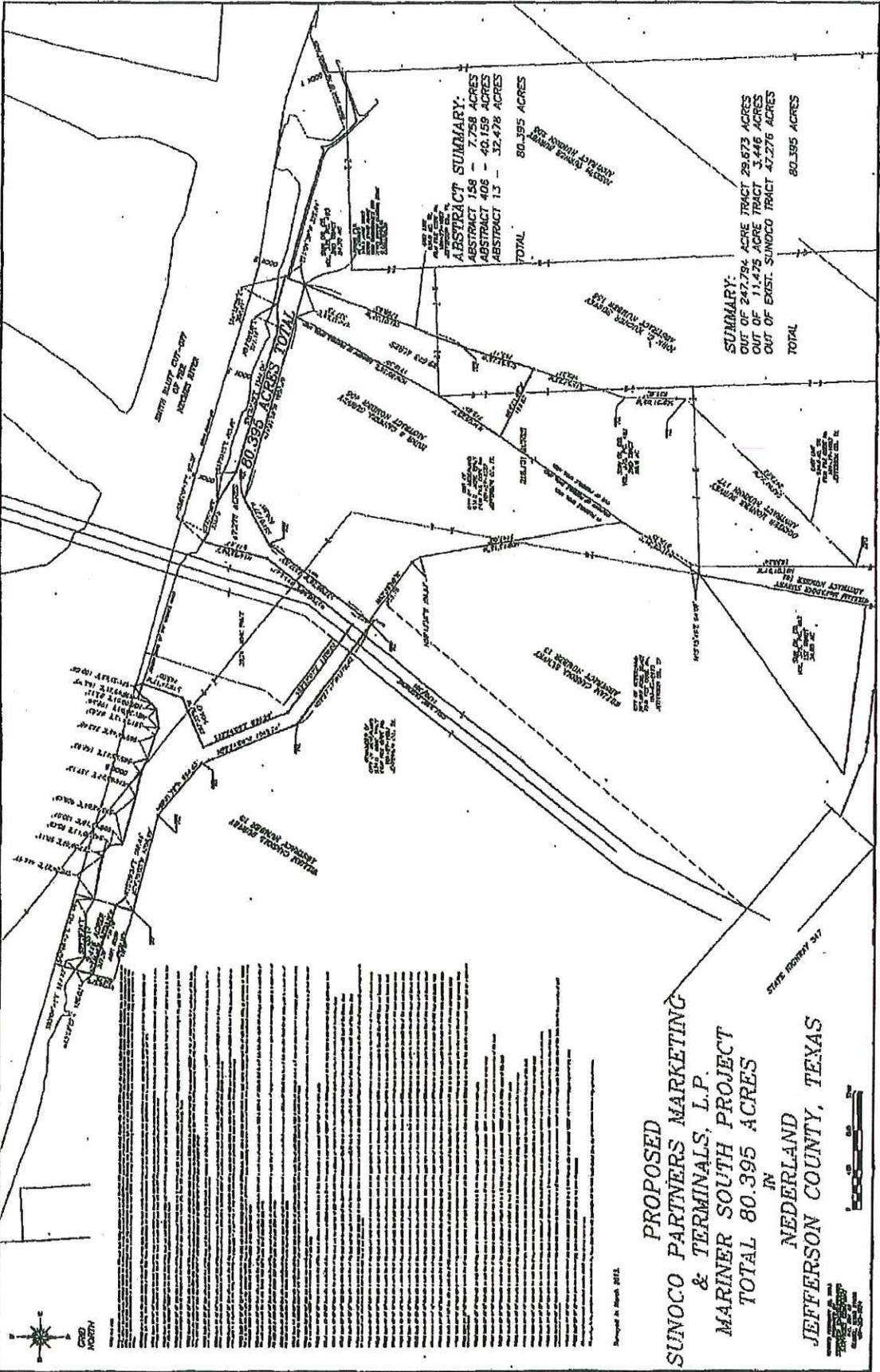


GRID NORTH

[Detailed survey notes and legal descriptions in small print, including references to abstracts and tracts.]

Surveyed by: [Name]





ABSTRACT SUMMARY:
 ABSTRACT 158 - 7,758 ACRES
 ABSTRACT 406 - 40,159 ACRES
 ABSTRACT 13 - 32,478 ACRES
TOTAL - 80,395 ACRES

SUMMARY:
 OUT OF 247,794 ACRE TRACT 29,673 ACRES
 OUT OF 11,475 ACRE TRACT 3,446 ACRES
 OUT OF EXIST. SUNOCO TRACT 47,276 ACRES
TOTAL - 80,395 ACRES

80.395 ACRES TOTAL

**PROPOSED
 SUNOCO PARTNERS MARKETING
 & TERMINALS, L.P.
 MARINER SOUTH PROJECT
 TOTAL 80.395 ACRES
 IN
 NEDERLAND
 JEFFERSON COUNTY, TEXAS**

[The following text is a dense block of small print, likely containing legal disclaimers, survey details, and project information. It is oriented vertically on the page.]



Prepared in March, 1952.

80.395 Acre Tract

Being a 80.395 acre tract of land, more or less, with said tract having 30.159 acres out of the Burr and Caswell Survey, Abstract Number 406, 7.758 acres out of the John C. Kucher Survey, Abstract Number 158, and 32.478 acres out of the William Carroll Survey, Abstract Number 13 in Jefferson County, Texas, and tract being 29.673 acres out of that 247.794 acre tract to be conveyed from the City of Nederland to Sunoco Partners Marketing and Terminals, L.P. and 3.446 acres out of that 11.475 acre tract to be conveyed from the City of Nederland to Sunoco Partners Marketing and Terminals, L.P. out of that 934.0 acre tract conveyed to the City of Nederland, Texas in deed recorded under Film File Code Number 101-27-1067 of the Official Public Records of Jefferson County, Texas, and 47.276 acres being out of the existing Sunoco Partners Marketing and Terminals, L.P. tract, with said 80.395 acre tract being described as follows:

