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Richard Powell, Of Counsel

November 18, 2016

Via Hand Delivery
Mr. Will Counihan
Local Government Assistance & Economic Analysis
Texas Comptroller of Public Accounts
111 E. 17th Street
Austin, Texas 78774

RECEIVED
NOV 18 2016
**Data Analysis &
Transparency Division**

Re: Application for Chapter 313 Value Limitation Agreement to the Barbers Hill Independent School District from Enterprise Products Operating, LP

*First Year of Qualifying Time Period 2018
First Year of Value Limitation 2020*

Dear Local Government Assistance and Economic Analysis Division:

The Barbers Hill Independent School District Board of Trustees met at a duly posted meeting on November 14, 2016 and accepted an Application for Appraised Value Limitation on Qualified Property from Enterprise Products Operating, LP. The application was determined to be complete on November 14, 2016. The school district respectfully requests that your office prepare an economic impact report on this application.

The Application notes that no construction has begun at the project site and that alternative sites out of state remain under consideration for this project by Enterprise Products Operating, LP. The school district has determined that the wage information included in the application represents the most recent wage data available at the time of the application, and that the wages the Applicant has committed to pay meet the required statutory minimum. The Applicant represents that the new jobs to be created on this project would meet or exceed industry standards for similar manufacturing projects.

Included herein is an electronic and hard copy of the completed application. Please note that the Applicant has designated a portion of this Application as Confidential. A copy of the redacted application will be submitted, by copy of this letter, to the Chambers County Appraisal District. The Barbers Hill Independent School District's Board of Trustees looks forward to working with your office through the process of evaluating this Application.

Respectfully submitted,

Sara H. Leon
Powell & Leon, LLP

Encl.

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cc: Mr. Mitch McCullough
Chief Appraiser
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Via Electronic Mail: ctate@eprod.com

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Via Electronic Mail: tim@ikardwynne.com

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Dr. Greg Poole
Superintendent of Schools
Barbers Hill Independent School District

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Ms. Rebecca McManus
Assistant Superintendent of Finance
Barbers Hill Independent School District



P.O. Box 4018 Houston, Texas 77210-4018 713.381.6500
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November 10, 2016

Barbers Hill ISD
Dr. Greg Poole, Superintendent
PO BOX 1108
Mont Belvieu, TX 77580

Re: Application for Chapter 313 Value Limitation Agreement

Dear Dr. Poole:

Enterprise Products Operating LLC is evaluating the construction of a new manufacturing facility within the Barbers Hill ISD. The proposed project is a new Isobutane Dehydrogenation Unit capable of processing 30,500 SBPD of inlet feed. The estimated total investment cost is in excess of \$900 million.

We have submitted an economic analysis as part of Tab 5 of the application that we deem to be proprietary and confidential, and request that this information be kept confidential and transmitted separately when the District's consultants forward the application to the Texas Comptroller of Public Accounts.

We anticipate construction of the project, if approved, would commence in 2017, and we are deferring the start of the Qualifying Time Period to 2018 pursuant to Sec. 313.027 (h) of the Texas Property Tax Code, with the limitation then taking effect in 2020.

We believe this proposed investment demonstrates our commitment to growing our economic presence in the Barbers Hill ISD, promoting economic growth and jobs for your community. We respectfully request consideration of the project for an Agreement for Value Limitation under Chapter 313 of the Texas Property Tax Code.

If you have any questions, please feel free to contact me by telephone at 713-381-8071 or by email at ctate@eprod.com.

Sincerely,

A handwritten signature in blue ink that reads "Curt Tate".

Curt Tate
Sr. Tax Director



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

Date Application Received by District

First Name

Last Name

Title

School District Name

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Mobile Number (optional)

Email Address

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

☐ Yes

☐ No

SECTION 1: School District Information *(continued)*

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

First Name	Last Name
Title	
Firm Name	
Phone Number	Fax Number
Mobile Number <i>(optional)</i>	Email Address

4. On what date did the district determine this application complete?
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)*

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

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

SECTION 2: Applicant Information (continued)**4. Authorized Company Consultant (If Applicable)**

First Name

Last Name

Title

Firm Name

Phone Number

Fax Number

Business Email Address

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? _____
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) _____
3. List the NAICS code _____
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*) _____
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	☐ 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.

SECTION 9: Projected Timeline

1. Application approval by school board
 2. Commencement of construction
 3. Beginning of qualifying time period
 4. First year of limitation
 5. Begin hiring new employees
 6. Commencement of commercial operations
 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?

SECTION 10: The Property

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

SECTION 12: Qualified Property

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

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

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

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

SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)?
 2. What is the last complete calendar quarter before application review start date:
☐ First Quarter ☐ Second Quarter ☐ Third Quarter ☐ Fourth Quarter of _____ (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)?
- 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?
 5. What is the number of new non-qualifying jobs you are estimating you will create?
 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
 - b. 110% of the average weekly wage for manufacturing jobs in the county is
 - c. 110% of the average weekly wage for manufacturing jobs in the region is
 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?
 10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property?
 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 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>

Exhibit 1

Attachment 4a.

School District & Application Number	Applying Entity	Application Date	First Full Tax Year
Barbers Hill ISD No. 166	Enterprise Products Operating LLC	9/1/2009	2010
Barbers Hill ISD No. 178	Enterprise Products Operating LLC	8/30/2010	2011
Barbers Hill ISD No. 192	Enterprise Products Operating, LLC	7/20/2010	2012
Barbers Hill ISD No. 253	Enterprise Products Operating, LLC	11/20/2012	2014
Barbers Hill ISD No. 254	Enterprise Products Operating, LLC	11/20/2012	2014
Barbers Hill ISD No. 278	Enterprise Products Operating, LLC	3/28/2013	2014
Barbers Hill ISD No. 349	Enterprise Products Operating, LLC	9/23/2013	2015
Barbers Hill ISD No. 363	Enterprise Products Operating, LLC	11/18/2013	2015
Barbers Hill ISD No. 364	Enterprise Products Operating, LLC	11/18/2013	2015
Yoakum ISD No. 187	Enterprise Hydrocarbons, L.P.	4/11/2011	2012
Pecos-Barstow-Toyah ISD No. 1122	Delaware Basin Gas Processing, LLC	1/5/2016	2017
Pecos-Barstow-Toyah ISD No. 1141	Enterprise Products Operating, LLC	6/27/2016	2019

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)**

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
Membership under Texas Tax Code
171.0001(7)**

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

Tab # 4

Detailed Description of the project

Proposed Project Description

The proposed project is the construction of a new Isobutane Dehydrogenation Unit capable of processing 30,500 SBPD of inlet feed. The plant will include inlet treating and an isobutane dehydrogenation unit with a depropanizer to produce a saleable isobutylene stream.

The process consists of dehydrogenation of isobutane to isobutylene using continuous catalyst regeneration. Isobutane feed is treated to remove basic nitrogen and metals, dried then mixed with recycled Isobutane stream to remove normal butane and heavier components. The mixed feed is sent into a separation system, heated then processed in three reactors. The hot reactor effluent is cooled, compressed and then sent through a chloride treater for residual HCl removal, followed by a reactor effluent drier to remove H₂S and H₂O before entering the separation section, where the effluent stream is separated into hydrogen rich streams and a C₄ rich liquid product. The C₄ rich liquid product contains mainly isobutylene and isobutane which is sent to a depropanizer where the light ends are removed and the depropanizer bottoms is then sent to cavern storage/distribution.

Summary of plant feed stock and finished products

1. Feedstock Source: Isobutane
2. Final Products Produced:
 - a. Isobutylene/Isobutane Mix
 - b. Propane/Propylene mix

The proposed project will consist of the following components:

- Inlet Separation and Filtration
- Dehydrogenation reactors
- Catalyst regeneration
- Chloride treaters and driers for removal of residual HCl, H₂S and water
- Depropanizer for removal of light ends
- Heat Medium Systems
- Wash oil recovery system
- Vent gas treating system
- Flare System
- Water supply, drain systems, waste water
- Utilities (fuel, air, R.O. water)

Tab # 5

Limitation is a Determining Factor

- 1. Does the applicant currently own the land on which the proposed project will occur?**

Applicant owns the land upon which the proposed project identified in Tab 7 will be constructed. That land is described in Tab 9, Item 1.

- 2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project?**

The Applicant has entered into a purchase and sale agreement and ancillary agreements with a customer which, *inter alia*, to the extent possible, assure the long-term supply of and demand for various products containing isobutylene. These products would be produced from Applicant's existing plants as well as the proposed project. These agreements are a common and necessary precursor to the Applicant's commitment of its capital investment in a proposed project of this magnitude. Moreover, in the ordinary course of business, the Applicant routinely pursues supply sources of and demand for product which are adequate to justify the investment the Applicant is making in the proposed project.

- 3. Does the applicant have current business activities at the location where the proposed project will occur?**

As described in Tab 10 to this Application, the site of the proposed project is currently being used as a construction staging area for an unrelated project under construction by the Applicant. The construction items in the staging area are not improvements to the site of the proposed project. The construction items in the staging area will be totally removed from the site of the proposed project prior to commencement of the construction of the proposed project.

- 4. Has the applicant made public statements in SEC filings or other documents regarding its intentions regarding the proposed project location?**

Over the past two years, Applicant has made public statements investor conferences and analyst calls regarding the potential development of additional facilities to convert isobutane into other products and the potential to develop a isobutane dehydrogenation plant. Such statements have only concerned the potential development of such a plant, and have not been site specific.

5. Has the applicant received any local or state permits for activities on the proposed project site?

N/A

6. Has the applicant received commitments for state or local incentives for activities at the proposed project site?

N/A

7. Is the applicant evaluating other locations not in Texas for the proposed project?

N/A

8. Has the applicant provided capital investment or return on investment information for the proposed project in comparison with alternative investment opportunities?

See Item 10 to Tab 5, as referenced below in the answer to question 10.

9. Has the applicant provided information related to the applicant's inputs, transportation and market for the proposed project?

N/A

10. Are you submitting information to assist in the determinations 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?

See the attached Item 10 to Tab 5.

Key Determining factors:

- The Applicant has submitted in Item 10 to Tab 5 a discounted cash flow model (DCF) computing the proposed project's rate of return with the Chapter 313 appraised value limitation agreement and without the value limitation agreement. The DCF model shows that the rate of return with the valuation limitation agreement exceeds the minimum rate of return required by the Applicant to proceed with the proposed investment.

