FIRST AMENDMENT TO ECONOMIC DEVELOPMENT PROGRAM

TAX ABATEMENT AGREEMENT

This First Amendment is made this 12th Day of May, 2020, by and between the **COUNTY OF CHAMBERS, TEXAS** (the **"COUNTY")** and **CHAMBERS COUNTY LOGISTICS TERMINAL L.P.** (the **"COMPANY").**

WHEREAS, on July 2, 2014, the COUNTY passed a Resolution establishing a reinvestment zone known as the Chambers County Logistics Terminal, L.P. 2014 Reinvestment Zone, a 576-acre tract, located north of FM 565; and

WHEREAS, on July 2, 2014, the COUNTY and COMPANY entered into a Chapter 381 Economic Development Agreement (the "AGREEMENT"), for a "Service and Distribution Facility" to be constructed in the Reinvestment Zone for the purposes of promoting local economic development and stimulating business and commercial activity in the COUNTY. A copy of the Agreement is attached and labeled as **Exhibit "A"**; and

WHEREAS, on 10/27/15, the COUNTY approved an abatement request from the COMPANY for Phases 2 and 3, a copy of which is attached and labeled as **Exhibit "B"**; and

WHEREAS, on 7/12/16, the COUNTY approved an abatement request from the COMPANY for a facility described as the "1st Phase", a copy of which is attached and labeled as **Exhibit "C"**; and

WHEREAS, on 12/27/16, the COUNTY approved amending the Agreement to incorporate abatement terms for Phases 1, 2, 3, and 4, a copy of which is attached and labeled as **Exhibit "D"**; and

WHEREAS, on 04/05/17, the COUNTY received an abatement request from the COMPANY for a facility described as the 5th Phase, a copy of which is attached and labeled as **Exhibit "E"**; and

WHEREAS, on July 23, 2019, the COUNTY approved recommendations to address reconciliation and amendments to the Agreement related to intent, terms, conditions, and allowances managed consistent with Section 312.204(b) of the Texas Tax Code, which were not effectuated due to the confluence of the following limiting factors: Litigation; Contingent/Overlapping Negotiations between COUNTY and COMPANY; Construction Development Plan Dynamics; and Confusing Building Nomenclature, specifically described in the Recommendations, a copy of which is attached and labeled as **Exhibit "F"**; and

WHEREAS, on August 13, 2019, COUNTY conducted a public hearing and passed a Resolution renewing the Chambers County Logistics Terminal, L.P. 2014 Reinvestment Zone, in accordance with Chapter 312.203 of the Texas Tax Code, so as to facilitate amendments to the Agreement and allow for future economic development agreements between the COUNTY and COMPANY. A copy of the Resolution is attached and labeled as **Exhibit "G"**; and

WHEREAS, the **COUNTY** and **COMPANY** now desire to amend the Agreement to reflect intent vis-à-vis abatement terms, conditions and schedules, facilities nomenclature, and administration of the Agreement.

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL COVENANTS AND AGREEMENTS, THE PARTIES HEREBY MUTUALLY AGREE AS FOLLOWS:

1. Page 3, Section 1. Definitions. **"Service and Distribution Facility"** is hereby amended to read as follows:

   "Service and Distribution Facility" means the Phase 1, Phase 2, Phase 3, Phase 4 and Phase 5 facilities to be constructed by the COMPANY at its planned complex in Chambers County, with an estimated construction cost of $168,500,000, to be constructed on the Premises. The Phases and related facilities are further defined as follows:

CCAD Account	Legal	Phase
A036-2-001288-000010 (BLDG. 6)	Warehouse 6 (FKA BLDG. 1)	Phase 1
A036-2-001288-000030 (BLDG. 7)	Warehouse 7 (FKA BLDG. 2)	Phase 2
A036-2-001288-000050 (BLDG. 5)	Warehouse 5 (FKA BLDG. 3)	Phase 2
A036-2-001288-000070 (BLDG. 4)	Warehouse 4	Phase 3
A036-2-001288-000090 (BLDG. 2)	Warehouse 3 (FKA BLDG. 5)	Phase 4
A036-2-001288-000100 (BS. 8 - 9)	Warehouse 8 / 9	Phase 5

2. Page 3, Section 1. Definitions. "Chapter 381 Payment" is hereby amended to read as follows:

   "**Chapter 381 Payment – Phase 1 Facility**" shall mean, (1) for calendar year 2015, a payment from COMPANY to COUNTY equal to $55,000; and (2) for calendar year 2016, a payment from COMPANY to COUNTY equal to $73,000; and (3) for calendar years 2017, 2018, 2019, 2020, 2021, 2022, 2023, and 2024, a payment from COMPANY to COUNTY equal to forty percent (40%) of the tax abated pursuant to this Agreement.

