

O'HANLON, MCCOLLOM & DEMERATH

ATTORNEYS AND COUNSELORS AT LAW

808 WEST AVENUE

AUSTIN, TEXAS 78701

TELEPHONE: (512) 494-9949

FACSIMILE: (512) 494-9919

KEVIN O'HANLON

CERTIFIED, CIVIL APPELLATE

CERTIFIED, CIVIL TRIAL

LESLIE MCCOLLOM

CERTIFIED, CIVIL APPELLATE

CERTIFIED, LABOR AND EMPLOYMENT

TEXAS BOARD OF LEGAL SPECIALIZATION

JUSTIN DEMERATH

July 14, 2015

Local Government Assistance & Economic Analysis

Texas Comptroller of Public Accounts

P.O. Box 13528

Austin, Texas 78711-3528

RE: Application to the Deer Park Independent School District from The Lubrizol Corporation

(First Value Limitation Year 2019)

Application and Confidential Materials

To the Local Government Assistance & Economic Analysis Division:

By copy of this letter transmitting the application for review to the Comptroller's Office, the Deer Park Independent School District is notifying The Lubrizol Corporation of its intent to consider the application for appraised value limitation on qualified property should a positive certificate be issued by the Comptroller. The Applicant submitted the Application to the school district on July 13, 2015. The Board voted to accept the application on July 13, 2015. The application has been determined complete as of July 14, 2015. Please prepare the economic impact report.

The Applicant has requested the following information be kept confidential.

1. Tab 4, a portion of the project description
2. Tab 5, a portion about alternate sitings
2. Tab 7, the description of qualified investment
3. Tab 8, the description of qualified property
4. The maps of the project vicinity, qualified investment, and reinvestment zone located in Tab 11 of the Application

In accordance with 34 TAC 9.1053, the information that is the subject of this request is segregated from the supplemental materials submitted with the application, that is. The items depicted in the maps are indexed before each section.

The description of the investment and the maps depicting existing property and the planned location of the project display proprietary commercial information regarding the specific location of the possible project and the nature of the business that will be conducted at the site. The materials are protected by the trade secret exception set forth in Texas Government Code §552.110. The determination of whether specific material is protected as a trade secret is a question of fact. While not defined in the statute, Texas has long recognized the definition of trade secrets set forth in the Restatement of Torts. See, *Hyde v. Huffings*, 314 S.W. 2d 763, 776 (Tex. 1957), cert denied, 358 U.S. 898 (1958). The Texas Attorney General's office has consistently applied the Restatement of Torts in determining whether information submitted to Texas governmental agencies is exempt from disclosure in response to Open Records requests under the "trade secret" doctrine. See e.g., Open Records Decision No. 652, pp. 3-5 (1997); See also, OR2002-2871 (May 28, 2002). The Restatement of Torts lists six factors to be utilized in determining whether material is, in fact a trade secret. These factors will be discussed below.

1. Extent to which information is known outside of LUBRIZOL;
2. Extent to which information is known by employees.
3. Security Measures.
4. Value of Information.
5. Effort Expended.
6. Ease of Duplication.

LUBRIZOL maintains security on the internal item specifications from which plans for site development are written, performance statistics, and other data from which the layout and location has been developed. This type of information is held to be a trade secret by LUBRIZOL. In fact, the maintenance of confidentiality of this type of information is the industry standard among all of the companies engaged in this industry.

Project confidentiality is maintained inside the company and with the consultants engaged to prepare the application. LUBRIZOL requires confidentiality of all employees and contractual confidentiality provisions with its consultants. LUBRIZOL uses proprietary methods for the development of layout and locating decisions. The chemical manufacturing industry is highly competitive. LUBRIZOL feels that secure information cannot be duplicated without access to its proprietary processes. The release of any information regarding these proprietary processes would give competitors of LUBRIZOL an unfair competitive position.

Section 552.104

This Section of the Texas Government Code provides that information is excepted from disclosure if it would give advantage to a competitor. As for the same reasons stated above, maintaining the confidential status of the underlying data is critical to maintaining LUBRIZOL's competitive position in the market.

Letter to Local Government Assistance & Economic Analysis Division

July 14, 2015

Page 3 of 3

The public release of this information would reveal information which the company considers to be a trade secret. Furthermore, the public production of this information would cause the company to suffer substantial competitive harm and weaken its position in competitive siting decisions.

Sincerely,

A handwritten signature in black ink, appearing to read "K. O'Hanlon", with a stylized flourish at the end.

Kevin O'Hanlon
School District Consultant

Cc: The Lubrizol Corporation

Harris County Appraisal District

Tab #1

Application



Application for Appraised Value Limitation on Qualified Property (Tax Code, Chapter 313, Subchapter B or C)

Economic Development
and Analysis
Form 50-296-A

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

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

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

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

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

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

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

Please visit the Comptroller's website to find out more about the program at www.texasahead.org/tax_programs/chapter313/. There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School District Information

1. Authorized School District Representative

July 13, 2015

Date Application Received by District

Arnold

Adair

First Name

Last Name

Superintendent of Schools

Title

Deer Park ISD

School District Name

2800 Texas Ave.

Street Address

Mailing Address

Deer Park

Texas

77536

City

State

ZIP

832-668-7000

Phone Number

Fax Number

adair@dpisd.org

Mobile Number (optional)

Email Address

2. Does the district authorize the consultant to provide and obtain information related to this application?

☒ Yes

☐ No

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

Bob	Popinski
First Name	Last Name
Moak Casey & Associates	
Title	
Consultant	
Firm Name	
512-485-7878	
Phone Number	Fax Number
	bpopinski@moakcasey.com
Mobile Number (optional)	Email Address

4. On what date did the district determine this application complete? July 14, 2015
5. Has the district determined that the electronic copy and hard copy are identical? ☒ Yes ☐ No

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

Deborah	Peres	
First Name	Last Name	
Accounting and Finance Manager	The Lubrizol Corporation	
Title	Organization	
41 Tidal Rd.		
Street Address		
Mailing Address		
Deer Park	Texas	77536
City	State	ZIP
832-260-7260		
Phone Number	Fax Number	
	Deborah.Peres@lubrizol.com	
Mobile Number (optional)	Business Email Address	

2. Will a company official other than the authorized company representative be responsible for responding to future information requests? ☐ Yes ☒ No
- 2a. If yes, please fill out contact information for that person.

First Name	Last Name	
Title	Organization	
Street Address		
Mailing Address		
City	State	ZIP
Phone Number	Fax Number	
Mobile Number (optional)	Business Email Address	

3. Does the applicant authorize the consultant to provide and obtain information related to this application? ☒ Yes ☐ No

Application for Appraised Value Limitation on Qualified Property



SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

S. Kirk
First Name
Director, Property Tax
Title
DuCharme McMillen & Associates, Inc.
Firm Name
512-335-5900, ext 1312
Phone Number
kglasby@dmainc.com
Business Email Address
Glasby
Last Name

SECTION 3: Fees and Payments

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

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

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

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

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

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? The Lubrizol Corporation
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 13403676003
3. List the NAICS code 325900
4. Is the applicant a party to any other pending or active Chapter 313 agreements? ☐ Yes ☒ No
- 4a. If yes, please list application number, name of school district and year of agreement

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant (corporation, limited liability corporation, etc) Corporation
2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? ☒ Yes ☐ No
- 2a. If yes, attach in **Tab 3** a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.
3. Is the applicant current on all tax payments due to the State of Texas? ☒ Yes ☐ No
4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? ☒ Yes ☐ No ☐ N/A
5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (If necessary, attach explanation in **Tab 3**)