BEGINNING at a 1 inch iron pipe found in the east line of this tract, being the most easterly northeast corner of said 934.0 acre tract and said 247.794 acre tract, and being an interior corner of the Sunoco Partners Marketing and Terminals, L.P. tract, said corner having a Texas State Plane Grid Coordinate for the Texas South Central Zone of North 13,948,066.69, East 3,553,705.98 with a convergence angle of 02° 27' 16";

THENCE South 21° 01' 38" West with the east line of this tract and said 934.0 acre tract and said 247.794 acre tract and a west line of said Sunoco Partners Marketing and Terminals, L.P. tract a distance of 1798.63 feet to a 1 inch iron pipe found for an angle point in the east line of this tract and said 934.0 acre tract and said 247.794 acre tract and west line of said Sunoco tract;

THENCE South 16° 57' 23" West with the east line of this tract and said 934.0 acre tract and said 247.794 acre tract and a west line of said Sunoco Partners Marketing and Terminals, L.P. tract a distance of 762.11 feet to ½ inch iron rod with a cap stamped "SESCO" set for the most easterly southeast corner of this tract;

THENCE North 64° 01' 46" West with a south line of this tract a distance of 786.80 feet to a ½ inch iron rod with a cap stamped "SESCO" set for the most easterly southwest corner of this tract, being in the west line of that 58.6 acre tract conveyed to Sun Oil Company as the Second Tract in deed recorded in Volume 375, Page 493 of the Deed Records of Jefferson County, Texas;

THENCE North 34° 05' 25" East with a west line of this tract and the west line of said 58.6 acre tract a distance of 772.89 feet to a ½ inch iron rod with a cap stamped "SESCO" set for an angle point in a west line of this tract, same being the north corner of said 58.6 acre tract and the southwest corner of that 54.7 acre tract conveyed to Sun Oil Company as the Third Tract in deed recorded in Volume 375, Page 493 of the Deed Records of Jefferson County, Texas, and said corner of being the northeast corner of said Kucher Survey and an interior corner of said Burr and Caswell Survey;

THENCE North 28° 20' 36" East with a west line of this tract and the west line of said 54.7 acre tract a distance of 1719.30 feet to a ½ inch iron rod with a cap stamped "SESCO" set for an interior corner of this tract, being in a north line of said 934.0 acre tract and said 247.794 acre tract

and in a south line of said Sunoco tract;

THENCE North $74^{\circ} 32' 59''$ West with a south line of this tract and a north line of said 934.0 acre tract and said 247.794 acre tract and a south line of said Sunoco tract a distance of 1953.20 feet to a 1 inch iron pipe found for an interior corner of this tract, same being an interior corner of said Sunoco tract and a northwest corner of said 934.0 acre tract and northwest corner of said 247.794 acre tract;

THENCE South $61^{\circ} 01' 27''$ West with a south line of this tract and a south line of said Sunoco tract and a north line of said 934.0 acre tract and said 247.794 acre tract a distance of 520.80 feet to a 1 inch iron pipe found for an angle point in a south line of this tract, same being an angle point in a north line of said 934.0 acre tract and said 247.794 acre tract and in a south line of said Sunoco tract;

THENCE South $37^{\circ} 08' 56''$ West with an east line of this tract and a most northerly west line of said 247.794 acre tract and a west line of said 934.0 acre tract and a westerly east line of said Sunoco tract, at a distance of 1300.54 feet a $\frac{1}{2}$ inch iron rod with a cap stamped "SESCO" found for the southwest corner of said 247.794 acre tract, continuing for a total distance of 1337.03 feet to a 1 inch iron pipe found for a southeast corner of this tract, same being a southeast corner of said Sunoco tract and an interior corner of said 934.0 acre tract;

THENCE North $52^{\circ} 27' 07''$ West with a south line of this tract and a south line of said Sunoco tract and a north line of said 934.0 acre tract a distance of 1278.42 feet to a 1 inch iron pipe found for an angle point in a south line of this tract and a south line of said Sunoco tract and a north line of said 934.0 acre tract;

THENCE North $22^{\circ} 24' 08''$ West with a south line of this tract and a south line of said Sunoco tract and a north line of said 934.0 acre tract a distance of 1045.74 feet to a 1 inch iron pipe found for an angle point in a south line of this tract and a south line of said Sunoco tract and a north line of said 934.0 acre tract;

THENCE North $49^{\circ} 01' 56''$ West with a south line of this tract and a south line of said Sunoco tract and a north line of said 934.0 acre tract a distance of 694.43 feet to a 1 inch iron pipe found for an angle point in a south line of this tract and a south line of said Sunoco tract and a north line of said 934.0 acre tract;

THENCE North $74^{\circ} 30' 03''$ West with a south line of this tract and a south line of said Sunoco tract and a north line of said 934.0 acre tract a distance of 1005.19 feet to a 1 inch iron pipe found for a southwest corner of this tract, same being the southwest corner of said Sunoco tract and an interior corner of said 934.0 acre tract, same being the southeast corner of said 11.475 acre tract;

THENCE North $15^{\circ} 29' 57''$ East with a west line of this tract and the east line of said 11.475 acre tract and the west line of said Sunoco tract and an east line of said 934.0 acre tract a distance of 188.44 feet to a $\frac{1}{2}$ inch iron rod with a cap stamped "SESCO" set for an interior corner of this tract;

THENCE North 70° 05' 26" West with a south line of this tract a distance of 404.79 feet to a ½ inch iron rod with a cap stamped "SESCO" set for an angle point;

THENCE North 73° 36' 59" West with a south line of this tract a distance of 337.28 feet to a ½ inch iron rod with a cap stamped "SESCO" set for the southwest corner of this tract, being in the west line of said 11.475 acre tract;

THENCE North 15° 29' 57" East with the west line of this tract and the west line of said 11.475 acre tract a distance of 186.03 feet to the northwest corner of this tract, being in the south bank of the Neches River;

THENCE South 53° 04' 41" East with a north line of this tract and the south bank of the Neches River a distance of 154.73 feet to an angle point in the north line of this tract and the south bank of the Neches River;

THENCE South 89° 59' 21" East with a north line of this tract and the south bank of the Neches River a distance of 435.10 feet to an angle point in the north line of this tract and the south bank of the Neches River;