   "**Chapter 381 Payment – Phase 2 Facilities**" shall mean, (1) for calendar year 2016, a payment from COMPANY to COUNTY equal to $55,000; and (2) for calendar year 2017, a payment from COMPANY to COUNTY equal to $73,000; and (3) for calendar years 2018, 2019, 2020, 2021, 2022, 2023, 2024 and 2025, a payment from COMPANY to COUNTY equal to forty percent (40%) of the tax abated pursuant to this Agreement.

   "**Chapter 381 Payment – Phase 3 Facility**" shall mean, (1) for calendar year 2017, a payment from COMPANY to COUNTY equal to $55,000; and (2) for calendar year 2018, a payment from COMPANY to COUNTY equal to $73,000; and (3) for calendar years 2019, 2020, 2021, 2022, 2023, 2024, 2025, and 2026, a payment from COMPANY to COUNTY equal to forty percent (40%) of the tax abated pursuant to this Agreement.

   "**Chapter 381 Payment – Phase 4 Facility**" shall mean, (1) for calendar year 2018, a payment from COMPANY to COUNTY equal to $55,000; and (2) for calendar year 2019, a payment from COMPANY to COUNTY equal to $73,000; and (3) for calendar years 2020, 2021, 2022, 2023, 2024, 2025, 2026, and 2027, a payment from COMPANY to COUNTY equal to forty percent (40%) of the tax abated pursuant to this Agreement.

"**Chapter 381 Payment – Phase 5 Facilities**" shall mean, (1) for calendar year 2019, a payment from COMPANY to COUNTY equal to $55,000; and (2) for calendar year 2020, a payment from COMPANY to COUNTY equal to $73,000; and (3) for calendar years 2021, 2022, 2023, 2024, 2025, 2026, 2027, and 2028, a payment from COMPANY to COUNTY equal to forty percent (40%) of the tax abated pursuant to this Agreement.

3. Page 5, Section 4. Terms of Tax Abatement, is hereby amended to read as follows:

Section 4. Terms of Tax Abatement

Phase 1:

The tax abatement provided for in this Agreement for the Service and Distribution Facility – Phase 1 Facility shall be effective on the January 1, 2015 valuation date as authorized by Sec. 312.007 of the Texas Tax Code and Section 381.004 (g) of the Texas Local Government Code. In each year that this Agreement is in effect, the amount of abatement shall be an amount equal to the percentage as indicated in the Tax Abatement Schedule ("Schedule") below. The appraised value, as defined in the Texas Property Code, of the Eligible Property Value must be abated in accordance with the Schedule set forth below:

PHASE 1 FACILITY TAX ABATEMENT SCHEDULE

Tax Year Abated	Percentage of Value Abated
2015	100%
2016	100%
2017	100%
2018	100%
2019	100%
2020	100%
2021	100%
2022	100%
2023	100%
2024	100%

Phase 2:

The tax abatement provided for in this Agreement for the Service and Distribution Facility – Phase 2 Facilities shall be effective on the January 1, 2016 valuation date as authorized by Sec. 312.007 of the Texas Tax Code and Section 381.004 (g) of the Texas Local Government Code. In each year that this Agreement is in effect, the amount of abatement shall be an amount equal to the percentage as indicated in the Tax Abatement Schedule ("Schedule") below. The appraised value, as defined in the Texas Property Code, of the Eligible Property Value must be abated in accordance with the Schedule set forth below:

PHASE 2 FACILITIES TAX ABATEMENT SCHEDULE

Tax Year Abated	Percentage of Value Abated
2016	100%
2017	100%
2018	100%
2019	100%
2020	100%
2021	100%
2022	100%
2023	100%
2024	100%
2025	100%

Phase 3:

The tax abatement provided for in this Agreement for the Service and Distribution Facility – Phase 3 Facility shall be effective on the January 1, 2017 valuation date as authorized by Sec. 312.007 of the Texas Tax Code and Section 381.004 (g) of the Texas Local Government Code. In each year that this Agreement is in effect, the amount of abatement shall be an amount equal to the percentage as indicated in the Tax Abatement Schedule ("Schedule") below. The appraised value, as defined in the Texas Property Code, of the Eligible Property Value must be abated in accordance with the Schedule set forth below:

PHASE 3 FACILITY TAX ABATEMENT SCHEDULE

Tax Year Abated	Percentage of Value Abated
2017	100%
2018	100%
2019	100%
2020	100%
2021	100%
2022	100%
2023	100%
2024	100%
2025	100%
2026	100%

Phase 4:

The tax abatement provided for in this Agreement for the Service and Distribution Facility – Phase 4 Facility shall be effective on the January 1, 2018 valuation date as authorized by Sec. 312.007 of the Texas Tax Code and Section 381.004 (g) of the Texas Local Government Code. In each year that this Agreement is in effect, the amount of abatement shall be an amount equal to the percentage as indicated in the Tax Abatement Schedule ("Schedule") below. The appraised value, as defined in the Texas Property Code, of the Eligible Property Value must be abated in accordance with the Schedule set forth below:

PHASE 4 FACILITY TAX ABATEMENT SCHEDULE

Tax Year Abated	Percentage of Value Abated
2018	100%
2019	100%
2020	100%
2021	100%
2022	100%
2023	100%
2024	100%
2025	100%
2026	100%
2027	100%

Phase 5:

The tax abatement provided for in this Agreement for the Service and Distribution Facility – Phase 5 Facilities shall be effective on the January 1, 2019 valuation date as authorized by Sec. 312.007 of the Texas Tax Code and Section 381.004 (g) of the Texas Local Government Code. In each year that this Agreement is in effect, the amount of abatement shall be an amount equal to the percentage as indicated in the Tax Abatement Schedule ("Schedule") below. The appraised value, as defined in the Texas Property Code, of the Eligible Property Value must be abated in accordance with the Schedule set forth below:

PHASE 5 FACILITY TAX ABATEMENT SCHEDULE

Tax Year Abated	Percentage of Value Abated
2019	100%
2020	100%
2021	100%
2022	100%
2023	100%
2024	100%
2025	100%
2026	100%
2027	100%
2028	100%

4. Page 6, Section 5. Terms of Chapter 381 Payments, is hereby amended to read as follows:

   COMPANY will tender Chapter 381 Payments on the payment dates indicated on Exhibit "H" hereto by check or other mechanism acceptable to COUNTY.

5. Page 7, Section 7. Records, Audits, Reporting and Administration of Agreement. Item C. Administration Fee is hereby amended to read as follows:

   Administration Fee. COMPANY shall pay to the COUNTY an administration fee of 0.625% of the Chapter 381 Payment for each tax year as set forth in Section 5 of this Agreement. The fee shall be due and payable on the dates set forth on Exhibit "H". Remittance of this fee shall be separate and distinct from the remittance of the Chapter 381 Payments set forth in Section 5 of this Agreement. This fee is considered payment for Chapter 381 administrative services as provided in Section 381.004(c) of the Texas Local Government Code.

Except as amended herein, the Agreement between the COUNTY and COMPANY shall remain in full force and effect.

IN WITNESS WHEREOF, COUNTY and **COMPANY** have executed this First Amendment to the Agreement as of the date first written above.

EXECUTED the 5th day of June, 2020.

CHAMBERS COUNTY, TEXAS

By: _____
Jimmy Sylvia, COUNTY Judge

ATTEST:
Heather L. Hawthorne
Heather Hawthorne, COUNTY Clerk

CHAMBERS COUNTY LOGISTICS TERMINAL L.P.

By: _____

Name: YVES HUTS

Title: DIRECTOR

By: CHAMBERS COUNTY ASSOCIATES, INC.
Its: GENERAL PARTNER

ATTEST:

Allison Darden

ACKNOWLEDGMENT

STATE OF TEXAS §
§
CHAMBERS COUNTY §

This instrument was acknowledged before me on the 5 day of June, 2020, by Honorable Jimmy Sylvia, as County Judge of Chambers County, Texas, on behalf of the Chambers, County, Texas (**COUNTY**).

MARINA MUNIZ
Notary Public
STATE OF TEXAS
NOTARY ID # 459661-8
My Comm. Expires 02-02-2022

Marina Muniz
Notary Public, State of Texas

My Commission Expires:
02/02/2022

ACKNOWLEDGMENT

STATE OF TEXAS §
§
CHAMBERS COUNTY §

This instrument was acknowledged before me on the 5th day of August, 2020, by Yris Hats, as director of Chambers County Logistics Terminal L.P., a limited company, organized and existing under the laws of the State of Texas (**COMPANY**).