SECTION 6: Eligibility Under Tax Code Chapter 313.024

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

SECTION 7: Project Description

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

☒ Land has no existing improvements <i>Note**</i>	☐ Land has existing improvements (<i>complete Section 13</i>)
☐ Expansion of existing operation on the land (<i>complete Section 13</i>)	☐ Relocation within Texas

SECTION 8: Limitation as Determining Factor

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

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

For more information, visit our website: www.TexasAhead.org/tax_programs/chapter313/

Application for Appraised Value Limitation on Qualified Property



SECTION 9: Projected Timeline

1. Application approval by school board Oct. 2015
2. Commencement of construction Est. 3rd Qtr. 2016
3. Beginning of qualifying time period 1/1/2017
4. First year of limitation 1/1/2019
5. Begin hiring new employees 2018
6. Commencement of commercial operations Est. 3rd Qtr. 2018
7. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (date your application is finally determined to be complete)? ☒ Yes ☐ No
- Note:** Improvements made before that time may not be considered qualified property.
8. When do you anticipate the new buildings or improvements will be placed in service? Est. 3rd Qtr. 2018

SECTION 10: The Property

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

County: <u>Harris - 100%-.414550</u> (Name, tax rate and percent of project)	City: <u>N/A</u> (Name, tax rate and percent of project)
Hospital District: <u>Harris County - 100%-.17000</u> (Name, tax rate and percent of project)	Water District: <u>N/A</u> (Name, tax rate and percent of project)
Other (describe): <u>See attachment - tab #6</u> (Name, tax rate and percent of project)	Other (describe): <u>N/A</u> (Name, tax rate and percent of project)
5. Is the project located entirely within the ISD listed in Section 1? ☒ Yes ☐ No
 - 5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? ☐ Yes ☒ No
 - 6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

NOTE: The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as Subchapter B or Subchapter C, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's website at www.texasahead.org/tax_programs/chapter313/.

1. At the time of application, what is the estimated minimum qualified investment required for this school district? 80,000,000.00
2. What is the amount of appraised value limitation for which you are applying? 80,000,000.00
- Note:** The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? ☒ Yes ☐ No
4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
 - a. a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (Tab 7);
 - b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (Tab 7); and
 - c. a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (Tab 11).
5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? ☒ Yes ☐ No

For more information, visit our website: www.TexasAhead.org/tax_programs/chapter313/

SECTION 12: Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:
 - 1a. a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (Tab 8);
 - 1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (Tab 8); and
 - 1c. a map of the qualified property showing location of new buildings or new improvements with vicinity map (Tab 11).
2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? ☐ Yes ☒ No
 - 2a. If yes, attach complete documentation including:
 - a. legal description of the land (Tab 9);
 - b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (Tab 9);
 - c. owner (Tab 9);
 - d. the current taxable value of the land. Attach estimate if land is part of larger parcel (Tab 9); and
 - e. a detailed map showing the location of the land with vicinity map (Tab 11).
3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? ☐ Yes ☒ No
 - 3a. If yes, attach the applicable supporting documentation:
 - a. evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (Tab 16);
 - b. legal description of reinvestment zone (Tab 16);
 - c. order, resolution or ordinance establishing the reinvestment zone (Tab 16);
 - d. guidelines and criteria for creating the zone (Tab 16); and
 - e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (Tab 11)
 - 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? Aug. 2015

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

1. In Tab 10, attach a specific and detailed description of all **existing property**. This includes buildings and improvements existing as of the application review start date (the date the application is determined to be complete by the Comptroller). The description must provide sufficient detail to locate all existing property on the land that will be subject to the agreement and distinguish existing property from future proposed property.
2. In Tab 10, attach a specific and detailed description of all **proposed new property that will not become new improvements** as defined by TAC 9.1051. This includes proposed property that: functionally replaces existing or demolished/removed property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property; or is otherwise ineligible to become qualified property. The description must provide sufficient detail to distinguish existing property (question 1) and all proposed new property that cannot become qualified property from proposed qualified property that will be subject to the agreement (as described in Section 12 of this application).
3. For the property not eligible to become qualified property listed in response to questions 1 and 2 of this section, provide the following supporting information in Tab 10:
 - a. maps and/or detailed site plan;
 - b. surveys;
 - c. appraisal district values and parcel numbers;
 - d. inventory lists;
 - e. existing and proposed property lists;
 - f. model and serial numbers of existing property; or
 - g. other information of sufficient detail and description.
4. Total estimated market value of existing property (that property described in response to question 1): \$ 266,293,640.00
5. In Tab 10, include an appraisal value by the CAD of all the buildings and improvements existing as of a date within 15 days of the date the application is received by the school district.
6. Total estimated market value of proposed property not eligible to become qualified property (that property described in response to question 2): \$ 0.00

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

Application for Appraised Value Limitation on Qualified Property



SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 0
2. What is the last complete calendar quarter before application review start date:
☐ First Quarter ☒ Second Quarter ☐ Third Quarter ☐ Fourth Quarter of 2015
(year)
3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? 797
Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).
4. What is the number of new qualifying jobs you are committing to create? 25
5. What is the number of new non-qualifying jobs you are estimating you will create? 0
6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? ☐ Yes ☒ No
 6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.
7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).
 - a. Average weekly wage for all jobs (all industries) in the county is 1,342.00
 - b. 110% of the average weekly wage for manufacturing jobs in the county is 1,737.00
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 1,150.00
8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? ☐ §313.021(5)(A) or ☒ §313.021(5)(B)
9. What is the minimum required annual wage for each qualifying job based on the qualified property? 59,774.00
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 65,000.00
11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? ☒ Yes ☐ No
12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? ☐ Yes ☒ No
 12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).
13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? ☐ Yes ☒ No
 13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

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



Application for Appraised Value Limitation on Qualified Property

SECTION 16: Authorized Signature and Notarization

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

1. Authorized School District Representative Signature

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

print
here

Arnold Adair

Superintendent

Print Name (Authorized School District Representative)

sign
here

Signature (Authorized School District Representative)

July 13, 2015

Date

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

print
here

Deborah L. Peres

Print Name (Authorized Company Representative (Applicant))

Manager Acct & Fin. Texas
Sites

Title

sign
here

Deborah L. Peres

Signature (Authorized Company Representative (Applicant))

7-10-15

Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

10 day of July 2015

Diane Marie Englert
Notary Public in and for the State of Texas

My Commission expires May 1, 2019

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

APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

TAB	ATTACHMENT
1	Pages 1 through 11 of Application
2	Proof of Payment of Application Fee
3	Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation <i>(if applicable)</i>
4	Detailed description of the project
5	Documentation to assist in determining if limitation is a determining factor
6	Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor <i>(if applicable)</i>
7	Description of Qualified Investment
8	Description of Qualified Property
9	Description of Land
10	Description of all property not eligible to become qualified property <i>(if applicable)</i>
11	Maps that clearly show: a) Project vicinity b) Qualified investment including location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period c) Qualified property including location of new buildings or new improvements d) Existing property e) Land location within vicinity map f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size Note: Electronic maps should be high resolution files. Include map legends/markers.
12	Request for Waiver of Job Creation Requirement and supporting information <i>(if applicable)</i>
13	Calculation of three possible wage requirements with TWC documentation
14	Schedules A1, A2, B, C and D completed and signed Economic Impact <i>(if applicable)</i>
15	Economic Impact Analysis, other payments made in the state or other economic information <i>(if applicable)</i>
16	Description of Reinvestment or Enterprise Zone, including: a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office b) legal description of reinvestment zone* c) order, resolution or ordinance establishing the reinvestment zone* d) guidelines and criteria for creating the zone* * To be submitted with application or before date of final application approval by school board
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i>