- An appraised value limitation agreement under Chapter 313 results in significant annual operating cost savings which would incentivize the Applicant to invest capital in the proposed project rather than making an alternative investment.
- The property tax burden for the Applicant's proposed project is significant. The property tax burden has a direct impact on the proposed project's economic viability and the decision to invest in Texas.
- The ability to enter into a Chapter 313 appraised value limitation agreement with the school district is a determining factor to invest in this project.
- Capital investments by the Applicant are based on expected economic return on investment. Property tax liabilities can make up a substantial ongoing cost of operation that directly impacts the rate of return on the investment in the proposed project. Without the tax incentive the economics of this project will be less competitive with other capital intensive projects and the viability of the proposed project becomes uncertain.
- Tax incentives play an important role in attracting capital intensive manufacturing facilities due to the high property tax burden in Texas.
- The Applicant is evaluating various manufacturing projects for development and where to commit substantial long term investment based on economic rate of return on investment in the proposed projects. The economic benefits provided by a Chapter 313 appraised value limitation agreement is an important component in this analysis.

Item 10 to Tab 5

AT THE REQUEST OF THE APPLICANT SUPPORTING DOCUMENTS ARE CONSIDERED PROPRIETY AND CONFIDENTIAL DUE TO THE NATURE OF THE FINANCIAL INFORMATION ANALYSIS SUBMITTED. Applicant has submitted Propriety and Confidential Discounted Cash Flow Models comparing the rate of return on investment in the proposed project with and without a Chapter 313 Appraised Value Limitation Agreement. These models are confidential.

Tab # 6

**Description of how project is located in
more than one district...**

Not applicable to this proposed project

Tab # 7

Description of Qualified Investment

The proposed project is the construction of a new Isobutane Dehydrogenation Unit capable of processing 30,500 SBPD of inlet feed. The plant will include inlet treating and an isobutane dehydrogenation unit with a depropanizer to produce a saleable isobutylene stream.

The process consists of dehydrogenation of isobutane to isobutylene using continuous catalyst regeneration. Isobutane feed is treated to remove basic nitrogen and metals, dried then mixed with recycled isobutane stream to remove normal butane and heavier components. The mixed feed is sent into a separation system, heated then processed in three reactors. The hot reactor effluent is cooled, compressed and then sent through a chloride treater for residual HCl removal, followed by a reactor effluent drier to remove H₂S and H₂O before entering the separation section, where the effluent stream is separated into hydrogen rich streams and a C₄ rich liquid product. The C₄ rich liquid product contains mainly isobutylene and isobutane which is sent to a depropanizer where the light ends are removed and the depropanizer bottoms are then sent to cavern storage/distribution.

The proposed project will consist of the following components:

- Inlet Separation and Filtration
- Dehydrogenation reactors
- Catalyst regeneration
- Chloride treaters and driers for removal of residual HCl, H₂S and water
- Depropanizer for removal of light ends
- Heat Medium Systems
- Wash oil recovery system
- Vent gas treating system
- Flare System
- Water supply, drain systems, waste water
- Utilities (fuel, air, R.O. water)

Tab # 8

Description of Qualified Property

The proposed project is the construction of a new Isobutane Dehydrogenation Unit capable of processing 30,500 SBPD of inlet feed. The plant will include inlet treating and an isobutane dehydrogenation unit with a depropanizer to produce a saleable isobutylene stream.

The process consists of dehydrogenation of isobutane to isobutylene using continuous catalyst regeneration. isobutane feed is treated to remove basic nitrogen and metals, dried then mixed with recycled isobutane stream to remove normal butane and heavier components. The mixed feed is sent into a separation system, heated then processed in three reactors. The hot reactor effluent is cooled, compressed and then sent through a chloride treater for residual HCl removal, followed by a reactor effluent drier to remove H₂S and H₂O before entering the separation section, where the effluent stream is separated into hydrogen rich streams and a C₄ rich liquid product. The C₄ rich liquid product contains mainly isobutylene and isobutane which is sent to a depropanizer where the light ends are removed and the depropanizer bottoms are then sent to cavern storage/distribution.

The proposed project will consist of the following components:

- Inlet Separation and Filtration
- Dehydrogenation reactors
- Catalyst regeneration
- Chloride treaters and driers for removal of residual HCl, H₂S and water
- Depropanizer for removal of light ends
- Heat Medium Systems
- Wash oil recovery system
- Vent gas treating system
- Flare System
- Water supply, drain systems, waste water
- Utilities (fuel, air, R.O. water)

Tab # 9

Description of Land

The Land upon which the new buildings or new improvements will be built WILL NOT be a part of the qualified property described by §313.021(2)(A).

431.0 ACRES

FIELD NOTES of a 431.0 acre tract of land situated in the Hannah Nash League, Abstract No.

20, Chambers County, Texas, being out of and a part of the residue of 2214 acres conveyed to Albert N. Nelson, Jr., by Albert N. Nelson, et ux, by deed dated December 31, 1959, and recorded in Volume 218 at Page 248 of the Deed Records of Chambers County, Texas, and a

13.354 acre tract of land conveyed to Albert N. Nelson, Jr., et al, by Chambers County, Texas, by deed dated September 1, 1995, and recorded in Volume 276 at Page 338 of the Official Public Records of Chambers County, Texas. This 431.0 acre tract of land is more particularly described by metes and bounds as follows, to-wit:

NOTE: Bearings indicated hereon are based on field ties to monumentation indicated in a survey map dated December 14, 2010, certified on December 15, 2010, prepared by Michael Chandler and titled, "SURVEY OF TWO TRACTS OF LAND SITUATED IN THE HANNAH NASH SURVEY A-20 CHAMBERS COUNTY, TEXAS".

BEGINNING (P.O.B.-TRACT 1) at a capped iron rod found for the Southeast comer of this tract of land, a Southeast comer of said residue of 2214 acres, the Southwest comer of a 6.854 acre tract of land called Tract 1 conveyed to Missouri Pacific Railroad Company by Albert N. Nelson, Jr., et al, by deed dated August 31, 1995, and recorded in Volume 279 at Page 567 of the Official Public Records of Chambers County, Texas, the Northwest comer of a 1.576 acre easement conveyed to Missouri Pacific Railroad Company by Patti K. Kroll by deed dated August 3, 1995, and recorded in Volume 277 at Page 184 of the Official Public Records of Chambers County, Texas, and in the North line of 117.91 acres conveyed to Patti K. Kroll by Irene Ulrich Massey by deed dated July 3, 1990, and recorded in Volume 184 at Page 85 of the Official Public Records of Chambers County, Texas.

THENCE South 77°53'02" West with the South line of this tract of land, the South line of said residue of 2214 acres, and the North line of said 117.91 acres a distance of 3895.55 feet to a 1/2 inch iron rod found for the Southwest comer of this tract of land, a Southwest comer of said residue of 2214 acres, and the Southeast comer of a 32.35 acre tract of land called Tract 1 awarded to Coastal Industrial Water Authority by instrument dated February 23, 1973, and recorded in Volume 359 at Page 119 of the Deed Records of Chambers County, Texas. From this comer a 5/8 inch iron rod found for the Northwest comer of said 117.91 acres, and the

Northeast corner of 110.79 acres called Parcel "A" conveyed to Coastal Industrial Water Authority by Lillian U. Keyser, et al, by deed dated January 30, 1970, and recorded in Volume

312 at Page 473 of the Deed Records of Chambers County, Texas, bears South 77°53'02" West a distance of 43.87 feet

THENCE North 12°08'29" West with a West line of this tract of land, a West line of said residue of 2214 acres, and an East line of said 32.35 acres, at a distance of 1.57 feet found a 5/8 inch iron rod, in all a total distance of 69.21 feet to a 1/2 inch iron rod found for an interior corner of this tract of land, an interior corner of said residue of 2214 acres, and a Northeast corner of said

32.35 acres.

THENCE South 77°51'31" West with a South line of this tract of land, a South line of said residue of 2214 acres, and a North line of said 32.35 acres a distance of 40.53 feet to a 1/2 inch iron rod found for a Southwest corner of this tract of land, a Southwest corner of said residue of

2214 acres, and an interior corner of said 32.35 acres.

THENCE in a Northerly direction with a West line of this tract of land, a West line of said residue of 2214 acres, an East line of said 32.35 acres, and a curve to the right, having a central angle of 33°56'10", a radius of 735.00 feet, an arc length of 435.34 feet, and a chord bearing and distance of North 04°45'25" East 429.00 feet to a 1/2 inch iron rod found for the point of tangency of this tract of land.

THENCE North 21°20'31" East with a West line of this tract of land, a West line of said residue of 2214 acres, and an East line of said 32.35 acres a distance of 4813.02 feet to a 1/2 inch iron rod found for an angle corner of this tract of land, an angle corner of said residue of 2214 acres, the Northeast corner of said 32.35 acres, and the Southeast corner of a 6.05 acre tract of land conveyed to Coastal Industrial Water Authority by Vera Honsinger, et al, by deed dated June 4,

1971, and recorded in Volume 328 at Page 697 of the Deed Records of Chambers County, Texas.

THENCE North 21°27'31" East with a West line of this tract of land, a West line of said residue of 2214 acres, and an East line of said 6.05 acres a distance of 72.87 feet to a 2 inch iron pipe found for the Northwest corner of this tract of land, the Northwest corner of said residue of 2214 acres, the Southwest corner of a 5.999 acre tract of land conveyed to Shawn Pool by Robert W. Jay, et ux, by deed dated July 13, 2009, and recorded in Volume 1128 at Page 228 of the Official Public Records of Chambers County, Texas, in the North line of said Nash League, and in the South line of the W. B. Bass Survey, Abstract No. 596, Chambers County, Texas.

THENCE North 78°21'04" East with a North line of this tract of land, a North line of said residue of 2214 acres, the North line of said Nash League, the South line of said Bass Survey, and the South line of said 5.999 acres a distance of 823.17 feet to a 2 inch iron pipe found for a Northeast corner of this

tract of land, a Northeast corner of said residue of 2214 acres, and in the occupied West right of way line of Old Hatcherville Road.

2011	BK	VOL
62639	OR	1244

THENCE South 31°56'22" East with an East line of this tract of land, an East line of said residue of 2214 acres, and the occupied West right of way line of Old Hatcherville Road a distance of 42.62 feet to a 1 inch iron pipe found for an interior corner of this tract of land, an interior corner of said residue of 2214 acres, and an angle corner of Old Hatcherville Road.

THENCE North 77°52'50" East with a North line of this tract of land, a North line of said residue of 2214 acres, the South right of way line of Old Hatcherville Road, and the South right of way line of New Hatcherville Road a distance of 2676.93 feet to a 5/8 inch iron rod found bent for the Northeast corner of this tract of land, the Northeast corner of said residue of 2214 acres, and an angle corner of said Hatcherville Road.