THENCE South 59° 48' 43" East with a north line of this tract and the south bank of the Neches River a distance of 183.48 feet to the most westerly northeast corner of this tract, being in the east line of said 11.475 acre tract and in an east line of said 934.0 acre tract and in the west line of said Sunoco tract;

THENCE South 78° 24' 27" East with a north line of this tract and north line of said Sunoco tract and the south bank of the Neches River a distance of 444.57 feet to an angle point in the north line of this tract and Sunoco tract;

THENCE South 77° 08' 07" East with a north line of this tract and north line of said Sunoco tract and the south bank of the Neches River a distance of 50.11 feet to an angle point in the north line of this tract and Sunoco tract;

THENCE South 45° 20' 13" East with a north line of this tract and north line of said Sunoco tract and the south bank of the Neches River a distance of 85.09 feet to an angle point in the north line of this tract and Sunoco tract;

THENCE South 05° 47' 16" East with a north line of this tract and north line of said Sunoco tract and the south bank of the Neches River a distance of 130.57 feet to an angle point in the north line of this tract and Sunoco tract;

THENCE South 73° 42' 54" East with a north line of this tract and north line of said Sunoco tract and the south bank of the Neches River a distance of 505.49 feet to an angle point in the north line of this tract and Sunoco tract;

THENCE South 76° 53' 27" East with a north line of this tract and north line of said Sunoco tract

and the south bank of the Neches River a distance of 237.13 feet to an angle point in the north line of this tract and Sunoco tract;

THENCE South 65° 55' 43" East with a north line of this tract and north line of said Sunoco tract and the south bank of the Neches River a distance of 162.92 feet to an angle point in the north line of this tract and Sunoco tract;

THENCE South 69° 54' 46" East with a north line of this tract and north line of said Sunoco tract and the south bank of the Neches River a distance of 253.48 feet to an angle point in the north line of this tract and Sunoco tract;

THENCE South 61° 54' 12" East with a north line of this tract and north line of said Sunoco tract and the south bank of the Neches River a distance of 87.63 feet to an angle point in the north line of this tract and Sunoco tract;

THENCE North 81° 36' 03" East with a north line of this tract and north line of said Sunoco tract and the south bank of the Neches River a distance of 192.59 feet to an angle point in the north line of this tract and Sunoco tract;

THENCE North 50° 01' East with a north line of this tract and north line of said Sunoco tract and the south bank of the Neches River a distance of 83.11 feet to an angle point in the north line of this tract and Sunoco tract;

THENCE North 39° 45' 31" East with a north line of this tract and north line of said Sunoco tract and the south bank of the Neches River a distance of 163.70 feet to an angle point in the north line of this tract and Sunoco tract;

THENCE South 71° 35' 43" East with a north line of this tract and north line of said Sunoco tract and the south bank of the Neches River a distance of 100.06 feet to a ½ inch iron rod with a cap stamped "SESCO" set for a northeast corner of this tract;

THENCE South 18° 24' 17" West with an east line of this tract a distance of 445.09 feet to a ½ inch iron rod with a cap stamped "SESCO" set for an angle point;

THENCE South 67° 35' 52" West with an east line of this tract a distance of 549.47 feet to a ½ inch iron rod with a cap stamped "SESCO" set for an interior corner of this tract;

THENCE South 22° 24' 08" East with a north line of this tract a distance of 939.29 feet to a ½ inch iron rod with a cap stamped "SESCO" set for an angle point in the north line of this tract;

THENCE South 52° 27' 07" East with a north line of this tract a distance of 1109.02 feet to a ½ inch iron rod with a cap stamped "SESCO" set for an interior corner of this tract;

THENCE North 37° 08' 56" East with a west line of this tract a distance of 1113.47 feet to a ½ inch iron rod with a cap stamped "SESCO" set for an angle point;

THENCE North 14° 53' 06" East with a west line of this tract a distance of 674.47 feet to a northwest corner of this tract, being on the south bank of the Neches River;

THENCE South 58° 00' 17" East with the north line of this tract and the south bank of the Neches River a distance of 92.38 feet to an angle point in the north line of this tract;

THENCE South 73° 22' 38" East with the north line of this tract and the south bank of the Neches River a distance of 332.45 feet to an angle point in the north line of this tract;

THENCE South 57° 30' 55" East with the north line of this tract a distance of 363.96 feet to a ½ inch iron rod with a cap stamped "SESCO" set for an angle point in the north line of this tract;

THENCE South 74° 32' 59" East with the north line of this tract a distance of 1544.04 feet to a ½ inch iron rod with a cap stamped "SESCO" set for an angle point in the north line of this tract;

THENCE North 87° 00' 06" East with the north line of this tract and distance of 227.16 feet to a ½ inch iron rod with a cap stamped "SESCO" set for an angle point in the north line of this tract, being in the west line of said referenced 54.7 acre tract;

THENCE South 74° 32' 59" East with the north line of this tract a distance of 308.61 feet to a ½ inch iron rod with a cap stamped "SESCO" set for the northeast corner of this tract;

THENCE South 21° 01' 38" West with the east line of this tract a distance of 222.94 feet to the place of BEGINNING.

Said tract of land herein described contains 80.395 acres of land, more or less.

The bearings in the description above are based on the Texas State Plane Grid Coordinates for the Texas South Central Zone, the distances stated herein a true surface distances.


James A. Skinner
R.P.L.S. No. 1614

Surveyed in March 2013.



6. Consider and possibly approve disposition of salvage property as authorized by Local Government Code §263.152 (a) (4), by donating it to a charitable organization, Goodwill Industries.

Motion by: Commissioner Alfred
Second by: Commissioner Sinegal
Action: APPROVED

COUNTY COMMISSIONERS:

7. Consider and possibly approve a Proclamation for YMBL South Texas State Fair Days in Jefferson County. **SEE ATTACHED PAGE 212**

Motion by: Commissioner Arnold
Second by: Commissioner Alfred
Action: APPROVED

8. Receive and file Certificate of Completion for Commissioner Everette Alfred. Commissioner Alfred has successfully completed the continuing Education provisions of Article 81.0025 of the Texas Local Government Code 2012.