Tab #2

Proof of Payment of Application Fee

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

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

Tab #3

Documentation of Combined Group

**Documentation of combined
group received by the
Texas Comptroller
of Public Accounts**

Tab #4

Detailed Description of Project

NON-CONFIDENTIAL

***THE LUBRIZOL CORPORATION
PROJECT SUMMARY***

The Lubrizol Corporation (Lubrizol) plans to construct a new chemical manufacturing plant and is considering multiple sites for the proposed new construction, including 13 undeveloped acres in an existing location that Lubrizol owns at 41 Tidal Road, Deer Park, Texas. Lubrizol anticipates spending approximately \$300 million on the project and creating at least 25 new, permanent, production-related jobs if the project is consummated. Lubrizol plans to commence construction in the third quarter of 2016 and estimates construction completion by the third quarter of 2018.

Lubrizol already operates a chemical production facility at 41 Tidal Road, Deer Park, Texas. The facility at Deer Park is between State Highway 225 and the Houston Ship Channel and is 180 +/- acres. The land at Deer Park has unimproved areas, including the 13 acres involved here, that would be suitable for the proposed construction of the new chemical manufacturing unit; hence, Lubrizol included the Texas site in the selection process. But, the value limitation that is provided for in Chapter 313 of the Tax Code and that the Deer Park Independent School District is willing to agree to is necessary for us to finalize our decision to locate the new manufacturing unit at Deer Park.

Tab #5

Documentation to Assist in Determining if
Limitation is a Determining Factor

CONFIDENTIAL

Tab #7

Description of Qualified Investment

CONFIDENTIAL

Lubrizol plans to construct a new chemical manufacturing unit that would require

Tab #8

Description of Qualified Property

CONFIDENTIAL

Tab #9
Description of Land

Tab #11

Maps

CONFIDENTIAL

Tab #12

Request for Job Waiver

N/A

Tab #13

Calculation of Three Possible Wage Requirements

Lubrizol Corporation			
Attachment to Ch 313 Application			
Ch 313 Wage Calculation			
Deer Park ISD / Harris County			
All Jobs / All Industries			
Quarter	Year	Average Weekly Wages	Annualized
1st	2014	\$ 1,446	\$ 75,192
2nd	2014	\$ 1,258	\$ 65,416
3rd	2014	\$ 1,253	\$ 65,156
4th	2014	\$ 1,412	\$ 73,424
	Average =	\$ 1,342	\$ 69,797
	Avg. @		
	110%	\$ 1,476	\$ 76,777
Manufacturing 31-33			
Quarter	Year	Average Weekly Wages	Annualized
1st	2014	\$ 1,646	\$ 85,592
2nd	2014	\$ 1,508	\$ 78,416
3rd	2014	\$ 1,488	\$ 77,376
4th	2015	\$ 1,673	\$ 86,996
	Average =	\$ 1,579	\$ 82,095
	Avg. @		
	110%	\$ 1,737	\$ 90,305
Regional Wage Rate			
Quarter	Year	Average Weekly Wages	Annualized
Houston - Galveston	2014	\$ 1,045	\$ 54,340
	Wage @		
	110%	\$ 1,150	\$ 59,774

Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2014	1st Qtr	Harris County	Private	00	0	10	Total, All Industries	\$1,446
2014	2nd Qtr	Harris County	Private	00	0	10	Total, All Industries	\$1,258
2014	3rd Qtr	Harris County	Private	00	0	10	Total, All Industries	\$1,253
2014	4th Qtr	Harris County	Private	00	0	10	Total, All Industries	\$1,412

Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2014	1st Qtr	Harris County	Private	31	2	31-33	Manufacturing	\$1,646
2014	2nd Qtr	Harris County	Private	31	2	31-33	Manufacturing	\$1,508
2014	3rd Qtr	Harris County	Private	31	2	31-33	Manufacturing	\$1,488
2014	4th Qtr	Harris County	Private	31	2	31-33	Manufacturing	\$1,673

**2013 Manufacturing Wages by Council of Government Region
Wages for All Occupations**

COG	Wages	
	Hourly	Annual
Texas	\$23.73	\$49,363
<u>1. Panhandle Regional Planning Commission</u>	\$20.43	\$42,499
<u>2. South Plains Association of Governments</u>	\$16.53	\$34,380
<u>3. NORTEX Regional Planning Commission</u>	\$19.15	\$39,838
<u>4. North Central Texas Council of Governments</u>	\$25.00	\$51,997
<u>5. Ark-Tex Council of Governments</u>	\$17.45	\$36,298
<u>6. East Texas Council of Governments</u>	\$19.50	\$40,565
<u>7. West Central Texas Council of Governments</u>	\$18.64	\$38,779
<u>8. Rio Grande Council of Governments</u>	\$16.27	\$33,848
<u>9. Permian Basin Regional Planning Commission</u>	\$22.89	\$47,604
<u>10. Concho Valley Council of Governments</u>	\$17.20	\$35,777
<u>11. Heart of Texas Council of Governments</u>	\$19.44	\$40,444
<u>12. Capital Area Council of Governments</u>	\$27.31	\$56,805
<u>13. Brazos Valley Council of Governments</u>	\$17.20	\$35,770
<u>14. Deep East Texas Council of Governments</u>	\$16.48	\$34,287
<u>15. South East Texas Regional Planning Commission</u>	\$29.09	\$60,501
<u>16. Houston-Galveston Area Council</u>	\$26.13	\$54,350
<u>17. Golden Crescent Regional Planning Commission</u>	\$22.23	\$46,242
<u>18. Alamo Area Council of Governments</u>	\$18.91	\$39,329
<u>19. South Texas Development Council</u>	\$13.94	\$28,990
<u>20. Coastal Bend Council of Governments</u>	\$23.78	\$49,454
<u>21. Lower Rio Grande Valley Development Council</u>	\$15.82	\$32,907
<u>22. Texoma Council of Governments</u>	\$20.93	\$43,529
<u>23. Central Texas Council of Governments</u>	\$17.33	\$36,042
<u>24. Middle Rio Grande Development Council</u>	\$19.07	\$39,666

Source: Texas Occupational Employment and Wages

Data published: July 2014

Data published annually, next update will be July 31, 2015

Note: Data is not supported by the Bureau of Labor Statistics (BLS).

Wage data is produced from Texas OES data, and is not to be compared to BLS estimates.

Data intended for TAC 313 purposes only.

Tab #14

Schedules

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

PROPERTY INVESTMENT AMOUNTS						
(Estimated Investment in each year. Do not put cumulative totals.)						
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C Other new investment made during this year that will not become Qualified Property [SEE NOTE]
				Column D Other new investment made during this year that may become Qualified Property [SEE NOTE]	Column E Total Investment (Sum of Columns A+B+C+D)	
Investment made before filing complete application with district	-	2015-2016	2015	Not eligible to become Qualified Property.		[The only other investment made before filing complete application with district that may become Qualified Property is land.]
Investment made after filing complete application with district, but before final board approval of application		2015-2016	2015	\$ -		\$ -
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period		2016-2017	2016	\$ 66,000,000		\$ 66,000,000
Complete tax years of qualifying time period	QTP1	2017-2018	2017	\$ 134,000,000	\$ 15,000,000	\$ -
	QTP2	2018-2019	2018	\$ 85,000,000	\$ -	\$ -
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				\$ 219,000,000	\$ 15,000,000	\$ -
Total Qualified Investment (sum of green cells)				\$ 300,000,000	Enter amounts from TOTAL row above in Schedule A2	

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

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

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

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new/improvement as defined by TAC 8.1051. This is proposed property that functionally replaces existing property, is used to maintain, refurbish, renovate, modify or upgrade existing property, or is affixed to existing property—described in SECTION 13, question #6 of the application.