THENCE South 13°31'09" East with an East line of this tract of land, an East line of said residue of 2214 acres, and the West right of way line of Hatcherville Road a distance of 1753.00 feet to a 1/2 inch iron rod found for a Southeast corner of this tract of land, a Southeast corner of said residue of 2214 acres, and the North or Northeast corner of a 1.262 acre tract of land called Tract

3 conveyed to Missouri Pacific Railroad Company by Albert N. Nelson, Jr., et al, by deed dated August 31, 1995, and recorded in Volume 279 at Page 567 of the Official Public Records of Chambers County, Texas. From this corner a 1/2 inch iron rod found bent in the West right of way line of Hatcherville Road bears South 13°31'09" East a distance of 826.43 feet.

THENCE South 39°04'00" West with an East line of this tract of land, an East line of said residue of 2214 acres, the West line of said 1.262 acres, the West line of 0.3214 of an acre tract of land called Tract 2, and a 6.854 acre tract of land called Tract 1 conveyed to Missouri Pacific Railroad Company in said deed recorded in Volume 279 at Page 567 of the Official Public Records of Chambers County, Texas, a distance of 1931.82 feet to a 1/2 inch iron rod found for the point of curvature of this tract of land.

THENCE in a Southerly direction with an East line of this tract of land, an East line of said residue of 2214 acres, the West line of said 6.854 acres, an a curve to the left, having a central angle of 26°38'41", a radius of 1960.10 feet, an arc length of 911.52 feet, and a chord bearing and distance of South 25°44'39" West 903.33 feet to a 1/2 inch iron rod found for the point of tangency of this tract of land.

THENCE South 12°25'19" West with an East line of this tract of land, an East line of said residue of 2214 acres, and the West line of said 6.854 acres a distance of 915.31 feet to the **PLACE OF BEGINNING**, containing within said boundaries 431.0 acres of land, more or less.

Tab # 10

Description of all property not eligible to become qualified property

The site selected for the proposed project is currently being used as a construction staging area for Applicant's PDH project which is immediately adjacent to the planned site of the proposed project. The items which are currently stored here for staging include contractor's construction trailers, instrumentation and electrical equipment ("I&E"), scaffolding, insulation and other construction material for the PDH project. These items are wholly unrelated to the proposed project. Applicant will clear all the items temporarily stored in the staging area from the site before construction on the proposed project commences. The cost associated with the items temporarily stored here will not be part of the value limitation agreement. Please note Applicant's PDH application (application # 278) was approved in September 2013 and is a totally separate facility and unrelated to the proposed project.

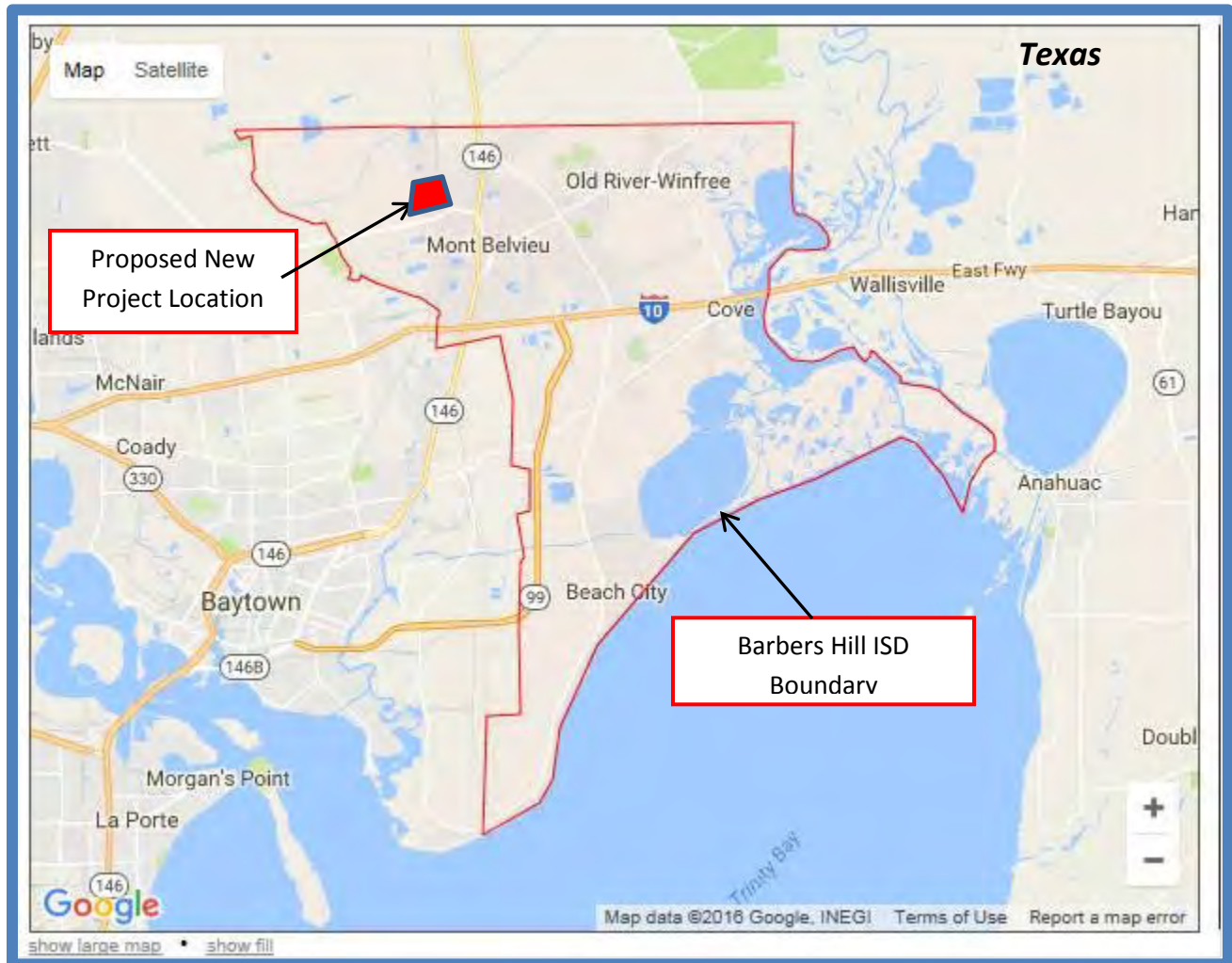


Tab # 11

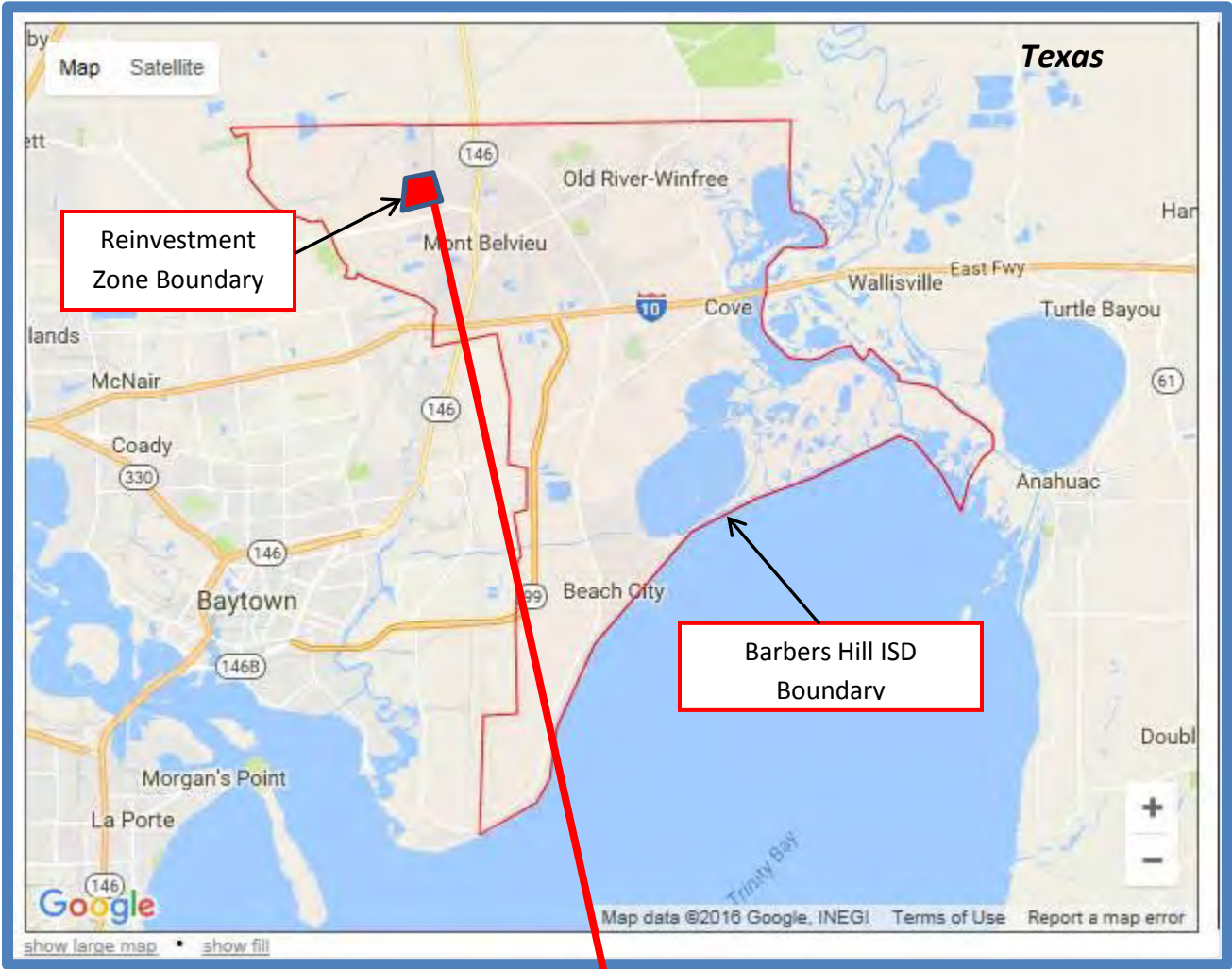
Maps that clearly show:

- a) **Project Vicinity** – See following map labeled “Project Vicinity Map”
- b) **Qualified Investment** – See following map labeled “Qualified Investment / Qualified Property Map”
- c) **Qualified Property** – See following map labeled “Qualified Investment / Qualified Property Map”
- d) **Existing Property** – See Tab #10.
- e) **Land location and vicinity map** – See following map labeled “Project Vicinity Map”
- f) **Reinvestment Zone within vicinity map, showing the actual or proposed boundaries and size** – See following map labeled “Proposed Reinvestment Zone Map”