SEE ATTACHED PAGE 213

Motion by: Commissioner Alfred
Second by: Commissioner Sinegal
Action: APPROVED

9. Conduct a Public Hearing regarding establishment of the Sunoco Logistics Partners L.P. Reinvestment Zone.

Motion by: Commissioner Alfred
Second by: Commissioner Weaver
Action: APPROVED

Clerk's Note: Public Hearing opened at 1:52 p.m. and closed at 1:54 p.m.

10. Consider and possibly approve an Order establishing the Sunoco Logistics Partners L.P. Reinvestment Zone. **SEE ATTACHED PAGES 214 - 222**

Motion by: Commissioner Alfred
Second by: Commissioner Weaver
Action: APPROVED

EXHIBIT G
DESCRIPTION OF
EXISTING IMPROVEMENTS

The sole existing improvements consist of Dock 5 of the Sunoco Nederland Terminal, including related site improvements and machinery and equipment.

These assets are carried on the Jefferson County Appraisal District appraisal rolls as part of Account No. 5172500000000, with a 2013 value of \$4,707,033.

EXHIBIT H
CALCULATION OF
THREE WAGE TARGETS

ATTACHMENT 14 - CALCULATION OF WAGE REQUIREMENTS

Employment and Wage Calculations

| <i>Year</i> | <i>Quarter</i> | <i>County</i> | <i>Industry</i> | <i>Avg. Weekly Wages</i> |
|-------------|-----------------|---------------|-----------------|--------------------------|
| 2011 | 4 th | Nueces | All Industries | \$ 983 |
| 2012 | 1 st | Nueces | All Industries | \$ 1,004 |
| 2012 | 2 nd | Nueces | All Industries | \$ 931 |
| 2012 | 3 rd | Nueces | All Industries | \$ 920 |

\$ 959.50
 110%
\$ 1,055.45

| <i>Year</i> | <i>Quarter</i> | <i>County</i> | <i>Industry</i> | <i>Avg. Weekly Wages</i> |
|-------------|-----------------|---------------|-----------------|--------------------------|
| 2011 | 4 th | Nueces | Manufacturing | \$ 1,613 |
| 2012 | 1 st | Nueces | Manufacturing | \$ 1,972 |
| 2012 | 2 nd | Nueces | Manufacturing | \$ 1,628 |
| 2012 | 3 rd | Nueces | Manufacturing | \$ 1,583 |

(Mean Avg.) \$ 1,699
 110%
\$ 1,868.90

South East Texas Regional Planning Commission Annual Wage
(as of July 2012)

\$58,724
110%
 \$64,596.40 110% of Regional Annual Wage
 \$ 1,242.24 110% of Regional Weekly Wage

*Note: All data was taken from the Texas Workforce Commission TRACER database.

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

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

Quarterly Employment and Wages (QCEW)



I.CODETITLE

Page 1 of 1 (40 results/page)

| Year | Period | Area | Ownership | Division | Level | Ind Code | Industry | Avg Weekly Wages |
|------|---------|------------------|-----------|----------|-------|----------|-----------------------|------------------|
| 2011 | 1st Qtr | Jefferson County | Private | 00 | 0 | 10 | Total, All Industries | \$928 |
| 2011 | 2nd Qtr | Jefferson County | Private | 00 | 0 | 10 | Total, All Industries | \$880 |
| 2011 | 3rd Qtr | Jefferson County | Private | 00 | 0 | 10 | Total, All Industries | \$925 |
| 2011 | 4th Qtr | Jefferson County | Private | 00 | 0 | 10 | Total, All Industries | \$983 |
| 2012 | 1st Qtr | Jefferson County | Private | 00 | 0 | 10 | Total, All Industries | \$1,004 |
| 2012 | 2nd Qtr | Jefferson County | Private | 00 | 0 | 10 | Total, All Industries | \$931 |
| 2012 | 3rd Qtr | Jefferson County | Private | 00 | 0 | 10 | Total, All Industries | \$920 |
| 2012 | 3rd Qtr | Jefferson County | Private | 31 | 2 | 31-33 | Manufacturing | \$1,583 |
| 2012 | 2nd Qtr | Jefferson County | Private | 31 | 2 | 31-33 | Manufacturing | \$1,628 |
| 2012 | 1st Qtr | Jefferson County | Private | 31 | 2 | 31-33 | Manufacturing | \$1,972 |
| 2011 | 4th Qtr | Jefferson County | Private | 31 | 2 | 31-33 | Manufacturing | \$1,613 |
| 2011 | 3rd Qtr | Jefferson County | Private | 31 | 2 | 31-33 | Manufacturing | \$1,587 |
| 2011 | 2nd Qtr | Jefferson County | Private | 31 | 2 | 31-33 | Manufacturing | \$1,520 |
| 2011 | 1st Qtr | Jefferson County | Private | 31 | 2 | 31-33 | Manufacturing | \$1,901 |

EXHIBIT I

EMPLOYEE BENEFITS

Sunoco Partners NGL Facilities LLC offers a number of employee benefits to qualifying jobholders, including the following:

- 401(k) Savings Plan
- Group Health Benefit for which Sunoco offers to pay at least 80% of the premiums or other chargers for employee-only coverage
- Dental and Vision Plans
- Pre-tax spending Plans for Medical, Dental and Vision Plans
- Disability Plan
- Life Insurance Plan
- Vacation and Holiday Pay

EXHIBIT J
JEFFERSON COUNTY
GUIDELINES AND CRITERIA FOR CREATING
REINVESTMENT ZONE

JEFFERSON COUNTY UNIFORM TAX ABATEMENT POLICY-2009

ADMONITORY PROVISIONS

The final determination of value to be abated is vested with the Jefferson County Appraisal District (JCAD), an agency autonomous from Jefferson County. The Procedures used by JCAD are attached as Exhibit "A" and incorporated and adopted in this Abatement Policy for all purposes. These provisions are illustrative only and shall not limit the Appraisal District in making determinations in any manner otherwise allowed by law.

Businesses applying for tax abatement with the County are advised that any agreement with the County applies only to taxes assessed by Jefferson County. Any abatement agreement with other taxing entities must be negotiated directly with such entities. In addition, each individual or business receiving an abatement retains the responsibility for annually applying to the Jefferson County Appraisal District for recognition and implementation of such abatement agreement.