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

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

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

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

The Lubrizol Corporation
2015 Deer Park Ct, 313 Application

PROPERTY INVESTMENT AMOUNTS											
(Estimated investment in each year. Do not put cumulative totals.)											
Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A		Column B		Column C		Column D		Column E
			New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other investment made during this year that will not become Qualified Property (SEE NOTE)	Other investment made during this year that will become Qualified Property (SEE NOTE)	Total Investment (A+B+C+D)				
Total Investment from Schedule A1*			\$ 219,000,000		\$ 15,000,000		from TOTAL row in Schedule A1 in the row below		\$ 300,000,000		
Each year prior to start of value limitation period** (Insert as many rows as necessary)	0	2015-2016	\$ -						\$ -		
	0	2016-2017	\$ 66,000,000						\$ 66,000,000		
	0	2017-2018	\$ 134,000,000		\$ 15,000,000				\$ 149,000,000		
	0	2018-2019	\$ 85,000,000						\$ 85,000,000		
	1	2019-2020							\$ -		
	2	2020-2021							\$ -		
	3	2021-2022							\$ -		
	4	2022-2023							\$ -		
	5	2023-2014							\$ -		
	6	2024-2025							\$ -		
Value limitation period***	7	2025-2026							\$ -		
	8	2026-2027							\$ -		
	9	2027-2028							\$ -		
	10	2028-2029							\$ -		
	Total Investment made through limitation			\$ 285,000,000		\$ 15,000,000				\$ 300,000,000	
	Continue to maintain viable presence	11	2029-2030								
		12	2030-2031								
		13	2031-2032								
		14	2032-2031								
		15	2033-2034								
Additional years for 25 year economic impact as required by 313.029(c)(1)	16	2034-2035									
	17	2035-2036									
	18	2036-2037									
	19	2037-2038									
	20	2038-2039									
	21	2039-2040									
	22	2040-2041									
	23	2041-2042									
	24	2042-2043									
	25	2043-2044									

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

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

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

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

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

Column B: Only tangible personal property that is specifically described in the application can become qualified property.

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

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.02(c)(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is added to existing property—described in SECTION 13, question #6 of the application.

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

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

Date: Jan 15
 Applicant Name: The Lubrizol Corporation
 ISD Name: 2015 Deer Park Ch. 313 Application
 Form 50-296A
 Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property		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 buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2015-2016	2015					
	0	2016-2017	2016				\$ -	\$ -
	0	2017-2018	2017			\$ 33,000,000	\$ 33,000,000	\$ 33,000,000
	0	2018-2019	2018					
Value Limitation Period	1	2019-2020	2019		\$ 15,000,000	\$ 85,000,000	\$ 100,000,000	\$ 100,000,000
	2	2020-2021	2020		\$ 15,000,000	\$ 285,000,000	\$ 270,000,000	\$ 80,000,000
	3	2021-2022	2021		\$ 14,700,000	\$ 276,450,000	\$ 262,035,000	\$ 80,000,000
	4	2022-2023	2022		\$ 14,406,000	\$ 268,156,500	\$ 254,306,250	\$ 80,000,000
	5	2023-2014	2023		\$ 14,117,880	\$ 260,111,805	\$ 246,806,717	\$ 80,000,000
	6	2024-2025	2024		\$ 13,835,522	\$ 252,308,451	\$ 239,529,576	\$ 80,000,000
	7	2025-2026	2025		\$ 13,558,812	\$ 244,739,197	\$ 232,468,208	\$ 80,000,000
	8	2026-2027	2026		\$ 13,287,636	\$ 237,397,021	\$ 225,616,191	\$ 80,000,000
	9	2027-2028	2027		\$ 13,021,883	\$ 230,275,111	\$ 218,967,294	\$ 80,000,000
	10	2028-2029	2028		\$ 12,761,445	\$ 223,366,857	\$ 212,515,473	\$ 80,000,000
Continue to maintain viable presence	11	2029-2030	2029		\$ 12,506,216	\$ 216,665,852	\$ 206,254,861	\$ 80,000,000
	12	2030-2031	2030		\$ 12,256,092	\$ 210,165,876	\$ 200,179,771	\$ 200,179,771
	13	2031-2032	2031		\$ 12,010,970	\$ 203,860,900	\$ 194,284,683	\$ 194,284,683
	14	2032-2033	2032		\$ 11,770,751	\$ 197,745,073	\$ 188,564,241	\$ 188,564,241
	15	2033-2034	2033		\$ 11,535,336	\$ 191,812,721	\$ 183,013,251	\$ 183,013,251
	16	2034-2035	2034		\$ 11,304,829	\$ 186,058,339	\$ 177,626,671	\$ 177,626,671
	17	2035-2036	2035		\$ 11,078,537	\$ 180,476,589	\$ 172,399,613	\$ 172,399,613
	18	2036-2037	2036		\$ 10,856,966	\$ 175,062,291	\$ 167,327,331	\$ 167,327,331
	19	2037-2038	2037		\$ 10,639,826	\$ 169,810,422	\$ 162,405,224	\$ 162,405,224
	20	2038-2039	2038		\$ 10,427,030	\$ 164,716,110	\$ 157,628,826	\$ 157,628,826
Additional years for 25 year economic impact as required by 313.026(c)(1)	21	2039-2040	2039		\$ 10,218,489	\$ 159,774,627	\$ 152,993,804	\$ 152,993,804
	22	2040-2041	2040		\$ 10,014,120	\$ 154,981,388	\$ 148,495,957	\$ 148,495,957
	23	2041-2042	2041		\$ 9,813,837	\$ 150,331,946	\$ 144,131,205	\$ 144,131,205
	24	2042-2043	2042		\$ 9,617,560	\$ 145,821,988	\$ 139,895,593	\$ 139,895,593
	25	2043-2044	2043		\$ 9,425,209	\$ 141,447,328	\$ 135,785,284	\$ 135,785,284
	26	2044-2045	2044		\$ 9,236,705	\$ 137,203,908	\$ 131,796,552	\$ 131,796,552

Notes: Market Value
 Only include market value for eligible property on this schedule.

Schedule C: Employment Information

Date Jan-15

Applicant Name
ISD Name

				Construction		Non-Qualifying Jobs		Qualifying Jobs	
				Column A	Column B	Column C	Column D	Column E	
				Number of Construction FTE's or man-hours (specify)	Average annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Average annual wage of new qualifying jobs	
Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY							
0	2015-2016	2015		0	0	0			
0	2016-2017	2016		240,000 hours	94000	0			
0	2017-2018	2017		480,000 hours	94000	0			
0	2018-2019	2018							
1	2019-2020	2019		240,000 hours	94000	0	25	65,000	
2	2020-2021	2020				0	25	65,000	
3	2021-2022	2021				0	25	65,000	
4	2022-2023	2022				0	25	65,000	
5	2023-2024	2023							
6	2024-2025	2024				0	25	65,000	
7	2025-2026	2025				0	25	65,000	
8	2026-2027	2026				0	25	65,000	
9	2027-2028	2027				0	25	65,000	
10	2028-2029	2028				0	25	65,000	
11 through 25	2029-2044	2029-2043				0	25	65,000	
Years Following Value Limitation Period									

Each year prior to start of Value Limitation Period
Insert as many rows as necessary

Value Limitation Period
The qualifying time period could overlap the value limitation period.