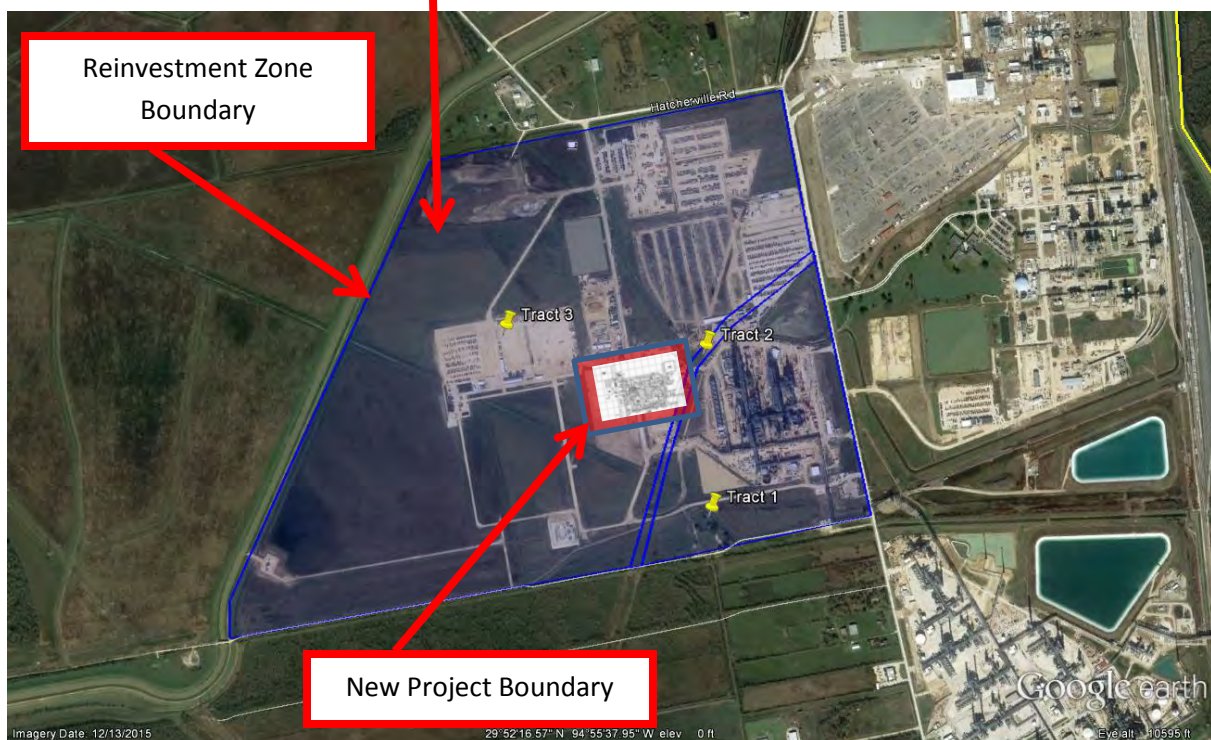
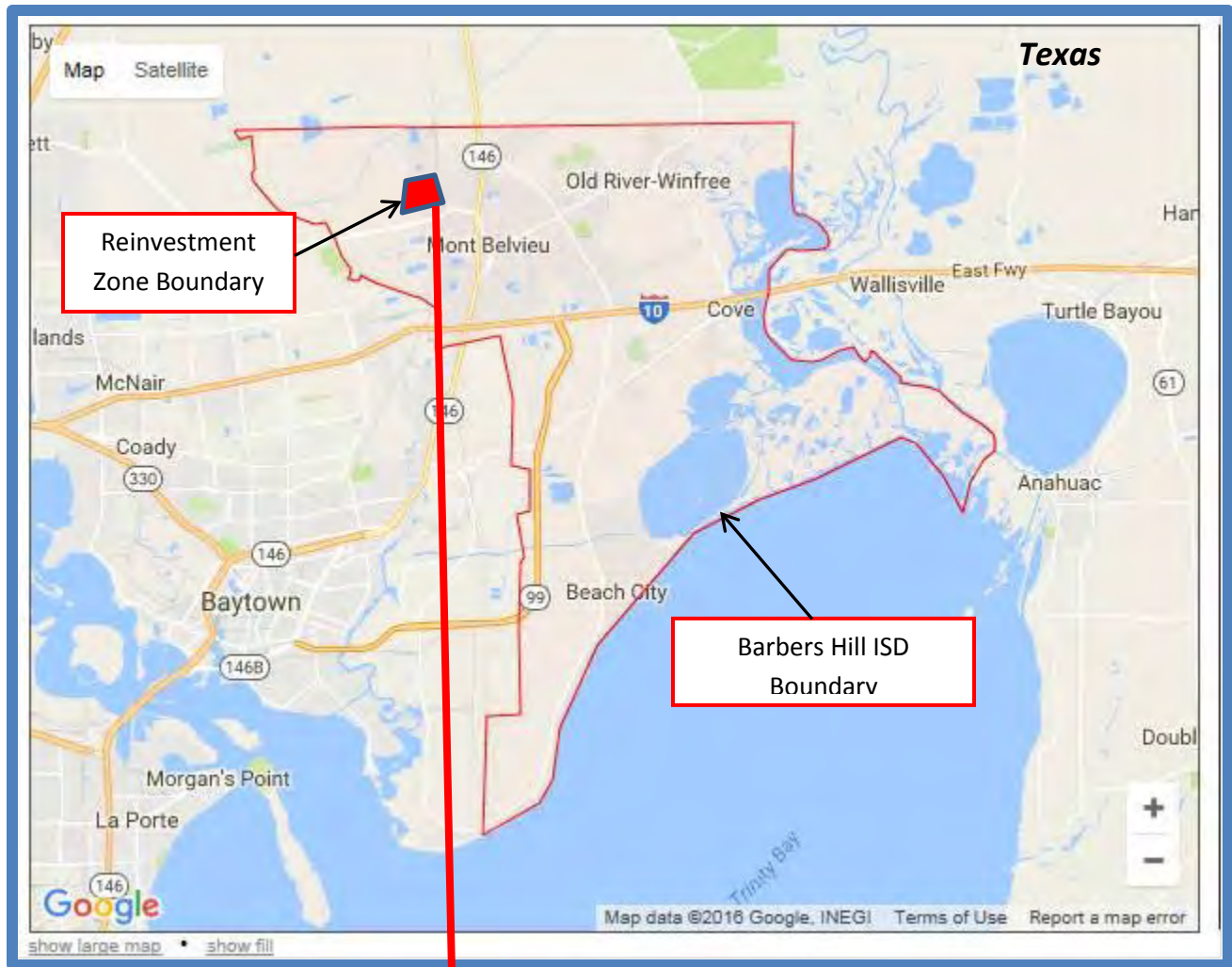
Project Vicinity Map



Reinvestment Zone Map



Qualified Investment / Qualified Property Map



Tab # 12

Request for Waiver of Job Creation Requirement and supporting information

Not Applicable – No request will be made for a waiver of Job Creation

Tab # 13

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

Calculations of Wages for Chambers County

Based on Most Recent Data Available

Average Weekly Wage for all jobs (all Industries) in the County		
Year	Period	Wages
2016	2nd Qtr	\$1,255
2016	1st Qtr	\$1,167
2015	4th Qtr	\$1,277
2015	3rd Qtr	\$1,052
Average		\$1,188

110% of Average Weekly Wage for Manufacturing jobs in the County		
Year	Period	Wages
2016	2nd Qtr	\$2,479
2016	1st Qtr	\$1,843
2015	4th Qtr	\$2,023
2015	3rd Qtr	\$1,471
Average Weekly Wage		\$1,954
110% of Average Weekly Wage		\$2,149

110% of Average Weekly Wage for Manufacturing jobs in the Region	
Houston-Galveston Area Council	
Rate per Hour	\$26.44
Hours Per Week	40
Average Weekly Wage	\$1,057.60
110% of Average Weekly Wage	\$1,163.36

Minimum Required Annual(52 weeks) Wage	\$60,494.72
--	--------------------

2015 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations

COG	Wages	
	Hourly	Annual
Texas	\$24.41	\$50,778
1. Panhandle Regional Planning Commission	\$20.64	\$42,941
2. South Plains Association of Governments	\$17.50	\$36,408
3. NORTEX Regional Planning Commission	\$23.28	\$48,413
4. North Central Texas Council of Governments	\$25.03	\$52,068
5. Ark-Tex Council of Governments	\$18.46	\$38,398
6. East Texas Council of Governments	\$19.84	\$41,270
7. West Central Texas Council of Governments	\$19.84	\$41,257
8. Rio Grande Council of Governments	\$18.32	\$38,109
9. Permian Basin Regional Planning Commission	\$25.18	\$52,382
10. Concho Valley Council of Governments	\$18.80	\$39,106
11. Heart of Texas Council of Governments	\$21.41	\$44,526
12. Capital Area Council of Governments	\$29.98	\$62,363
13. Brazos Valley Council of Governments	\$18.78	\$39,057
14. Deep East Texas Council of Governments	\$17.30	\$35,993
15. South East Texas Regional Planning Commission	\$30.41	\$63,247
16. Houston-Galveston Area Council	\$26.44	\$54,985
17. Golden Crescent Regional Planning Commission	\$23.73	\$49,361
18. Alamo Area Council of Governments	\$19.96	\$41,516
19. South Texas Development Council	\$15.87	\$33,016
20. Coastal Bend Council of Governments	\$25.97	\$54,008
21. Lower Rio Grande Valley Development Council	\$16.17	\$33,634
22. Texoma Council of Governments	\$19.04	\$39,595
23. Central Texas Council of Governments	\$18.04	\$37,533
24. Middle Rio Grande Development Council	\$22.24	\$46,263

Source: Texas Occupational Employment and Wages

Data published: July 2016

Data published annually, next update will be July 31, 2017

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)

FOR ALL INDUSTRIES JOBS CHAMBERS COUNTY

▲ Year ▼	▲ Period ▼	▲ Area ▼	▲ Ownership ▼	▲ Division ▼	▲ Level ▼	▲ Ind Code ▼	▲ Industry ▼	▲ Avg Weekly Wages ▼
2016	2nd Qtr	Chambers County	Private	00	0	10	Total, All Industries	\$1,255
2016	1st Qtr	Chambers County	Private	00	0	10	Total, All Industries	\$1,167
2015	4th Qtr	Chambers County	Private	00	0	10	Total, All Industries	\$1,277
2015	3rd Qtr	Chambers County	Private	00	0	10	Total, All Industries	\$1,052

Quarterly Employment and Wages (QCEW)