ALLISON DARDEN
Notary ID #130164775
My Commission Expires
March 24, 2023

Allison Darden
Notary Public, State of Texas

My Commission Expires:
March 24, 2023

EXHIBIT "A"

AGREEMENT

STATE OF TEXAS §
§
COUNTY OF CHAMBERS §

ECONOMIC DEVELOPMENT PROGRAM AND TAX ABATEMENT AGREEMENT

This Economic Development Program and Tax Abatement Agreement ("**Agreement**") is entered into this 2 day of July, 2014, by and between Chambers County Logistics Terminal, LP ("**Company**"), and Chambers County, Texas (the "**County**"). (Company and the County are sometimes referred to herein together as the "parties" and individually as a "party").

WITNESSETH:

WHEREAS, Article III, Section 52-a of the Texas Constitution and Chapter 381 of the Texas Local Government Code ("**Chapter 381**") authorize the County Commissioners Court of Chambers County, Texas ("**County Commissioners Court**") to develop and administer a program to provide grants or incentives of public money to promote local economic development and to stimulate business and commercial activity in Chambers County, and Chapter 312 of the Texas Tax Code ("**Chapter 312**") authorizes Chambers County to enter into a tax abatement agreement with an owner or lessee of a property interest subject to ad valorem taxation, provided the execution, duration, and other terms of the agreement comply with the provisions of Sections 312.204, 312.205, 312.206, 312.211 and 312.402 of Chapter 312;

WHEREAS, on the 23rd day of July, 2013, the County Commissioners Court adopted a Chapter 381 Economic Development Policy (the "**Chapter 381 Policy**"), setting forth policies, guidelines, and criteria for economic development incentives provided by the County under Chapter 381, a copy of which is attached as **Exhibit A**; and

WHEREAS, on the 2nd day of July, 2014, the County Commissioners Court passed a Resolution establishing a Tax Abatement Reinvestment Zone ("**Zone**") under Chapter 312, known as the Chambers County Logistics Terminal, LP 2014 Reinvestment Zone, after complying with all of the relevant notice requirements under Chapter 312 as shown on **Exhibit B** as the resolution approved by the County Commissions Court; and

WHEREAS, on March 26, 2013, the County adopted guidelines for tax abatement (the "**Tax Abatement Guidelines**"); and

WHEREAS, on March 26, 2013, the County adopted a resolution stating that it elects to be eligible to participate in tax abatement; and

WHEREAS, the Tax Abatement Guidelines contain appropriate guidelines and criteria governing tax abatement agreements to be entered into by the County as contemplated by Chapter 312; and

WHEREAS, on the 24th day of June, 2014, Company submitted to the County a request for tax abatement under Chapter 381 and Chapter 312 (the "**Abatement Application**", a copy of which

is attached as **Exhibit C**), in accordance with the Chapter 381 Policy and the Tax Abatement Guidelines; and

WHEREAS, Company owns the Premises, as hereinafter defined, and Company will develop and construct a service and distribution facility (the "**Service and Distribution Facility**") (among other possible improvements) on the Premises, which is described in the Abatement Application, the development and use of which is expected to significantly enhance the County's economic and employment base; and

WHEREAS, the County also finds that the improvements sought are feasible and practical and would benefit the County after expiration of this Agreement; and

WHEREAS, the Premises are located entirely within the County and the Zone;

WHEREAS, the County finds that the terms of this Agreement and the development of the Premises and proposed Service and Distribution Facility satisfy requirements in the Chapter 381 Policy and the Tax Abatement Guidelines adopted by the County; and

NOW, THEREFORE, the County, for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, which consideration includes the expansion of primary employment, the attraction of major investment in the County, increased payroll that contributes to the economic development of the County and enhancement of the tax base in the County, and certain Chapter 381 Payments as defined below, and Company, for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, which consideration includes the tax abatement set forth herein below, as authorized by Section 381.004 of Chapter 381 and Chapter 312, hereby contract, covenant, and agree as follows:

Section 1. Definitions

Wherever used in this Agreement, the following capitalized terms shall have the meanings ascribed to them:

"2014 Certified Appraised Value" means the January 1, 2014, value of the property within the Zone as certified by the Chambers County Appraisal District as of that date.

"Commercially Reasonable Efforts" means, as to a Party hereto, an undertaking by such Party to perform or satisfy an obligation or duty or otherwise act in a manner reasonably calculated to obtain the intended result by action or expenditure not disproportionate or unduly burdensome under the circumstances, which means, among other things, that such Party shall not be required to (i) expend funds other than for payment of the reasonable and customary costs and expenses of employees, contractors, counsel, consultants, representatives or agents of such Party in connection with the performance or satisfaction of such obligation, duty or other action or (ii) institute or settle any litigation or arbitration as a part of its reasonable efforts.