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

C1. Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25 qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts)
If yes, answer the following two questions:

C1a. Will the applicant request a job waiver, as provided under 313.025(f-1)?

C1b. Will the applicant avail itself of the provision in 313.021(3)(F)?

Yes ☒ No ☐
Yes ☐ No ☒
Yes ☐ No ☒

Schedule D: Other Incentives (Estimated)

Date - January 2015
Applicant Name
ISD Name

Form 50-296A
Revised May 2014

State and Local Incentives for which the Applicant intends to apply (Estimated)						
Incentive Description	Taxing Entity (as applicable)	Beginning Year of Benefit	Duration of Benefit	Annual Tax Levy without Incentive	Annual Incentive	Annual Net Tax Levy
Tax Code Chapter 311	County:					
	City:					
	Other:					
Tax Code Chapter 312	County: Harris (application withdrawn)					
	City:					
	Other:					
Local Government Code Chapters 380/381	County:					
	City:					
	Other:					
Freeport Exemptions	Harris County, etc. - existing					
Non-Annexation Agreements	City of Deer Park	2017	8-years	\$ 1,695,278	\$ 1,330,846	\$ 364,432
Enterprise Zone/Project	No					
Economic Development Corporation	No					
Texas Enterprise Fund	No					
Employee Recruitment	No					
Skills Development Fund	No					
Training Facility Space and Equipment	No					
Infrastructure Incentives	No					
Permitting Assistance	No					
Other:						
Other:						
Other:						
Other:						
TOTAL				\$ 14,338,397	\$ 10,753,234	\$ 3,585,163

Additional information on incentives for this project:

Tab #15

Economic Impact Analysis

Tab #16

Description of Reinvestment Zone

EXHIBIT A-1

THE LUBRIZOL CORPORATION

INDUSTRIAL DISTRICT

CITY OF DEER PARK, TEXAS

A tract of land in the George M. Patrick Survey, Abstract No. 624, Tarrant County, Texas, being described as follows:

TO BEGINNING at a point that is North 8°54'09" West 53.21 feet and North 7°53'09" West 53.21 feet from the southeast corner of a 100 acre tract of land conveyed to The Lubrizol Corporation by Diamond Shamrock Corporation;

THENCE North 70°55'09" West with a line parallel to and 50.00 feet northeast, at right angles, to the north right-of-way line of State Highway No. 225 for a distance of 1751.13 feet to a point for corner;

THENCE North 0°52' West with a line parallel to and 50.00 feet east, at right angles, to the east line of the New Tidal Road, 2167.48 feet to a point for corner;

THENCE North 88°55' East with a line parallel to and 50.00 feet south, at right angles, to the south line of Union Carbide, Linde Division's land, 631.19 feet to a point for corner;

THENCE North 1°08'09" West with a line parallel to and 50.00 feet east, at right angles, to the east line of Union Carbide, Linde Division's land, 1222.51 feet to a point for corner;

THENCE North 89°29'54" East with a line parallel to and 50.00 feet south, at right angles, to the north line of said 13.5316 acre tract of land conveyed to The Lubrizol Corporation by Diamond Shamrock Corporation, 1014.10 feet to a point for corner;

THENCE South 1°11'09" East with a line parallel to and 50.00 feet west, at right angles, to the east line of said 13.5316 acre tract and the east line of said 100 acre tract 818.72 feet to a point for corner;

THENCE South 0°54'09" East with a line parallel to and 50.00 feet west, at right angles, to the east line of said 100 acre tract, 3184.61 feet to the PLACE OF BEGINNING, containing 122.3570 acres, more or less.

EXHIBIT A-2

THE LUBRIZOL CORPORATION

INDUSTRIAL DISTRICT

CITY OF DEER PARK, TEXAS

A tract of land in the George M. Patrick Survey, Abstract No. 624, Harris County, Texas, and being described as follows:

BEGINNING at a point that is North 0°52' East 50.00 feet and West 50.00 feet from the southeast corner of a 2.155 acre tract conveyed by Shell Oil Company to The Lubrizol Corporation, said point is 50.00 feet west of the west line of the New Tidal Road;

THENCE, West with a line parallel to and 50.00 feet north of the south line of said 2.155 acre tract, 415.21 feet to a point for corner;

THENCE, North 8°50'15" East with a line parallel to and 50.00 feet easterly, at right angles, to the west line of said 2.155 acre tract and west line of a 10.00 acre tract conveyed by Shell Oil Company to The Lubrizol Corporation on February 22, 1967, by deed recorded in Volume 6609, Page 438 of the Deed Records of Harris County, Texas, 887.62 feet to a point for corner;

THENCE, in a Northerly direction with a line parallel to and 50.00 feet easterly, at right angles, to the meanders of the center of Patrick's Bayou as follows:

North 1°00' West 111.40 feet;
North 28°26' West 385.38 feet;
North 17°32' West 266.97 feet;
North 58°56' West 51.91 feet;
North 28°21" West 61.63 feet;
North 12°49' West 106.64 feet;
North 10°02' East 78.36 feet;
North 7°47' West 104.80 feet;
North 21°53' East 101.95 feet;
North 0°54' West 227.95 feet;
North 65°56' West 145.41 feet;
North 44°24' West 161.31 feet;
North 24°54' East 70.03 feet;
North 41°30' East 31.17 feet and
North 5°05'44" East 240.43 feet to a point for corner, said point

is 50.00 feet south of the south line of a tract of land 100 feet wide, owned by the Harris County Houston Ship Channel Navigation District, a portion of which is occupied by the Port Terminal Railroad Association, and the north line of a 32.57 acre tract of land conveyed by Shell Oil Company to The Lubrizol Corporation on August 20, 1950, by deed recorded in Volume 2132, Page 723 of the Deed Records of Harris County, Texas. . .

THENCE, North 89°29' East with a line parallel to and 50.00 feet south, at right angles, to the north line of said 32.57 acre tract, 1013.09 feet to a point for corner that 50.00 feet west of the west line of the New Tidal Road;

THENCE, South 0°52' East with a line parallel to and 50.00 feet west, at right angles, to the west line of the New Tidal Road, 2781.34 feet to the PLACE OF BEGINNING, containing 45.7603 acres, more or less.

Exhibit A-3: Description of property owned by Delta Chemical Services; to be excluded from property described in Exhibit A-1.