FOR MANUFACTURING JOBS IN CHAMBERS COUNTY

▲ Year ▼	▲ Period ▼	▲ Area ▼	▲ Ownership ▼	▲ Division ▼	▲ Level ▼	▲ Ind Code ▼	▲ Industry ▼	▲ Avg Weekly Wages ▼
2016	2nd Qtr	Chambers County	Private	31	2	31-33	Manufacturing	\$2,479
2016	1st Qtr	Chambers County	Private	31	2	31-33	Manufacturing	\$1,843
2015	4th Qtr	Chambers County	Private	31	2	31-33	Manufacturing	\$2,023
2015	3rd Qtr	Chambers County	Private	31	2	31-33	Manufacturing	\$1,471

Tab # 14

**Schedule A1, A2, B, C and D completed
and signed economic impact**

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	Total Investment (Sum of Columns A+B+C+D)
Investment made before filing complete application with district	--	Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)	2016	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				0	0	0		0
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period			2017	28,200,000	0	0		28,200,000
Complete tax years of qualifying time period	QTP1	2018-2019	2018	611,000,000	0	0		611,000,000
	QTP2	2019-2020	2019	206,800,000	0	0		206,800,000
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				846,000,000	-	-		846,000,000
				Enter amounts from TOTAL row above in Schedule A2				
				Total Qualified Investment (sum of green cells)	846,000,000			

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

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

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

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

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

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

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

Date	11/10/2016			Schedule A2: Total Investment for Economic Impact (including Qualified Property and other investments)				
Applicant Name	Enterprise Products Operating, LLC			Form 50-296A				
ISD Name	Barbers Hill independent School District			Revised May 2014				
PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other investment made during this year that will <u>not</u> 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*	--	TOTALS FROM SCHEDULE A1		Enter amounts from TOTAL row in Schedule A1 in the row below				
				846,000,000	-	-	-	846,000,000
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	STUB1	2016-2017	2016	0	-	-	-	-
	STUB2	2017-2018	2017	28,200,000	-	-	-	28,200,000
	QTP1	2018-2019	2018	611,000,000	-	-	-	611,000,000
	QTP2	2019-2020	2019	206,800,000	-	-	-	206,800,000
Value limitation period***	1	2020-2021	2020	75,200,000	-	-	-	75,200,000
	2	2021-2022	2021	-	-	-	-	-
	3	2022-2023	2022	-	-	-	-	-
	4	2023-2024	2023	-	-	-	-	-
	5	2024-2025	2024	-	-	-	-	-
	6	2025-2026	2025	-	-	-	-	-
	7	2026-2027	2026	-	-	-	-	-
	8	2027-2028	2027	-	-	-	-	-
	9	2028-2029	2028	-	-	-	-	-
	10	2029-2030	2029	-	-	-	-	-
Total Investment made through limitation				921,200,000	-	-	-	921,200,000
Continue to maintain viable presence	11	2030-2031	2030			-		-
	12	2031-2032	2031			-		-
	13	2032-2033	2032			-		-
	14	2033-2034	2033			-		-
	15	2034-2035	2034			-		-
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2035-2036	2035			-		-
	17	2036-2037	2036			-		-
	18	2037-2038	2037			-		-
	19	2038-2039	2038			-		-
	20	2039-2040	2039			-		-
	21	2040-2041	2040			-		-
	22	2041-2042	2041			-		-
	23	2042-2043	2042			-		-
	24	2043-2044	2042			-		-
	25	2044-2045	2043			-		-

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

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

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

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

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

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

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

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

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

Date

11/10/2016

Applicant Name

Enterprise Products Operating, LLC

Form 50-296A

ISD Name

Barbers Hill independent School District

Revised May 2014

				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 I&S after all reductions	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>	STUB1	2016-2017	2016	0	0	0	0	0	0
	STUB2	2017-2018	2017	0	0	14,100,000	14,100,000	14,100,000	14,100,000
	QTP1	2018-2019	2018	0	0	108,100,000	108,100,000	108,100,000	108,100,000
	QTP2	2019-2020	2019	0	0	319,600,000	319,600,000	319,600,000	319,600,000
Value Limitation Period	1	2020-2021	2020	0	0	423,000,000	423,000,000	423,000,000	80,000,000
	2	2021-2022	2021	0	0	921,200,000	921,200,000	921,200,000	80,000,000
	3	2022-2023	2022	0	0	902,400,000	902,400,000	902,400,000	80,000,000
	4	2023-2024	2023	0	0	883,600,000	883,600,000	883,600,000	80,000,000
	5	2024-2025	2024	0	0	864,800,000	864,800,000	864,800,000	80,000,000
	6	2025-2026	2025	0	0	846,000,000	846,000,000	846,000,000	80,000,000
	7	2026-2027	2026	0	0	827,200,000	827,200,000	827,200,000	80,000,000
	8	2027-2028	2027	0	0	808,400,000	808,400,000	808,400,000	80,000,000
	9	2028-2029	2028	0	0	792,232,000	792,232,000	792,232,000	80,000,000
	10	2029-2030	2029	0	0	776,387,360	776,387,360	776,387,360	80,000,000
Continue to maintain viable presence	11	2030-2031	2030	0	0	760,859,613	760,859,613	760,859,613	760,859,613
	12	2031-2032	2031	0	0	745,642,421	745,642,421	745,642,421	745,642,421
	13	2032-2033	2032	0	0	730,729,572	730,729,572	730,729,572	730,729,572
	14	2033-2034	2033	0	0	716,114,981	716,114,981	716,114,981	716,114,981
	15	2034-2035	2034	0	0	701,792,681	701,792,681	701,792,681	701,792,681
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2035-2036	2035	0	0	687,756,827	687,756,827	687,756,827	687,756,827
	17	2036-2037	2036	0	0	674,001,691	674,001,691	674,001,691	674,001,691
	18	2037-2038	2037	0	0	660,521,657	660,521,657	660,521,657	660,521,657
	19	2038-2039	2038	0	0	647,311,224	647,311,224	647,311,224	647,311,224
	20	2039-2040	2039	0	0	634,364,999	634,364,999	634,364,999	634,364,999
	21	2040-2041	2040	0	0	621,677,699	621,677,699	621,677,699	621,677,699
	22	2041-2042	2041	0	0	609,244,145	609,244,145	609,244,145	609,244,145
	23	2042-2043	2042	0	0	597,059,263	597,059,263	597,059,263	597,059,263
	24	2043-2044	2042	0	0	585,118,077	585,118,077	585,118,077	585,118,077
	25	2044-2045	2043	0	0	573,415,716	573,415,716	573,415,716	573,415,716

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

Only include market value for eligible property on this schedule.

Schedule C: Employment Information

Date 11/10/2016
 Applicant Name Enterprise Products Operating, LLC
 ISD Name Barbers Hill independent School District

Form 50-296A

Revised May 2014

				Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Number of Construction FTE's 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
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	STUB 1	2016-2017	2016	0	-	0	0	-
	STUB 2	2017-2018	2017	450 FTE	65,000	0	0	-
	QTP1	2018-2019	2018	1000 FTE	65,000	0	0	-
	QTP2	2019-2020	2019	1000FTE	65,000	0	10	65,000
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2020-2021	2020			0	10	65,000
	2	2021-2022	2021			0	10	65,000
	3	2022-2023	2022			0	10	65,000
	4	2023-2024	2023				10	65,000
	5	2024-2025	2024				10	65,000
	6	2025-2026	2025				10	65,000
	7	2026-2027	2026				10	65,000
	8	2027-2028	2027				10	65,000
	9	2028-2029	2028				10	65,000
	10	2029-2030	2029				10	65,000
Years Following Value Limitation Period	11 through 25	2030-2036	2030-2036				10	65,000

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

- C1. Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25 qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts) ☐ Yes ☒ No
 If yes, answer the following two questions:
- C1a. Will the applicant request a job waiver, as provided under 313.025(f-1)? ☐ Yes ☒ No
- C1b. Will the applicant avail itself of the provision in 313.021(3)(F)? ☐ Yes ☒ No

Schedule D: Other Incentives (Estimated)

Date 11/10/2016
Applicant Name Enterprise Products Operating, LLC
ISD Name Barbers Hill independent School District

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: Chambers County	2018	10 Years	3,755,038	75%	938,760
	City:					
	Other:					
Local Government Code Chapters 380/381	County:					
	City:					
	Other:					
Freeport Exemptions						
Non-Annexation Agreements	City: City of Baytown ETJ	2018	7 Years	5,193,703	65%	1,817,796
Enterprise Zone/Project						
Economic Development Corporation						
Texas Enterprise Fund						
Employee Recruitment						
Skills Development Fund						
Training Facility Space and Equipment						
Infrastructure Incentives						
Permitting Assistance						
Other:						
Other:						
Other:						
Other:						
TOTAL				\$ 8,948,741		\$ 2,756,556

Additional information on incentives for this project:

Tab # 15

**Economic Impact Analysis, other
payments made in the state of other
economic information**

Not Applicable

Tab # 16

Description of Reinvestment Zone

**ORDER DESIGNATION/CREATING
ENTERPRISE PRODUCTS OPERATING, LLC 2013
REINVESTMENT ZONE**

Guidelines and Criteria for creating Reinvestment Zone are attached.

ORDER DESIGNATION/CREATING
ENTERPRISE PRODUCTS OPERATING, LLC 2013
REINVESTMENT ZONE

On FEBRUARY 26, 2013, at a regular, public meeting of the Commissioner's Court of CHAMBERS COUNTY, TEXAS ("the Court"), the Court conducted a hearing on the application of ENTERPRISE PRODUCTS OPERATING, LLC for the creation of the ENTERPRISE PRODUCTS OPERATING, LLC 2013 Reinvestment Zone.

The Court finds and declares that:

1. The Court has adopted tax abatement guidelines and policies which are now in effect, thereby electing to become eligible to participate in tax abatement.
2. The request for designation of the ENTERPRISE PRODUCTS OPERATING, LLC 2013 REINVESTMENT ZONE was timely received.
3. All notices and legal requirements have been given and/or satisfied prior to the consideration by the Court of the creation of the reinvestment zone. Specifically, notice of today's hearing was published in the manner required by law and notice was timely given to the presiding officer of other taxing units of government as required by law.
4. The designation of the reinvestment zone will contribute to the retention or expansion of primary employment and will attract major investment in the zone that will be a benefit to the property to be included in the zone and will contribute to the economic development of the COUNTY and surrounding area.
5. The improvements sought to be made are feasible and practical and will be a benefit to the land to be included in the reinvestment zone.
6. The area requested to be designated as a reinvestment zone meets the criteria for designation as such in one of more ways as specifically provided by law.