STATEMENT OF PURPOSE

SECTION I

(a) The Commissioners Court of Jefferson County, Texas adopts this tax abatement policy to provide incentives to the owner of real property who proposes a Project to develop, redevelop or improve eligible facilities. The incentives will consist of a limited special exemption from certain taxes provided that the Owner agrees to accept and abide by this Policy and provided that the real property is located in a lawfully created Reinvestment or Enterprise Zone.

(b) This policy is intended to improve the quality of life in economically depressed areas and throughout the County by stimulating industrial development, and job creation and retention.

DEFINITIONS

SECTION II

(a) "**Abatement**" means the full or partial exemption from ad valorem taxes of certain real property values and/or tangible personal property values in a reinvestment or enterprise zone designated by the County for economic development purposes.

(b) "**Agreement**" means a contractual agreement between a property owner and/or lessee and the County.

(c) "**Base Year**" means the calendar year in which the abatement contract is executed (signed).

(d) "**Base Year Value**" means the assessed value of eligible property January 1 preceding the execution of the agreement plus the value of eligible property improvements and Tangible Personal Property made after January 1, but before the execution of the Agreement, and which property is owned by the owner, co-owner, and/or its parent companies, subsidiaries, partners, co-venturers, or any entity exercising legal control over the owner or subject to control by the owner.

(e) "**Deferred Maintenance**" means improvements necessary for continued operation which that do not improve productivity, or alter the process technology, reduce pollution or conserve resources.

(f) "**Distribution Center**" 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 where a majority of the goods or services are distributed to points beyond Jefferson County.

(g) "**Eligible Facilities**" or "Eligible Projects" means new, expanded or modernized buildings and structures, tangible personal property as defined in the Texas Tax Code, including fixed machinery and equipment, which is reasonably likely as a result of granting abatement to contribute to the retention or expansion of primary employment or to attract major investment in the reinvestment or enterprise zone that would be a benefit to the property and that would contribute to the economic development within the County, but does not include facilities which are intended primarily to provide goods or services to residents or existing businesses located in the County such as, but not limited to, restaurants and retail sales establishments. Eligible facilities may include, but shall not be limited to, industrial buildings and warehouses. Eligible facilities may also include facilities designed to serve a regional population greater than the County for medical, scientific, recreational or other purposes.

(h) "**Expansion**" means the addition of buildings, structures, machinery, tangible personal property, equipment, payroll or other taxable value for purposes of increasing production capacity.

(i) "**Modernization**" means a complete or partial demolition of facilities and the complete or partial reconstruction or installation of a facility of similar or expanded production capacity. Modernization may result from the construction, alteration, or installation of buildings, structures, machinery, equipment, pollution control devices or resource conservation equipment. Modernization shall include improvements for the purpose of increasing productivity or updating the technology of machinery and equipment, or both.

(j) "**Facility**" means property improvements completed or in the process of construction which together comprise and integral whole.

(k) "**New Facility**" means a property previously undeveloped which is placed into service by means other than in conjunction with Expansion or Modernization.

(l) "**Productive Life**" means the number of years a property improvement is expected to be in service in a facility.

(m) "**Tangible Personal Property**" means tangible personal property classified as such under state law, but excluding inventory and/or supplies and tangible personal property that was located in the investment or enterprise zone at any time before the period covered by the agreement with the County.

**WHEN ABATEMENT AUTHORIZED
SECTION III**

(a) **Eligible Facilities.** Upon application, Eligible Facilities shall be considered for tax abatement as hereinafter provided.

(b) **Creation of New Value.** Abatement may only be granted for the creation of additional value to eligible facilities made subsequent to and specified in an abatement agreement between the County and the property owner or lessee, subject to such limitations as the County may require. Under no circumstances will abatements be considered or granted once construction on a facility or project has begun.

(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, 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, supplies, inventory, vehicles, vessels, housing, improvements for the generation or transmission of electrical energy not wholly consumed by a new facility or expansion; any improvements, including those to produce, store or distribute natural gas, fluids or gases, which are not integral to the operation of the facility; deferred maintenance, property to be rented or leased (except as provided in Section III(f), property which has a productive life of less than ten years, or any other property for which abatement is not allowed by state law.

(f) **Owned/Leased Facilities.** If a leased facility is granted abatement, both the owner/lessor and the lessee shall be parties to the abatement contract with the County.

(g) **Economic Qualification.** In order for an Eligible Facility to receive tax abatement the planned improvement:

(1) Must create an increased appraised ad valorem tax value based upon the Jefferson County Appraisal District's assessment of the eligible property; and

(2) Must prevent the loss of payroll or retain, increase or create payroll (full-time employment) on a permanent basis in the County.

(3) Must not have the effect of displacing workers or transferring employment from one part of the County to another.

(4) Must demonstrate by an independent economic impact analysis that the local economic benefit will be substantially in excess of the amount of anticipated foregone tax revenues resulting from the abatement.

Factors Considered By County In Considering Abatement Requests

Section IV

(a) **Standards For Tax Abatement.** The following non-exclusive factors may be considered in determining whether to grant tax abatements for an Eligible Facility or Project, and if so, the percentage of value to be abated and the duration of the tax abatement:

- (1) Existing improvements, if any;
- (2) Type and value of proposed improvements;
- (3) Productive life of proposed improvements;
- (4) Number of existing jobs to be retained by proposed improvements;
- (5) Number and types of new jobs to be created by proposed improvements;
- (6) The extent to which new jobs to be created will be filled by persons who are economically disadvantaged, including residents of a Reinvestment or Enterprise Zone;
- (7) The extent to which local labor, local subcontractors and local vendors and suppliers will be used in the construction phase of the project;
- (8) The amount of local taxes to be generated directly;
- (9) The amount the property tax base valuation will be increased during term of abatement and after abatement;
- (10) The amount of economic impact the Eligible Facility will provide to the local community;
- (11) The costs to be incurred by the County to provide facilities or services directly resulting from the new improvements;
- (12) The amount of ad valorem taxes to be paid to the County during the abatement period considering (a) the existing values; (b) the percentage of new value abated; (c) the abatement period; and (d) the value after expiration of the abatement period;
- (13) The population growth of the County projected to occur directly as a result of new improvements;
- (14) The types and values of public improvements, if any, to be made by the applicant seeking abatement;
- (15) Whether the proposed improvements compete with existing businesses to the detriment of the local economy;
- (16) The impact of the proposed project on the business opportunities of existing businesses;

- (17) The attraction of other new businesses to the area as a result of the project;
- (18) The overall compatibility with the zoning ordinances and comprehensive plan for the area;
- (19) Whether the project is environmentally compatible with no negative impact on quality of life perceptions;

Each application for tax abatement shall be reviewed on its merits utilizing the factors provided above. After such review, abatement may be denied entirely or may be granted to the extent deemed appropriate after full evaluation.