DESCRIPTION
THE LUBRIZOL CORPORATION
9.367 ACRE FEE TRACT IN THE GEORGE M. PATRICK SURVEY
A-624, HARRIS COUNTY, TEXAS

All that certain tract or parcel containing 9.367 acres of land situated in the George M. Patrick Survey, Abstract No. 624, Harris County, Texas, said 9.367 acre tract being a portion of a called 22.862 acre tract and a called 100.00 acre tract conveyed from Diamond Shamrock Corporation to The Lubrizol Corporation by deeds dated December 22, 1969 and March 29, 1978 and recorded under Harris County Clerk's File Nos. D038434 and P542261, respectively. Said 9.367 acre tract is more particularly described by metes and bounds as follows:

COMMENCING at the intersection of the north right of way line of State Highway 225, based on a width of 370.00 feet as reflected on Sheet 2 of TxDOT District No. 12 Project No. 8012-1-18, and the east right of way line of Tidal Road, based on a width of 80.00 feet as recorded in Volume 5141, Page 572, Harris County Deed Records, for the southwest corner of said 100.00 acre tract, from which a found concrete monument bears N 56 deg. E, 1.87 feet (called N 55 deg. E, 1.84 feet);

THENCE N 00 deg. 19 min. 09 sec. E, along the east right of way line of Tidal Road, a distance of 603.59 feet to a 3/8 inch iron rod set for the southwest corner and POINT OF BEGINNING of the herein described tract;

THENCE N 00 deg. 19 min. 09 sec. E, continuing along the east right of way line of Tidal Road, at 16.05 feet passing a 5/8 inch iron rod found for the southwest corner of the aforementioned 22.862 acre tract, continuing the same course for a total distance of 777.33 feet to a 3/8 inch iron rod set for the most westerly northwest corner hereof;

THENCE S 89 deg. 37 min. 09 sec. E, at 297.20 feet passing the southwest corner of a metallic building (Shipping Warehouse), continuing the same course along the south wall of said building for a total distance of 497.45 feet to the southeast corner of said metallic building for an interior ell corner hereof;

THENCE N 00 deg. 14 min. 38 sec. E, along the east wall of said metallic building, at 400.21 feet passing the northeast corner of said building, continuing the same course for a total distance of 445.92 feet to a 3/8 inch iron rod set for the most northerly northwest corner hereof;

THENCE S 89 deg. 29 min. 12 sec. E, a distance of 31.05 feet to a 3/8 inch iron rod set in a non-tangential curve to the left whose circle center bears S 72 deg. 31 min. 04 sec. E for the northeast corner hereof;

THENCE in a southerly direction, 64.09 feet along the arc of said curve to the left, having a radius of 379.00 feet, a central angle of 09 deg. 41 min. 18 sec., and a chord which bears S 12 deg. 38 min. 17 sec. W, 64.01 feet to a set 3/8 inch iron rod;

THENCE S 00 deg. 20 min. 40 sec. W, a distance of 1162.94 feet to a 3/8 inch iron rod set for the southeast corner hereof;

THENCE N 89 deg. 27 min. 57 sec. W, a distance of 513.75 feet to the POINT OF BEGINNING and containing 9.367 acres of land.


Michael S. Martinez
R.P.L.S. No. 4516

6-10-97

28FN840.01
Dwg. No. 840-D-1194
Job No. 970096



Tab #17

AUTHORIZATION PAGE



Application for Appraised Value Limitation on Qualified Property

SECTION 16 Authorized Signature and Application Certification

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

1. Authorized School District Representative Signature

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

print
here

Arnold Adair

Superintendent

Print Name (Authorized School District Representative)

sign
here

[Signature]

July 13, 2015

Signature (Authorized School District Representative)

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

print
here

Deborah L. Peres

Manager Acct & Fin. Texas
Sites

Print Name (Authorized Company Representative (Applicant))

sign
here

[Signature]

7-10-15

Signature (Authorized Company Representative (Applicant))

Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

10 day of July 2015

Diane Marie Englert
Notary Public in and for the State of Texas

My Commission expires May 1, 2019

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



AN EXTENSION OF YOUR TAX DEPARTMENT

July 23, 2015

Via Hand Delivery

Ms. Korry Castillo
Director, Data Analysis & Transparency Division
Texas Comptroller of Public Accounts,
LBJ State Office Building
Austin, Texas 78701

RECEIVED
JUL 23 2015

Re: The Lubrizol Corporation
Chapter 313 Application
Deer Park Independent School District

Dear Ms. Castillo:

Thank you for your telephone visit yesterday and your email correspondence concerning four minor clarifications needed in connection with the captioned to move this matter toward certification. This morning you advised that Item 4 on your list is not an issue, and thus there are three items that are left on your list. In a nutshell, here are the responses of Applicant The Lubrizol Corporation (Lubrizol) to the matters inquired about.

NAICS Code.

The correct Code is 325199. Should you require a corrected/amended page of the application so reflecting, with corresponding signature pages for Lubrizol and the District, those can be promptly provided, though I am told that the District's Superintendent will not return to the Office until Monday, July 27, 2015.

Vicinity Maps.

Enclosed herewith are aerial site maps depicting the site and other maps, which have been previously submitted as confidential, but which we hereby offer up as non-confidential in response to your second item. These maps are, in order of inclusion:

1. Deer Park ISD Boundary Map
2. Existing Improvements – Eastside
3. Deer Park Vicinity Map
4. Lubrizol Vicinity Map
5. Lubrizol Proposed Site Map

We reemphasize that regardless of whether these maps have previously been submitted as confidential, they are submitted now as non-confidential.

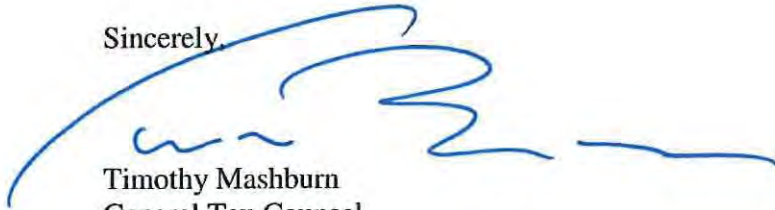
DUCHARME, McMILLEN & ASSOCIATES, INC.

919 Congress Avenue, Suite 710 | Austin, TX 78701 | 512-335-5900 | Fax: 512-236-0647 | DMAinc.com

Confidential Project Area. The project area boundary as shown by the revised site map submitted in response to Item 2 has been expanded to include the requested schematic depiction to address your inquiry about the yellow shaded project area.

Please let us know should you or your Staff require any further clarification or have further questions, or should you desire to meet on any issue. Thank you kindly for your expeditious review of this Application.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Timothy Mashburn', with a long horizontal line extending to the right.