Therefore, upon motion made by Commissioner Nelson
seconded by Commissioner Senac and unanimously passed, be it
RESOLVED and ORDERED by the Court that the 527.514-acre tract of land,
more or less, described in the attached Exhibit "FIELD NOTES " is hereby
designated as the ENTERPRISE PRODUCTS OPERATING, LLC 2013
REINVESTMENT ZONE and is eligible for manufacturing / industrial tax
abatement.

PASSED and ADOPTED February 26, 2013.

CHAMBERS COUNTY, TEXAS

By:

A handwritten signature in blue ink, appearing to read "Jimmy Sylvia", written over a horizontal line.

JUDGE JIMMY SYLVIA,
Chambers County Judge

ATTEST:

A handwritten signature in blue ink, appearing to read "Heather H. Hawthorne", written over a horizontal line.

HEATHER H. HAWTHORNE, County Clerk

FIELD NOTES

EXHIBIT "TRACT # 1"

LEGAL DESCRIPTION

88.077 ACRES

All that certain tract or parcel of land containing 88.077 acres of land, more or less, being a part of and out of the residue of a called 2214 acre tract conveyed to Albert N. Nelson, Jr., et al by deed dated August 23, 1950 and recorded in Volume 126, Page 225, Deed Records of the Chambers County (C.C.D.R.), situated in the HANNAH NASH SURVEY, Abstract No. 20, Chambers County, Texas; said 88.077 acre tract being the same property conveyed to Gary R. Nelson by deed dated July 10, 2000 and recorded in Volume 00-464, Page 384, Official Public Records of the Chambers County, Texas (O.P.R.C.C.T.). Said 88.077 acre tract, more or less, is more particularly described by metes and bounds as follows:

All Bearings shown hereon are referenced to the North American Datum 83 - Texas South Central Zone.

COMMENCING (P.O.C.) at a 5/8 inch iron rod in concrete found for the original Southeast corner of said 2214 acre tract at an angle point in the old West right-of-way (RIW) line of Hatcherville Road, the Southeast corner of a called 2.0678 acre tract conveyed to Chambers County from Albert Nelson, Jr., et al (for public road purposes) by Deed dated August 31, 1995 and recorded in Volume 276, Page 344 O.P.R.C.C.T. and the Northeast corner of a 60 foot wide strip for ingress and egress as described in Volume 257, Page 206 C.C.D.R.;

THENCE South 77° 33' 14" West along the South property line of said 2214 acre tract and said 2.0678 acre tract, a distance of 19.62 feet to a 1/2 inch iron rod found at an angle point in the existing West RIW line of Hatcherville Road (based on variable width) for the Southwest corner of said 2.0678 acre tract, the Southeast corner of aforesaid 88.077 acre tract, the Southeast corner and the **POINT OF BEGINNING** (P.O.B.) of the herein described tract of land;

THENCE South 77° 33' 14" West continuing along the South property line of said 2214 acre tract and the North R/W line of said 60 foot wide ingress and egress strip, a distance of 1,666.37 feet to a 5/8 inch iron rod in concrete found for the Northwest corner of said 60 foot wide ingress and egress strip and the Northeast corner of the residue of a called 117.91 acre tract conveyed to Patti K. Kroll by Deed dated July 3, 1990 and recorded in Volume 92-184, Page 85 O.P.R.C.C.T.;

THENCE South 77° 58' 52" West along the common line of the Nelson and Kroll Tracts, a distance of 759.10 feet to a capped 112 inch iron rod found for the Southeast corner of a called 6.854 acre tract (described as Tract 1 in deed) conveyed to Missouri Pacific Railroad Company (now known as Union Pacific Railroad Company) by deed dated August 31, 1995 and recorded in Volume 95-279, Page 567 of O.P.R.C.C.T. and the Southwest corner of the herein described tract of land;

THENCE North $12^{\circ} 25' 00''$ East along the Southeasterly property line of said 6.854 acre tract and the Northwesterly property line of said 88.077 acre tract, a distance of 869.85 feet to a $\frac{5}{8}$ inch iron rod set for the point of curvature curve whose circle center bears South $77^{\circ} 35' 00''$ East;

THENCE in a Northeasterly direction along the common line of said 6.854 acre tract and 88.077 acre tract, a distance of 865.00 feet along the arc of a curve to the right having a radius of 1860.08 feet, a central angle of $26^{\circ} 38' 41''$ and a chord which bears North $25^{\circ} 44' 20''$ East, 857.23 feet to a $\frac{5}{8}$ inch iron rod set for the point of tangency;

THENCE North $39^{\circ} 03' 41''$ East continuing along said common line, at 1,204.76 feet passing the Northeast corner of said 6.854 acre tract and the Southeast corner of a called 0.3214 acre tract (described as Tract 2 in deed) conveyed to Missouri Pacific Railroad Company of by the same deed dated August 31, 1995 and being mentioned above, at 1,344.77 feet passing the Northeast corner of said 0.3214 acre tract and the Southeast corner of a called 1.262 acre tract (described as Tract 3 in deed) conveyed to Missouri Pacific Railroad Company of by the same deed dated August 31, 1995 and being mentioned above, in all a total distance of 1,856.06 feet to a $\frac{5}{8}$ inch iron rod set in the existing West R/W line of Hatcherville Road and the West property line of said 2.0678 acre tract for the Northeast corner of said 1.262 acre tract and the North corner of the herein described tract of land;

THENCE South $13^{\circ} 30' 47''$ East along the existing West R/W line of Hatcherville Road and the West property line of said 2.0678 acre tract, a distance of 701.81 feet to a $\frac{1}{2}$ inch iron rod found for an angle point of the herein describer tract of land;

THENCE South $14^{\circ} 21' 12''$ East continuing along said common line, a distance of 1,923.30 feet to the **POINT OF BEGINNING** and containing 88.077 acres of land, more or less.

EXHIBIT "TRACT #2"

LEGAL DESCRIPTION

8.437 ACRES

North 39° 03' 41" East, at a distance of 1,204.05 feet passing the most northerly east corner of said 6.854 acre tract and the west corner of said 0.3214 acre tract, at a distance of 1,344.07 feet passing the north corner of said 0.3214 acre tract and the most northerly west corner of the said 1.262 acre tract, continuing a total distance of 1,932.58 feet to the west R.O.W. line of the aforesaid Hatcherville Road and the most easterly southeast corner of said easterly portion of said 1,654 acre tract, and the most northerly east corner of said 1.262 acre tract and the herein described tract, from which a found 1/2-inch iron rod with cap stamped "M. CHANDLER 5292", bears South 08° 12' East, 0.63 feet;

THENCE, South 13° 30' 47" East, along said west R.O.W. line and the easterly line of said 1.262 acre tract, a distance of 125.92 feet to the north corner of the aforesaid 88.077 acre tract, and the most southerly east corner of said 1.262 acre tract and the herein described tract, from which a found 5/8-inch iron rod with aluminum cap stamped "MPH 6045", bears South 10° 36' West, 0.34 feet;

THENCE, Southwesterly, along the common line of the northerly line of said 88.077 acre tract, and the southeasterly lines of the aforesaid 6.854 acres, 1.262 acres, 0.3214 acre tracts and the herein described tract, the following courses:

South 39° 03' 41" West, departing said west R.O.W. line, at a distance of 511.29 feet passing the most southerly west corner of said 1.262 acre tract and the east corner of said 0.3214 acre tract, at a distance of 651.30 feet passing the south corner of said 0.3214 acre tract and the most southerly east corner of said 6.854 acre tract, continuing a total distance of 1,856.06 feet to a 5/8-inch iron rod with aluminum cap stamped "MPH 6045" found marking the a point of curvature of a tangent curve to the left;

Southwesterly, a distance of 865.00 feet along said curve to the left, having central angle of 26° 38' 41", a radius of 1,860.08 feet, and a chord which bears South 25° 44' 20" West, 857.23 feet to a 5/8-inch iron rod with aluminum cap stamped "MPH 6045" found marking a point of tangency;

THENCE, South 12° 25' 00" West, continuing along said common line, a distance of 869.85 feet to the POINT OF BEGINNING and containing a calculated 8.437 acres (367,508 square feet) of land. This description is based on the Survey and plat made by Motis P. Hebert, Inc., dated January 19, 2013, latest revision dated January 24, 2013. MPH Project Number I1078-02.

Prepared by: Allen Ko

Checked by: Patrick Trewitt, RPLS Morris P. Hebert, Inc.

10101 Southwest Freeway, Suite 620

Houston, Texas 70774 (713) 217-1470

January 24, 2013

MPH, INC Project No. I1078-02

11078-02-8.437 acres-LEGAL DESCRIPTION.doc



METES AND BOUNDS DESCRIPTION OF
8.437 ACRES (367,508 SQUARE FEET) HANNAH
NASH SURVEY, ABSTRACT NUMBER 20
CHAMBERS COUNTY, TEXAS

Being a tract or parcel of land containing 8.437 acres (367,508 square feet) of land situated in the Hannah Nash Survey, Abstract Number 20, Chambers County, Texas; being all of a called 6.854 acre tract, all of a called 1.262 acre tract, and all of a called 0.3214 acre tract described as "Tracts 1, 2 and 3" conveyed to Missouri Pacific Railroad Company (now known as Union Pacific Railroad Company) as described in deed recorded in Volume 95-279, Page 567 of the Official Public Record of Chambers County, Texas (O.P.R.C.C.T.). (Bearings herein are oriented to the Texas State Plane Coordinate System, South Central Zone, NAD 83 referenced in said deed recorded in Volume 95-279, Page 567 of the O.P.R.C.C.T.):

COMMENCING at a 1/2-inch iron rod found marking the intersection of the west right-of-way (R.O.W.) line of Hatcherville Road (width varies) with the north line of a called 60-foot wide ingress and egress strip of land described in deed recorded in Volume 257, Page 206 of the Deed Records of Chambers County (C.C.D.R.), Texas; and marking the southeast corner of a called 88.077 acre tract of land conveyed to Mont Belvieu Caverns, LLC as described in deed recorded in Volume 11-1244, Page 658 of the O.P.R.C.C.T.; and marking the southwest corner of a called 2.0678 acre tract of land conveyed to Chambers County, Texas for road widening purposes as described in deed recorded in Volume 95-276, Page 344 of the O.P.R.C.C.T., from which a 5/8-inch iron rod in concrete found marking the previous west R.O.W line of said Hatcherville Road and marking the southeast corner of said 2.0678 acre tract, bears North $2^{\circ} 33' 14''$ East, 19.62 feet;