(b) Local Employment. For purposes of evaluating Section III(h)(7): Local labor is defined as those laborers or skilled craftsmen who are residents and domiciliaries of the nine county region comprised of Jefferson, Orange, Hardin, Jasper, Newton, Liberty, Tyler and Chambers counties, as well as the Bolivar Peninsula area of Galveston County. Local vendors and suppliers shall include only those located or having a principal office in Jefferson County. Local Subcontractors shall include only those located or having a principal office in Jefferson County.

Each recipient of property tax abatement shall additionally agree to give preference and priority to local manufacturers, suppliers, vendors, contractors and labor, except where not reasonably possible to do so without significant added expense, substantial inconvenience, or sacrifice in operating efficiency. In any such exception, cases involving purchases over \$10,000.00, a justification for such purchase shall be included in the annual report. Each recipient shall further acknowledge that is a legal and moral obligation of persons receiving property tax abatement to favor local manufacturers, suppliers, contractors and labor, all other factors being equal. In the event of breach of the "buy-local" provision, the percentage of abatement shall be proportionately reduced in an amount equal to the amount the disqualified contract bears to the total construction cost for the project.

(c) Each recipient of a property tax abatement must also provide bidding information to local contractors, manufacturers and labor to allow them to have sufficient information and time to submit their bids and pre-bid meetings must be held between the owner and potential local bidders and suppliers of services and materials.

(d) Historically Underutilized Businesses/Disadvantaged Business Enterprises. The County will also strongly consider the extent to which the project will encourage and promote the utilization of Historically Underutilized Businesses (HUBs) (also known as Disadvantaged Business Enterprises, or DBEs) by the owner and general contractor by ensuring that qualified HUB vendors and contractors are given an opportunity to bid on all contracts.

1. A Historically Underutilized Business (HUB) is a business owned or controlled by Socially and Economically Disadvantaged Individuals as defined by all applicable federal or state laws and local policies, including Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Asian-Indian Americans, women and individuals with disabilities.

A HUB is one that is at least 51 percent owned or controlled by one or more women or Socially and Economically Disadvantaged Individuals who actively participate in the conduct of the business or, in the case of a publicly owned business, one in which at least 51 percent of the stock is controlled by one or more women or Socially and Economically Disadvantaged Individuals. A business that has been certified as a HUB/DBE by an agency of the federal government or the State of Texas is presumed to be a HUB/DBE for purposes of this policy. Only a HUB/DBE with its principal office in Jefferson, Hardin or Orange counties will be recognized as a HUB/DBE for purposes of this policy.

2. The County will require that each abatement contract between itself and any individual or entity seeking the abatement of ad valorem taxes contain a provision requiring the owner, on at least a quarterly basis, and at owner's cost, to allow the full examination by County or its designated representative(s) of all documents necessary for County to assure that best efforts have been used by owner to utilize local labor, subcontractors, vendors, suppliers and HUB's/DBE's. The County will also require that such contracts contain provisions binding the engineering/construction firms utilized as general contractors on the Project to the terms of the abatement contract.

(e) **Denial of Abatement.** Neither a reinvestment or enterprise zone nor abatement agreement shall be authorized if it is determined that:

- (1) There would be a substantial adverse affect on the provision of government service or tax base;
- (2) The applicant has insufficient financial capacity;
- (3) Planned or potential use of the property would constitute a substantial hazard to public safety, health or morals;
- (4) The project would cause a violation of state or federal laws; or
- (5) For any other reason deemed appropriate by the County including the pendency of litigation between the individual or entity requesting the creation of the reinvestment or enterprise zone and the County.

(f) **"Taxability"** From the execution of the 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 II(e) shall be fully taxable; and
- (2) The base year value of existing eligible property as determined each year shall be fully taxable.

APPLICATION PROCESS SECTION V

(a) Any present owner, potential owner or Lessee of taxable property in the County may request the creation of a reinvestment or enterprise zone and tax abatement by filing a written request with the County Judge.

(b) The application shall consist of a completed application form which shall provide detailed information on the items described in Section III(h) hereof; a map and property description; a time schedule for undertaking and completing the planned 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 may be deemed appropriate for evaluating the financial capacity and other factors of the applicant. The County shall also require an application fee in the amount of \$1,000.00 to be submitted with the application. If the application is granted and an abatement contract is entered into by and between the applicant and the County, such application fee will be refunded to applicant.

(c) Prior to the adoption of an ordinance order designating a reinvestment or application by the County for designation of an enterprise zone, the County shall: (1) give written notice to the

presiding officer of the governing body of each taxing unit in which the property to be subject to the agreement is located not later than seventh (7th) day before the public hearing; and (2) publish notice of a public hearing in a newspaper of general circulation within such taxing jurisdiction not later than the seventh (7th) day before the public hearing. Before acting upon the application, the County shall, through public hearing, afford the applicant and the designated representative of any governing body referenced hereinabove opportunity to show cause why the abatement should or should not be granted.

(d) The County shall make every reasonable effort to either approve or disapprove the application for tax abatement within forty-five (45) days after receipt of the application. The County shall notify the applicant of approval or disapproval.

(e) The County shall not establish a reinvestment or enterprise zone or enter into an abatement agreement if it finds that the request for the abatement was filed after the commencement of construction, alteration, or installation or improvements related to a proposed modernization, expansion or new facility.