"**Company Affiliate**" shall mean any Person directly or indirectly controlling, controlled by, or under common control with Company. As used in this definition, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of

the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

"**Chapter 381 Payment**" shall mean, (1) for calendar year 2015, a payment from Company to County equal to $55,000; and (2) for calendar year 2016, a payment from Company to County equal to $73,000; and (3) for calendar years 2017, 2018, 2019, 2020, 2021, 2022, 2023, and 2024, a payment from Company to County equal to forty percent (40%) of the tax abated pursuant to this Agreement.

"**Eligible Property Value**" shall mean, with respect to each calendar year, the value of the real property and the business personal property consisting 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 Service and Distribution Facility on the tax rolls of the Chambers County Appraisal District as of such calendar year. The Parties recognize that no property included in Eligible Property Value was included in the 2014 Certified Appraised Value, the year in which this Agreement is executed, and no part of the Eligible Property Value was constructed on the Premises before the Effective Date of this Agreement.

"**Financing Party**" shall mean the lenders, security holders, investors, equity providers, and others providing financing or refinancing to or on behalf of Company, for the development, construction, ownership, operation, or maintenance of the Service and Distribution Facility or any portion thereof, or any trustee or agent acting on behalf of any of the foregoing.

"**Force Majeure**" shall mean, without limitation, Acts of God or the public enemy, war, terrorism, criminal acts by unrelated third parties, riot, civil commotion, insurrection, governmental or de facto governmental action, fire, explosions, floods, strikes, adverse weather, or any other extraordinary event beyond the control of Company (including, without limitation, broad based extraordinary economic events) that makes it reasonably impracticable to accomplish a desired objective.

"**Ineligible Property Value**" shall mean, with respect to each calendar year, the value of 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 Service and Distribution Facility; property which has an economic life of less than 10 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; as listed on the tax rolls of the Chambers County Appraisal District as of such calendar year, and any real property and the business personal property included in the 2014 Certified Appraised Value.

"Service and Distribution Facility" means the first new facility to be constructed by Company at its planned complex in Chambers County, with an estimated construction cost of $40,000,000, to be constructed on the Premises.

"**Person**" shall mean an individual or a corporation, partnership, trust, estate, unincorporated organization, association, or other entity.

"**Premises**" shall mean all that parcel of land to be owned by Company as hereinafter described in **Exhibit B** attached hereto.

"Taxable Value" means the Certified Appraised Value, as determined by the Chambers County Appraisal District, of the Service and Distribution Facility minus the abated value of the Facility as provided herein.

Section 2. General Provisions

A. **County Authorization**. This Agreement was authorized by the County Commissioners Court and was approved by the affirmative vote of a majority of the County Commissioners Court at its scheduled County Commissioners Court meeting on the 2nd day of July 2014, authorizing the County Judge to execute this Agreement on behalf of the County.

B. **Company Authorization**. The undersigned officers of Company have authority to execute this Agreement on behalf of Company.

C. **Compliance**. The parties intend for this Agreement to comply with Chapter 381 and Sections 312.204, 312.205, 312.206, 312.211, and 312.402 of Chapter 312. The County has determined that this Agreement satisfies all requirements for tax abatement set forth in the Chapter 381 Policy and the Tax Abatement Guidelines. To the extent that this Agreement deviates from a requirement of the Chapter 381 Policy, the County hereby grants Company a variance from such deviation.

D. **Tax Increment Financing**. The County represents that the abatements provided by this Agreement will not be diminished or otherwise jeopardized by tax increment financing arrangements in the County, if any.

E. **Ownership of Premises**. The Premises will be owned by Company or a Company Affiliate, and in no event shall be owned by any member of the County Commissioners Court.

F. **No Assumption.** By this Agreement, Company assumes no obligation, duty or other responsibility with regard to any governmental function or service for which the County is responsible that is not otherwise addressed by this Agreement. In addition, Company assumes no legal liability for the actions of the County through the execution of this Agreement. The County individually assumes no obligation, duty or other responsibility with regard to any duty, right, obligation or responsibility associated with the Service and Distribution Facility for which Company is responsible that is not otherwise addressed by this Agreement. In addition, the County assumes no legal liability for the actions of Company or its successors or assigns by virtue of its execution of this Agreement.