THENCE, South $77^{\circ} 33' 14''$ West, departing said west R.O.W. line, along the north line of said 60-foot wide ingress and egress strip, and along the south line of said 88.077 acre tract, a distance of 1,666.37 feet to a 5/8-inch iron rod in concrete found marking the northwest corner of said 60-foot wide ingress and egress strip, and marking the northeast corner of a called 117.91 acre tract of land conveyed to Patti K. Kroll as described in deed recorded in Volume 92-184, Page 85 of the O.P.R.C.C.T.;

THENCE, South $77^{\circ} 58' 52''$ West, along the north line of said 117.91 acre tract, and the south line of said 88.077 acre tract, a distance of 759.10 feet to a 5/8-inch iron rod with cap stamped "LANDTECH CONSULTANTS" found marking the northeast corner of a called 1.576 acre easement conveyed to Missouri Pacific Railroad Company as described in deed recorded in Volume 95-277, Page 184 of the O.P.R.C.C.T., and marking the southwest corner of said 88.077 acre tract, and the POINT OF BEGINNING and most easterly south corner of said 6.854 acre tract and the herein described tract;

THENCE, South $77^{\circ} 58' 28''$ West, along the north line of said 1.576 acre easement and said 117.91 acre tract, and the south line of said 6.854 acre tract, a distance of 109.84 feet to a 5/8-inch iron rod with cap found marking the northwest corner of said 1.576 acre easement, and the most southerly southeast corner of the easterly portion of a called 1,641 acre tract conveyed to Mont Belvieu Caverns, LLC as described in deed recorded in Volume 11-1244, Pages 632 & 645 of the O.P.R.C.C.T, and marking the most westerly south corner of said 6.854 acre tract and the herein described tract;

THENCE, Northeasterly, along the common line of the southeasterly line of said 1,641 acre tract, and the northwesterly lines of the aforesaid 6.854 acres, 1.262 acres, 0.3214 acre tracts and the herein described tract, the following courses:

North $1^{\circ} 25' 00''$ East, a distance of 915.30 feet to a 1/2-inch iron rod with cap stamped "M. CHANDLER 5292" found marking a point of curvature of a tangent curve to the right;

Northeasterly, a distance of 911.51 feet along said curve to the right, having a central angle of $26^{\circ} 38' 41''$, a radius of 1,960.08 feet, and a chord which bears North $25^{\circ} 44' 20''$ East, a distance of 903.32 feet to a bent 112-inch iron rod with cap stamped "M. CHANDLER 5292" found marking a point of tangency;

EXHIBIT "TRACT # 3"

LEGAL DESCRIPTION

431.0 ACRES

FIELD NOTES of a 431.0 acre tract of land situated in the Hannah Nash League, Abstract No.

20, Chambers County, Texas, being out of and a part of the residue of 2214 acres conveyed to Albert N. Nelson, Jr., by Albert N. Nelson, et ux, by deed dated December 31, 1959, and recorded in Volume 218 at Page 248 of the Deed Records of Chambers County, Texas, and a

13.354 acre tract of land conveyed to Albert N. Nelson, Jr., et al, by Chambers County, Texas, by deed dated September 1, 1995, and recorded in Volume 276 at Page 338 of the Official Public Records of Chambers County, Texas. This 431.0 acre tract of land is more particularly described by metes and bounds as follows, to-wit:

NOTE: Bearings indicated hereon are based on field ties to monumentation indicated in a survey map dated December 14, 2010, certified on December 15, 2010, prepared by Michael Chandler and titled, "SURVEY OF TWO TRACTS OF LAND SITUATED IN THE HANNAH NASH SURVEY A-20 CHAMBERS COUNTY, TEXAS".

BEGINNING (P.O.B.-TRACT 1) at a capped iron rod found for the Southeast comer of this tract of land, a Southeast comer of said residue of 2214 acres, the Southwest comer of a 6.854 acre tract of land called Tract 1 conveyed to Missouri Pacific Railroad Company by Albert N. Nelson, Jr., et al, by deed dated August 31, 1995, and recorded in Volume 279 at Page 567 of the Official Public Records of Chambers County, Texas, the Northwest comer of a 1.576 acre easement conveyed to Missouri Pacific Railroad Company by Patti K. Kroll by deed dated August 3, 1995, and recorded in Volume 277 at Page 184 of the Official Public Records of Chambers County, Texas, and in the North line of 117.91 acres conveyed to Patti K. Kroll by Irene Ulrich Massey by deed dated July 3, 1990, and recorded in Volume 184 at Page 85 of the Official Public Records of Chambers County, Texas.

THENCE South 77°53'02" West with the South line of this tract of land, the South line of said residue of 2214 acres, and the North line of said 117.91 acres a distance of 3895.55 feet to a 1/2 inch iron rod found for the Southwest comer of this tract of land, a Southwest comer of said residue of 2214 acres, and the Southeast comer of a 32.35 acre tract of land called Tract 1 awarded to Coastal Industrial Water Authority by instrument dated February 23, 1973, and recorded in Volume 359 at Page 119 of the Deed Records of Chambers County, Texas. From this comer a 5/8 inch iron rod found for the Northwest comer of said 117.91 acres, and the Northeast comer of 110.79 acres called Parcel "A" conveyed to Coastal Industrial Water Authority by Lillian U. Keyser, et al, by deed dated January 30, 1970, and recorded in Volume

312 at Page 473 of the Deed Records of Chambers County, Texas, bears South 77°53'02" West a distance of 43.87 feet

THENCE North 12°08'29" West with a West line of this tract of land, a West line of said residue of 2214 acres, and an East line of said 32.35 acres, at a distance of 1.57 feet found a 5/8 inch iron rod, in all a total distance of 69.21 feet to a 1/2 inch iron rod found for an interior corner of this tract of land, an interior corner of said residue of 2214 acres, and a Northeast corner of said 32.35 acres.

THENCE South 77°51'31" West with a South line of this tract of land, a South line of said residue of 2214 acres, and a North line of said 32.35 acres a distance of 40.53 feet to a 1/4 inch iron rod found for a Southwest corner of this tract of land, a Southwest corner of said residue of 2214 acres, and an interior corner of said 32.35 acres.

THENCE in a Northerly direction with a West line of this tract of land, a West line of said residue of 2214 acres, an East line of said 32.35 acres, and a curve to the right, having a central angle of 33°56'10", a radius of 735.00 feet, an arc length of 435.34 feet, and a chord bearing and distance of North 04°45'25" East 429.00 feet to a 1/4 inch iron rod found for the point of tangency of this tract of land.

THENCE North 21°20'31" East with a West line of this tract of land, a West line of said residue of 2214 acres, and an East line of said 32.35 acres a distance of 4813.02 feet to a 1/4 inch iron rod found for an angle corner of this tract of land, an angle corner of said residue of 2214 acres, the Northeast corner of said 32.35 acres, and the Southeast corner of a 6.05 acre tract of land conveyed to Coastal Industrial Water Authority by Vera Honsinger, et al, by deed dated June 4, 1971, and recorded in Volume 328 at Page 697 of the Deed Records of Chambers County, Texas.

THENCE North 21°27'31" East with a West line of this tract of land, a West line of said residue of 2214 acres, and an East line of said 6.05 acres a distance of 72.87 feet to a 2 inch iron pipe found for the Northwest corner of this tract of land, the Northwest corner of said residue of 2214 acres, the Southwest corner of a 5.999 acre tract of land conveyed to Shawn Pool by Robert W. Jay, et ux, by deed dated July 13, 2009, and recorded in Volume 1128 at Page 228 of the Official Public Records of Chambers County, Texas, in the North line of said Nash League, and in the South line of the W. B. Bass Survey, Abstract No. 596, Chambers County, Texas.

THENCE North 78°21'04" East with a North line of this tract of land, a North line of said residue of 2214 acres, the North line of said Nash League, the South line of said Bass Survey, and the South line of said 5.999 acres a distance of 823.17 feet to a 2 inch iron pipe found for a Northeast corner of this tract of land, a Northeast corner of said residue of 2214 acres, and in the occupied West right of way line of Old Hatcherville Road.

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THENCE South 31°56'22" East with an East line of this tract of land, an East line of said residue of 2214 acres, and the occupied West right of way line of Old Hatcherville Road a distance of 42.62 feet to a 1 inch iron pipe found for an interior corner of this tract of land, an interior corner of said residue of 2214 acres, and an angle corner of Old Hatcherville Road.

THENCE North 77°52'50" East with a North line of this tract of land, a North line of said residue of 2214 acres, the South right of way line of Old Hatcherville Road, and the South right

of way line of New Hatcherville Road a distance of 2676.93 feet to a 5/8 inch iron rod found bent for the Northeast corner of this tract of land, the Northeast corner of said residue of 2214 acres, and an angle corner of said Hatcherville Road.

THENCE South $13^{\circ}31'09''$ East with an East line of this tract of land, an East line of said residue of 2214 acres, and the West right of way line of Hatcherville Road a distance of 1753.00 feet to a $\frac{1}{2}$ inch iron rod found for a Southeast corner of this tract of land, a Southeast corner of said residue of 2214 acres, and the North or Northeast corner of a 1.262 acre tract of land called Tract 3 conveyed to Missouri Pacific Railroad Company by Albert N. Nelson, Jr., et al, by deed dated August 31, 1995, and recorded in Volume 279 at Page 567 of the Official Public Records of Chambers County, Texas. From this corner a $\frac{1}{2}$ inch iron rod found bent in the West right of way line of Hatcherville Road bears South $13^{\circ}31'09''$ East a distance of 826.43 feet.

THENCE South $39^{\circ}04'00''$ West with an East line of this tract of land, an East line of said residue of 2214 acres, the West line of said 1.262 acres, the West line of 0.3214 of an acre tract of land called Tract 2, and a 6.854 acre tract of land called Tract 1 conveyed to Missouri Pacific Railroad Company in said deed recorded in Volume 279 at Page 567 of the Official Public Records of Chambers County, Texas, a distance of 1931.82 feet to a $\frac{1}{2}$ inch iron rod found for the point of curvature of this tract of land.

THENCE in a Southerly direction with an East line of this tract of land, an East line of said residue of 2214 acres, the West line of said 6.854 acres, an a curve to the left, having a central angle of $26^{\circ}38'41''$, a radius of 1960.10 feet, an arc length of 911.52 feet, and a chord bearing and distance of South $25^{\circ}44'39''$ West 903.33 feet to a $\frac{1}{2}$ inch iron rod found for the point of tangency of this tract of land.

THENCE South $12^{\circ}25'19''$ West with an East line of this tract of land, an East line of said residue of 2214 acres, and the West line of said 6.854 acres a distance of 915.31 feet to the **PLACE OF BEGINNING**, containing within said boundaries 431.0 acres of land, more or less.