(f) Information that is provided to the County in connection with an application or request for tax abatement and that describes the specific processes or business activities to be conducted or the equipment or other property to be located on the property for which a tax abatement agreement is requested is confidential and not subject to public disclosure pursuant to the Texas Public Information Act until the tax abatement agreement is executed. That information in the possession of a taxing unit after the agreement is executed is not confidential and is subject to disclosure.

AGREEMENT SECTION VI

(a) Not later than the seventh (7th) day before the date on which the County enters into the abatement agreement, the County shall deliver to the presiding officer of the governing body of each other taxing unit in which the property is located a written notice that the County intends to enter into the agreement. The notice shall include a copy of the prepared agreement.

(b) The County shall formally pass a resolution and execute an agreement with the owner of the facility and lessee, as the case may be, which shall include at least the following terms:

- (1) Estimated value to be abated and the base year value;
- (2) Percent of value to be abated each year as provided in Section III(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 application, Section IV(b);
- (5) Contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, or assignment;
- (6) Provision for access to and authorization for inspection of the property by County employees to ensure that the improvements or repairs are made according to the specifications and conditions of the agreement;
- (7) Limitations on the uses of the property consistent with the general purpose of encouraging development or redevelopment of the zone during the period that property tax exemptions are in effect;
- (8) Provision for recapturing property tax revenue lost as a result of the agreement if the owner of the property fails to make the improvements or repairs as provided by the agreement;

- (9) Provision that all permanent jobs be registered with the Texas Workforce Commission and that all contractors shall give preference to and to seek qualified workers through the Texas Workforce Commission.
- (10) Contain each and every term agreed to by the owner of the property;
- (11) Requirement that the owner or lessee of the property certify annually to the governing body of each taxing unit that the owner or lessee is in compliance with each applicable term of the agreement; and
- (12) All terms required by Texas Tax Code §312.205, as amended;

Such agreement shall normally be executed within sixty (60) days after the applicant has forwarded all necessary information and documentation to the County.

RECAPTURE SECTION VII

(a) In the event that the company or individual (1) allows its ad valorem taxes owed the County to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest; or (2) violates any of the terms and conditions of the abatement agreement; and fails to cure during the cure period, or discontinues production the agreement then may be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within thirty (30) days of the termination.

(b) Should the County determine that the company or individual is in default according to the terms and conditions of its agreement, the County shall notify the company or individual of such default in writing at the address stated in the agreement; and if such is not cured within thirty (30) days from the date of such notice ("Cure Period"), then the agreement may be terminated. Alternatively, County may, as a penalty for default or non-compliance with the provisions of an abatement contract, reduce the term of the abatement period and/or the annual percentage abatements available thereunder.

(c) Payment in Lieu of Taxes: If, during the period of this abatement, any Federal or State law provides and additional tax exemption for the property that is already the subject of this agreement, Applicant agrees to decline that tax exemption during the period of this abatement. If Applicant is unable to decline that tax exemption, Applicant agrees to pay the taxes, or payment in lieu of taxes, on the reduction of property tax revenue to the County that is the result of said exemption. Any payment in lieu of taxes shall be due on or before November 15 of the year in which payment is due.

ADMINISTRATION SECTION VIII

(a) The Chief Appraiser of the Jefferson County Appraisal District will annually determine an assessment of the real and personal property subject to each abatement agreement. Each year, the company or individual receiving abatement shall furnish the appraiser with such information as may be necessary to determine compliance with the abatement agreement. Once value has been established, the Chief Appraiser will notify the County of the amount of the assessment.

(b) The abatement agreement shall stipulate that employees and/or designated representatives of the County will have access to the facility during the term of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. Inspections will only be conducted in such manner as to not unreasonably interfere with the construction and/or

operation of the facility. All inspections will be made with one or more representative of the company or individual and in accordance with its safety standards.

(c) Upon completion of construction, the designated representative of the Owner shall annually evaluate each facility receiving abatement to insure compliance with the agreement, and a formal report shall be made to the County.

(d) During the course of construction of the Project, Owner and its general contractor shall, on at least a quarterly basis, meet with designated County representatives to assure compliance with the terms of the abatement agreement. Owner shall be responsible to County for the payment of costs associated with such monitoring. In the event it is determined that Owner or its contractors have failed to comply with the terms of the abatement agreement, then County may terminate the abatement agreement or, in County's discretion, reduce the duration or annual percentages of such abatement.

(e) During construction, the Applicant shall maintain appropriate records of the employees affected by this abatement, including but not limited to, proof of employees' legal residence, proof of immigration-resident status, and, if applicable, such other documentation that may be required to document compliance with the Agreement

(f) The Chief Appraiser of the Jefferson County Appraisal District shall timely file with the Texas Department of Economic Development and the State Property Tax Board all information required by the Tax Code.

(g) All requirements of the Abatement Agreement shall apply to Applicant's contractors/subcontractors and Applicant shall ensure that they abide by the terms of the Agreement.

AGREEMENT SECTION IX

Abatement may be transferred, assumed and assigned in whole or in part by the holder to a new owner or lessee of the same facility upon the approval by resolution of the Commissioners' Court; subject to the financial capacity of the assignee and provided that all conditions and obligations in the abatement agreement are guaranteed. No assignment or transfer shall be approved if the parties to the existing agreement, the new owner or new lessee are liable to any jurisdiction for outstanding taxes or other obligations. Approval shall not be unreasonably withheld. As a condition of transfer, an assignment fee of 1% may be required, with the maximum fee being \$10,000.00

SUNSET PROVISION SECTION X

These guidelines and criteria are effective upon the date of their adoption and will remain in force for two years, unless amended by three-quarters of the Commissioners' Court at which time all reinvestment and enterprise zones and tax abatement agreements created pursuant to these provisions will be reviewed to determine whether the goals have been achieved. Based on that review, the guidelines and criteria may be modified, renewed or eliminated.

**DISCRETION OF THE COUNTY
SECTION XI**

The adoption of these guidelines and criteria by the County does not:

- (1) Limit the discretion of the County to decide whether to enter into a specific tax abatement agreement;
- (2) Limit the discretion of the County to delegate to its employees the authority to determine whether or not the County should consider a particular application or request for tax abatement; or
- (3) Create any property, contract, or other legal rights in any person to have the County consider or grant a specific application or request for tax abatement.