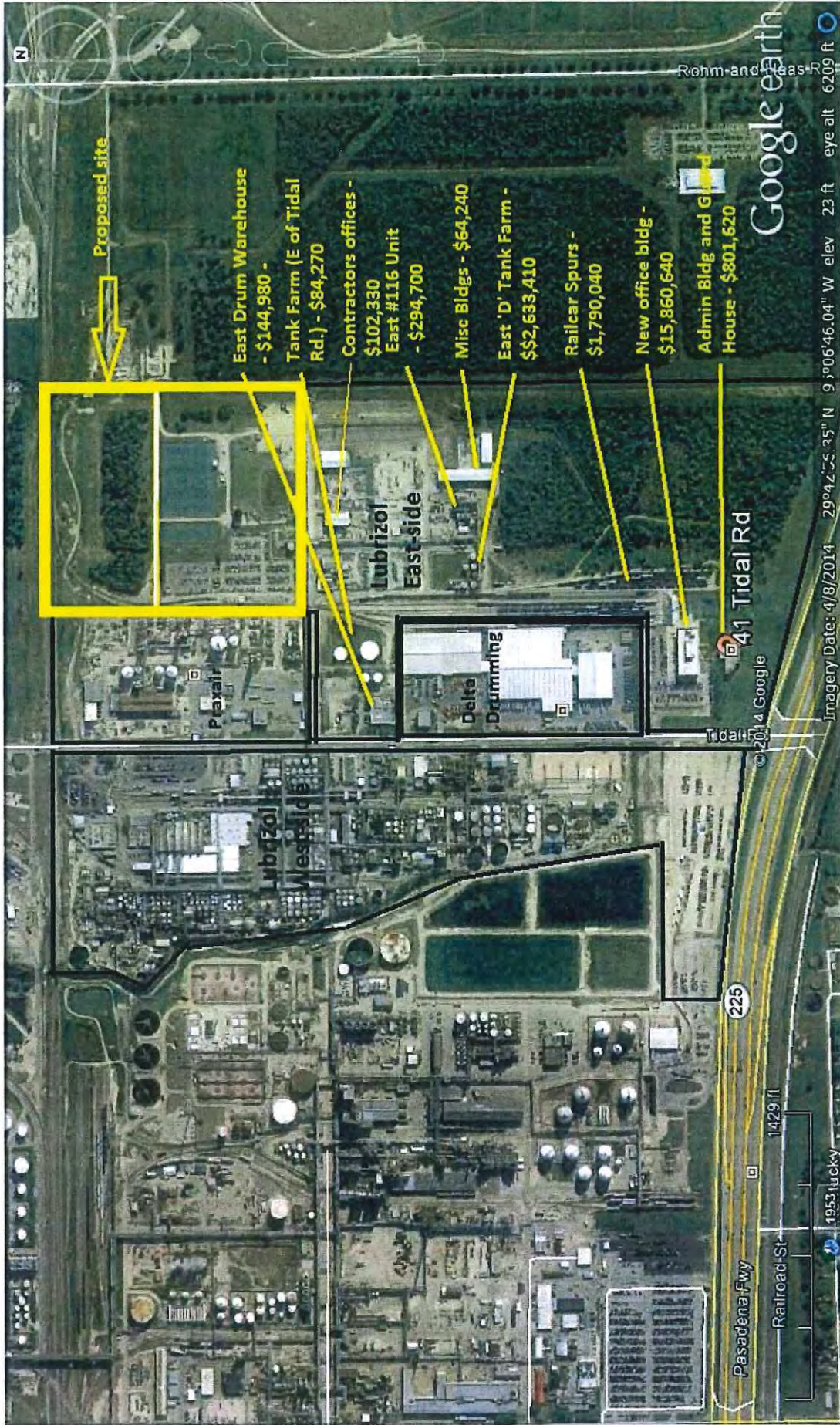
Timothy Mashburn
General Tax Counsel

cc: Ms. Amalia Hanley via email

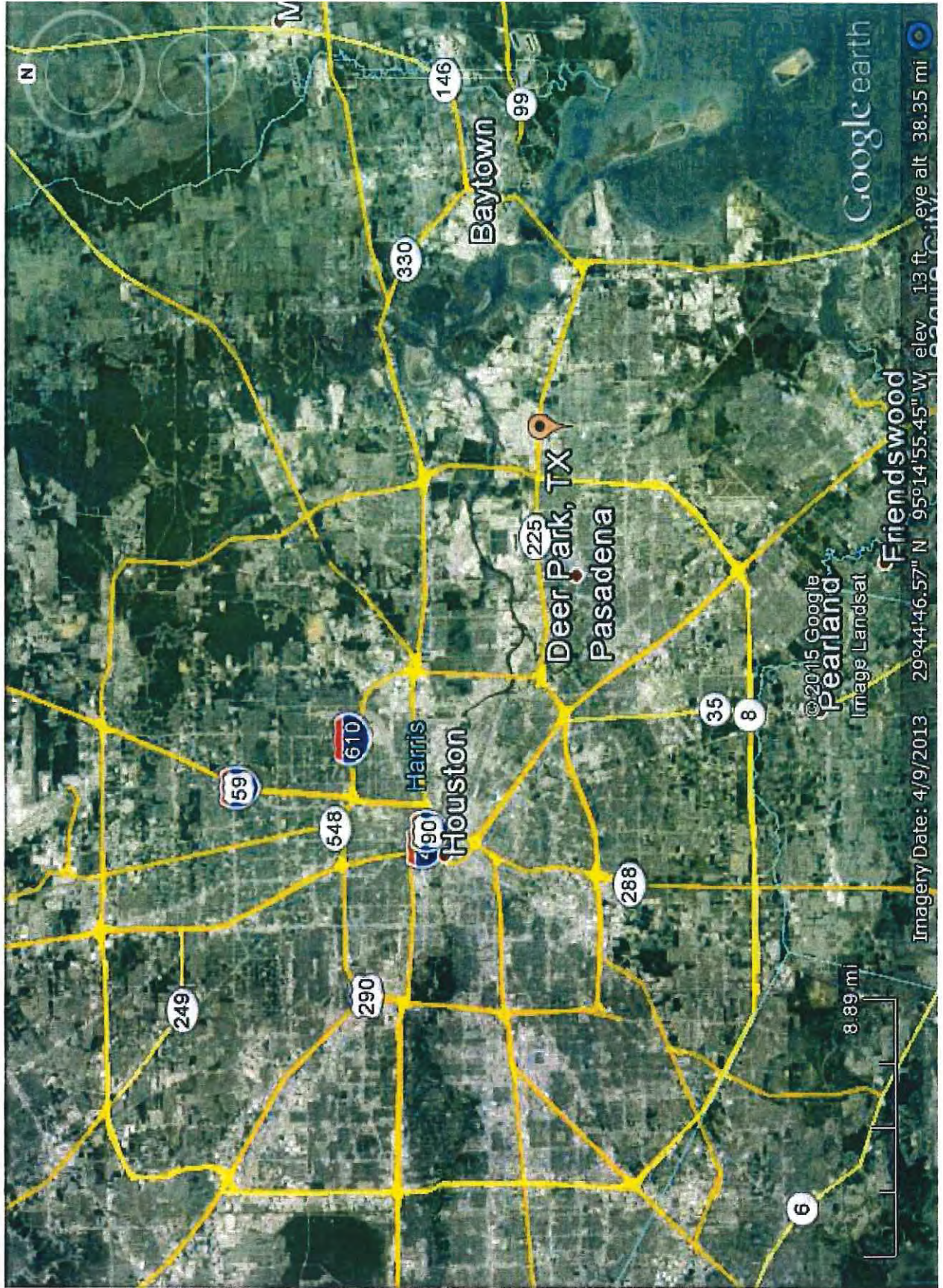
Deer Park ISD
Boundary Map



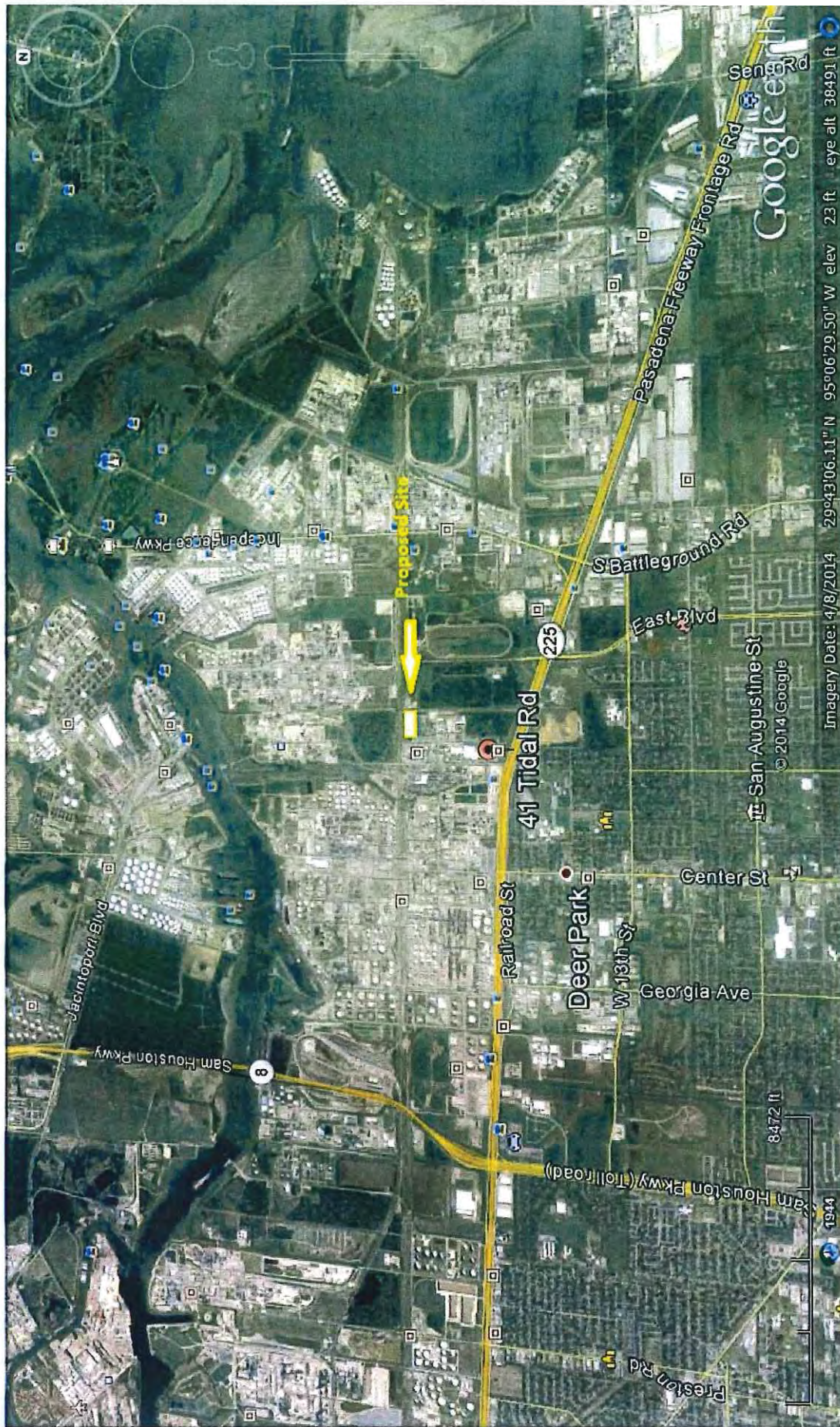
Existing improvements - Eastside



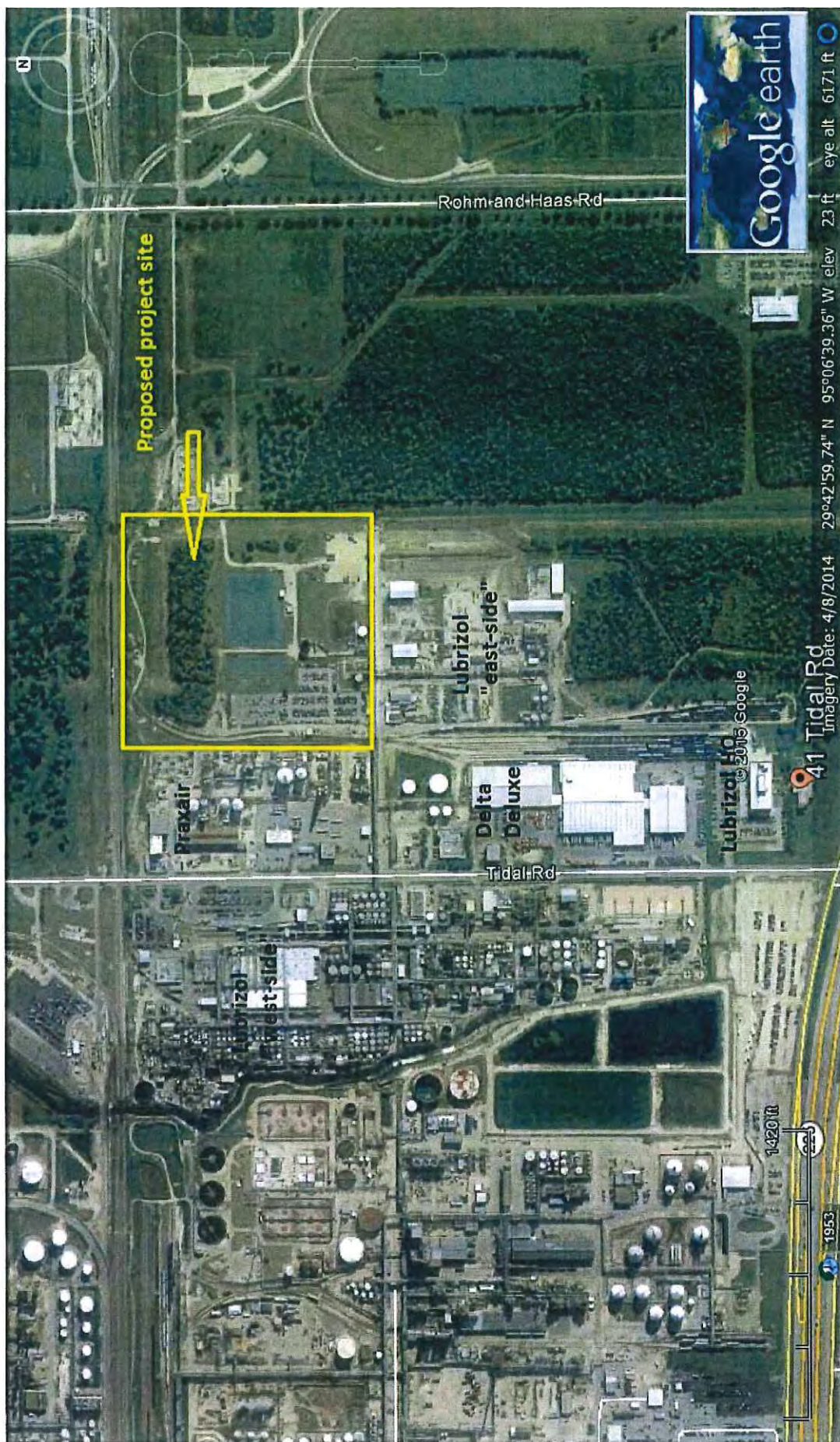
Deer Park Vicinity Map



Lubrizol Vicinity Map Deer Park, TX



Lubrizol Proposed Site Map



Application for Appraised Value Limitation on Qualified Property

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

1. Authorized School District Representative Signature

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

print
here

Arnold Adair

Print Name (Authorized School District Representative)

Title

Superintendent

sign
here



Signature (Authorized School District Representative)

Date

7-27-2015

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

print
here

Deborah L Peres

Print Name (Authorized Company Representative (Applicant))

Title

Manager Acct & Fin

sign
here



Signature (Authorized Company Representative (Applicant))

Date

7-23-2015



(Notary Seal)

GIVEN under my hand and seal of office this, the

23rd day of July

2015

Cherryl Mitchell

Notary Public in and for the State of Texas

My Commission expires:

9/28/17

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