GUIDELINES AND CRITERIA FOR TAX ABATEMENT IN CHAMBERS COUNTY

SECTION 1 INTRODUCTION

In recognition of the fact that:

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

SECTION 2 DEFINITIONS

- a.) **"Abatement"** means the full or partial exemption from ad valorem taxes of the increase in value of certain real property in a reinvestment zone designated for economic development purposes.
- b.) **"Eligible Jurisdiction"** means Chambers County and any municipality, school district or college district that levies ad valorem taxes upon property located within the proposed or existing reinvestment zone.
- c.) **"Agreement"** means a contractual agreement between a property owner and an eligible jurisdiction for the purpose of tax abatement.
- d.) **"Base Year Value"** means the assessed value of eligible property on the January 1st preceding the execution of the agreement.

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

SECTION 3

ABATEMENT AUTHORIZED

- a.) **Authorized Facility.** A facility may be eligible for abatement if it is a: Manufacturing Facility, Research Facility, Wholesale Distribution Facility, Service Facility, Entertainment and Recreation Facility, or other Basic Industry.

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

1 st year	100%
2 nd year	100%
3 rd year	75%
4 th year	60%
5 th year	50%

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

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

- h.) **Economic Qualification.** In order to be eligible for designation as a reinvestment zone and receive tax abatement, the proposed improvement;
 - (1) Must be reasonably expected to increase the value of property in the amount of \$500,000 or more after the period of abatement has expired;

- (2) Must be reasonably expected to prevent the loss of employment and to create employment at the facility for at least five people on a permanent basis and the owner must agree to exercise its best efforts to insure that 50% of new employees, or a minimum of two (2) employees, are residents of Chambers County, Harris County, Jefferson County, Galveston County, Hardin County and/or Liberty County; 10% of new employees, or a minimum of two (2) employees, are residents of Chambers County; and 5% of new employees, or a minimum of one (1) employee are resident(s) of the city in which the facility is located;
- (3) Must not be expected to solely or primarily have the effect of transferring employment from one part of Chambers County to another; and
- (4) If a new facility, must be necessary because capacity cannot be provided efficiently utilizing existing improved property when reasonable allowance is made for necessary improvements.

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

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

SECTION 4 APPLICATION

- a.) **Filing of Application.** Any present or potential owner of taxable property in Chambers County may request the creation of a reinvestment zone and tax abatement by filing a written request with the County Judge of Chambers County if the property is located outside of the taxing jurisdiction of a municipality.
- b.) **Content of Application.** The application shall consist of a completed application form accompanied by: a general description of the new improvements to be undertaken; a general descriptive list of the improvements for which an abatement is requested; a list of the kind, number and location of all proposed improvements of the property; a map and/or aerial and location of all proposed improvements of the property; a map and property description; and a time schedule for undertaking and completing the proposed improvements. In the case of modernization, a statement of the assessed value of the facility, separately stated for real and personal property shall be given for the tax year immediately preceding the application. The application form may require such financial and other information as the municipality or County deems appropriate for evaluating the financial capacity and other factors of the applicant.
- c.) **Notice to Eligible Jurisdiction.** Upon receipt and approval of an application, Chambers County shall notify in writing the presiding officer of the governing body of each eligible jurisdiction.

- d.) **Abatement Inapplicable to Prior Projects.** Chambers County shall not establish a reinvestment zone or enter into an abatement agreement if it finds that the request for the abatement was approved by Commissioner's Court after the construction, alteration, or installation of improvements began as related to a proposed modernization, expansion or new facility.
- e.) **Variance.** Requests for variance from the provisions of Subsections (a), (e) and (g) of Section 3 must be made in written form. Such request shall include a complete description of the circumstances explaining why the applicant should be granted a variance.

SECTION 5

PUBLIC HEARING AND APPROVAL

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

SECTION 6

AGREEMENT

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

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

SECTION 7 RECAPTURE

The tax abatement agreement shall contain provisions for recapture of taxes abated in the event that 1) the improvements for which abatement was granted are not completed in accordance with agreement, 2) the owner allows ad valorem taxes owed the eligible jurisdictions granting abatement to become delinquent and fails to timely and properly follow the legal procedures for protest and/or contest of such taxes, 3) the owner discontinues operating or using the property as required by the agreement, or 4) the owner breaches any of the terms or conditions of the agreement.

SECTION 8 ADMINISTRATION

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

SECTION 9 ASSIGNMENT

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

SECTION 10
SUNSET PROVISIONS

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

APPLICATION FOR TAX ABATEMENT IN CHAMBERS COUNTY, TX

This application should be filed at least 90 days prior to the proposed date for beginning of construction or the installation of fixed machinery and equipment. **Projects that have begun construction (including earthwork) prior to County approval of final contracts are ineligible.** The filing of this document acknowledges familiarity and conformance with Guidelines and Criteria for Tax Abatement in Chambers County (attached). This application will become part of the agreement and any knowingly false representations will be grounds to void the agreement. Original copy of this request should be submitted to the County Judge Jimmy Sylvia, 404 Washington Avenue, P. O. Box 939, Anahuac, Texas 77514 if the property is located outside the corporate limits of a municipality. If the property is within the corporate limits of a municipality, the application should be submitted to the city manager of the municipality or city administrator. Note: Approval of this application is only 1 step in securing tax abatement. The applicant must provide other legal documents.

Upon approval, the applicant must maintain membership in the Baytown-West Chambers County Economic Development Foundation, commencing the date of agreement and extending for the term of this agreement, at the standard rate for similar size companies as established by the Foundation.

APPLICANT INFORMATION

Date: March 18, 2015

Company Name: _____
 Address: _____
 City: _____ State: _____ Zip-Code: _____

APPLICANT MUST SUBMIT ANNUAL REPORT. (See instructions).

Number of Employees: _____
 Annual Sales: _____
 Corporation: ☐ Partnership: ☐ Proprietorship: ☐

PROJECT INFORMATION

Type of Facility

See Instructions

- ☐ Manufacturing Facility
- ☐ Wholesale Distribution Facility
- ☐ Research Facility
- ☐ Service Facility
- ☐ Entertainment & Recreation Facility
- ☐ Other Basic Industry

Proposed Project Location Address and Legal Description: _____

Attach map and/or aerial showing proposed site

Jurisdictions:

School District _____
 College District _____
 City or Town _____

Describe Product or ServiceProject Description:

Attach narrative(s) fully explaining the project, describe existing site and proposed improvements and provide list of improvements and fixed machinery and equipment for which abatement is requested.

☐ NEW PLANT☐ EXPANSION☐ MODERNIZATION**ECONOMIC INFORMATION****Construction Estimates:**

Start Month/Year ____/____ Construction Man Years ____
 Completion Date ____/____ Peak Construction Jobs ____

If Modernization:

Estimated Economic Life of Existing Plant ____ Years
 Added Economic Life from Modernization ____ Years

Permanent Employment Estimates (PEE'S)

Current Plant Employment ____
 Number of Plant Jobs ☐ Retained or ☐ Created
 At start/opening ____ in year ____
 5 years into operation ____ in year ____

Estimated Appraised Value on Site

	Personal	Improvements	Land
Value January 1 Preceding Abatement Agreement:	_____	_____	_____
Est. Value of Improvements:	_____	_____	_____
Est. Value of Abated Properties After Abatement Expires:	_____	_____	_____
Value upon Completion of Project – Personal Property and Project Improvements Not Subject To Abatement:	_____	_____	_____

VARIANCE

Is the applicant seeking a variance under Section 4 (e) of the guidelines? ☐ YES ☐ NO
 If "YES", attach required supplementary information.

OTHER ABATEMENTS. Has the company made application for abatement for this project to other taxing jurisdictions or nearby counties? ☐ YES ☐ NO. If "YES" please provide dates of application, hearing dates if held or scheduled, name of jurisdictions and contacts, and letter of intent.

COMPANY REPRESENTATIVE TO BE CONTACTED:

NAME: _____

Signature of Company Official

TITLE: _____

Name & Title of Company Official

ADDRESS: _____

CITY: _____

STATE: _____

ZIP-CODE: _____

TELEPHONE: _____

INSTRUCTIONS

Applicant and projects must meet the requirements established in the Guidelines and Criteria (attached) in order to receive positive consideration. Section 3 of the Guidelines, for example, sets out improvements, terms and economic qualifications. Conformance with all sections, however, is required for eligibility.

APPLICANT INFORMATION

The taxing unit may consider applicant's financial capacity in determining whether to enter into an abatement agreement. Established companies for which public information is available, or the wholly owned businesses of such companies, should include with the application a copy of their latest annual report to stockholders. Other applicants and new companies should attach a statement showing when the company was established; business references (name, contact and telephone number of principal bank, accountant and attorney) and may be required to submit an audited financial statement and business plan.

PROJECT INFORMATION

Only facilities listed in Section 3(a) of the Guidelines may receive abatement without applying for a variance. Check guideline definitions in Section 2 to confirm project qualification.

ECONOMIC INFORMATION

Permanent Employment Estimates – In estimating the permanent employment, include the total number of jobs retained or created at this site by your firm as well as known permanent jobs of service contractors required for operation.

Estimated Appraised Value on Site – The value January 1st preceding abatement should be the value established by the Chambers County Appraisal District. If the applicant must estimate value because the taxable value is not known or is combined with other properties under a single tax account, please so state. To qualify, the abated properties must be expected to result in an addition to the tax base of at least five hundred thousand dollars (\$500,000.00) after the period of abatement expires. Projections of value should be a “best estimate” based on taxability in Texas. The projection of project values not abated should include personal property and ineligible project-related improvements such as office space in excess of that used for plant administration, housing, etc.

Tab # 17

**Signature and Certification page, signed
and dated by Authorized School District
Representative and Authorized Company
Representative (applicant)**

Application for Appraised Value Limitation on Qualified Property

SECTION 16: Authorized Signatures and Applicant Certification

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

1. Authorized School District Representative Signature

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

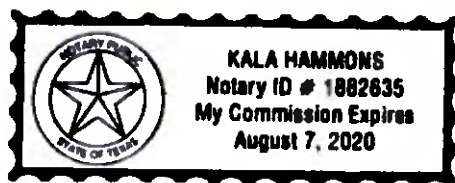
print here → Greg Dode Title Superintendent
 sign here → [Signature] Date 11-14-16
Print Name (Authorized School District Representative)
Signature (Authorized School District Representative)

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 → Curt Tate Title Senior Tax Director
 sign here → [Signature] Date 11/10/2016
Print Name (Authorized Company Representative (Applicant))
Signature (Authorized Company Representative (Applicant))



(Notary Seal)

GIVEN under my hand and seal of office this, the

16th day of November 2016
Kala Hammons
 Notary Public in and for the State of Texas
 My Commission expires: 8/7/2020

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.