**QUESTIONS TO BE ANSWERED IN ORDER TO DEVELOP
AN APPLICATION AND ECONOMIC IMPACT STATEMENT
FOR VALUE ADDED TAX ABATEMENTS IN JEFFERSON COUNTY**

General:

Jefferson County will provide a representative to assist in preparation and presentation of all documents and to guide them through the abatement process.

Opening Paragraph:

The application should include a summary statement about the company and its operations. This information can come from an annual report, corporate 10K or other document provided by the company. (Please include these documents with this questionnaire.)

Economic Impact Analysis:

The application must include the attachment of an independently prepared economic impact analysis of the proposed facility as it impacts the local economy detailing the information referred in Section III herein.

Maps and Plats

Provide maps, plats, and drawings necessary to establish the location of the improvements and their relationships to the boundaries of cities, ETJ's, and reinvestment or enterprise zone boundaries.

Questions to be Answered

- (1) Is your project within a city limit? . Name of City
- (2) Is your project within an ETJ? . Name of City
- (3) Is your project within an Enterprise or Reinvestment Zone? Which?

(4) Will you own the realty or lease the realty?

(5) Present Appraisal District value of land and any EXISTING improvements owned by the

OWNER:

(Answer this question based on Appraisal District records for the specific site you select.)

Cost of Land (If you are purchasing): \$ _____

Number of Acres: _____ or Square Feet: _____

(6) Type and value of proposed improvements: _____

Type of construction:

(Tiltwall, Build-Out of Existing Facility, Etc.)

Value of Construction:

Value of Equipment:

Value of Personal Property:

Value of Pollution Control Devices:

(7) Productive life of proposed improvements: _____ years, or term of initial lease: _____

(8) Number of existing jobs to be retained by proposed improvements: _____
(Answer only if the location is already in or near Jefferson County and now employs Jefferson residents.)

(9) Number and types of new jobs to be created by proposed improvements: _____

(10) Amount of Annual local payroll to be created: _____

(11) What percentage and type of jobs to be created will Jefferson residents have the opportunity to fill? _____

(12) Amount property tax base valuation will be increased:

During term of abatement: _____

After term of abatement: _____

(13) The costs to be incurred by local government to provide facilities or services directly resulting from the new improvements: _____

(Explain any costs for development or depletion of infrastructure the city is being asked to absorb, if any.)

(14) The amount of ad valorem taxes to be paid to the county during the abatement period considering: (a) the existing values; (b) the percentage of new value abated; (c) the abatement period; and (d) the value after expiration of the abatement period.

(15) The population growth of the county that will occur directly as a result of new improvements: _____

(If you relocate to Jefferson County, how many of your employees do you anticipate to relocate?)

(16) The types and values of public improvements, if any, to be made by applicant seeking abatement:

—

(List any facilities from which the public might benefit.)

(17) Do the proposed improvements compete with existing businesses to the detriment of the local economy:

(18) The impact on the business opportunities of existing businesses:

(Are there possibilities for local businesses to become suppliers? Any new retail opportunities?)

(19) The attraction of other new businesses to the area:

(Will any of your suppliers, customers, parent, or sister companies relocate because of your relocation?)

(20) The overall compatibility with the zoning ordinances and comprehensive plan for the area:

(21) Describe, including the estimated value, all pollution control devices and other improvements for which you intend to seek TNRCC exemption from taxation:

NOTE: Failure to accurately disclose exempted property may result in a total default under the Abatement Contract, resulting in recapture of previously abated taxes and forfeiture of future abatement.

EXHIBIT "A"

JEFFERSON COUNTY APPRAISAL DISTRICT
PROCEDURE FOR CALCULATING ABATEMENTS

Purpose

The purpose of this procedure is to clarify the method used in calculating the tax abatement under the attached Contract. This requires calculation of the current market Value, Base Year Value, and taxable Value as these terms are defined below. By deducting the abatable value from the current market Value the Taxable Value may be determined. However, in accordance with the Jefferson County Uniform Tax Abatement Policy, the Real Property Owner's Current Taxable Value shall not be less than the Base Year Value in order for a project to receive the full amount of abatement.

Calculation of "Current Market Value"

"Current Market Value" is determined by calculating for that Tax Year the market value of all industrial realty improvements of a property owner that comprise the "Base year Value" or each taxing entity.

Calculation Base Year Value"

"Base Year Value" for each taxing entity executing an abatement contract is the market value of all industrial realty improvements of a property owner located within that entity for the tax period defined as the "Base Year" less the abated value of all projects granted by that entity for the "Base year." "Base year" is defined as the calendar year in which the abatement contract is executed (signed).

Calculation of "Taxable Value"

"Taxable Value" for each taxing entity is determined by deducting from the appraised market value of all industrial realty improvements of a property owner the amount of any applicable abatements granted for that Tax Year.

Calculation of Value Potentially Eligible for Abatement

The following procedures are followed for each project for which a tax abatement contract has been executed and for each taxing entity granting the abatement.

1. The project base value, if applicable, is subtracted from the current year project value, and the percentage of abatement to be granted is then applied to the net amount determine the project value subject to abatement.
2. The Base Year Value is subtracted from the current Market Value. If the difference is greater than zero (0), then the remaining value is the value potentially eligible for abatement to the extent that it does not exceed the project value subject to abatement.

If the difference is zero (0) or less, then the project is not eligible for an abatement for that Tax Year.

Calculation of Abated Value

Each project that remains potentially eligible for abatement is then tested for each taxing entity granting the abatement on an individual basis in chronological order based on the date the contract was executed.

1. For the project being tested, the Base year Value plus the value potentially eligible for abatement for all other projects is subtracted from the Current Market Value. If the difference is greater than zero (0), then the remaining value is the value of the project to be abated to the extent that it does not exceed the project value subject to abatement for that year. If the difference is zero (0) or less, then the project is not eligible for an abatement for that Tax Year.

If a subsequent project being tested is determined to be ineligible for the full value potentially eligible for abatement calculated previously after performing the calculation stated above, then the test process must be redone for all prior projects using the actual value subject to abatement for the subsequent project to determine if there is any effect on the abatement for each project and each taxing entity for that Tax Year.