G. **Agents.** Each Party to this Agreement agrees that it shall have no liability for the actions or omissions of the employees, agents, directors, members, trustees or representatives of any other Party, and each Party is solely responsible for the actions and omissions of its own employees, agents, directors, members, trustees or representatives.

Section 3. Permitting

The County shall use its best efforts to expedite processing of any permits, re-zoning requests, licenses, or other approvals associated with the building and development of the Premises.

Section 4. Terms of Tax Abatement

The tax abatement provided for in this Agreement for the Service and Distribution Facility shall be effective on the January 1, 2015 valuation date as authorized by Sec. 312.007 of the Texas Tax Code and Section 381.004 (g) of the Texas Local Government Code. In each year that this Agreement is in effect, the amount of abatement shall be an amount equal to the percentage as indicated in the Tax Abatement Schedule ("Schedule") below. The appraised value, as defined in the Texas Property Code, of the Eligible Property Value must be abated in accordance with the Schedule set forth below:

TAX ABATEMENT SCHEDULE

Tax Year Abated	Percentage of Value Abated
2015	100%
2016	100%
2017	100%
2018	100%
2019	100%
2020	100%
2021	100%
2022	100%
2023	100%
2024	100%

Section 5. Terms of Chapter 381 Payments

Commencing July 31, 2015, and on or before July 31st of each calendar year thereafter during the life of this Agreement, Company agrees to tender Chapter 381 Payments to County, for years 2015 through 2024, inclusive. Company will tender Chapter 381 Payments by check or other mechanism acceptable to County.

Section 6. Covenants

A. **Construction Covenant.** Company or a Company Affiliate covenant to substantially complete, or cause to be substantially completed, the Service and Distribution Facility on or before May 31, 2015 (the "**Construction Covenant**"); provided that Company or a Company Affiliate shall have such additional time as may be required by the effects of Force Majeure.

B. **Operation Covenant.** Company or a Company Affiliate shall operate the Service and Distribution Facility in accordance with prudent industry standards and applicable law (unless prevented by Force Majeure) and in a manner that is consistent with the general purpose of encouraging development within the Zone.

C. **Property Tax Covenant.** Throughout the term of this Agreement, Company shall timely pay all property taxes imposed by the County on Ineligible Property Value.

D. **Management Change Notice Covenant.** During the term of this Agreement, all notices to County shall be sent to the addressee(s) as noted in Section 10 herein.

E. **Commercially Reasonable Efforts to Increase Local Employment Covenant.** Throughout the term of this agreement, Company agrees to create employment at the Service and Distribution Facility for at least five people on a permanent basis. Company also agrees that throughout the term of this agreement, it will exercise its reasonable efforts to ensure that:

   a. 50% of new employees, or a minimum of two (2) employees, are residents of one or more of the following counties: Chambers County, Harris County, Jefferson County, Galveston County, Hardin County, or Liberty County; and

   b. 10% of new employees, or a minimum of three (3) employees, are residents of Chambers County.

A resident of Chambers County employed at the Service and Distribution Facility on a permanent basis may be counted towards any or all of the employment targets in this subsection.

Company does not expect that the Service and Distribution Facility will solely or primarily have the effect of transferring employment from one part of Chambers County to another, and Company agrees to make every Commercially Reasonable Effort to use local resources in employees, goods, and services at the Service and Distribution Facility.

F. **Local Sourcing Covenant.** During the Construction Covenant of this Agreement, Company agrees to make Commercially Reasonable Efforts, with respect to any contracts for the purchase of supplies and services in connection with construction of the Service and Distribution Facility that are let to bid after the Effective Date, to identify and ensure that qualified Chambers County vendors, suppliers, and sub-contractors are given the opportunity to bid on such contracts.

G. **Use of Premises and Service and Distribution Facility.** Company agrees to limit the uses of the Premises and the Service and Distribution Facility to uses consistent with the general purpose of encouraging development of the Zone during the term of this Agreement.

Section 7. Records, Audits, Reporting and Administration of Agreement

A. **Annual Certification**. Not later than March 31 of each year during the term of the tax abatement, Company shall submit to the County a certification from Company that the Service and Distribution Facility is in material compliance with the terms of this Agreement and specifically as to the conditions and covenants set forth in Section 6, provided that once the Construction Covenant is met, no further certification shall be required with respect to the Construction Covenant.

B. **County Access to Premises**. For the sole purpose of verifying Company's annual certification, County employees shall have reasonable access to the Premises during the term of this Agreement. The County shall give prior notice to Company and Company employees shall have the right to accompany County employees. While on the Premises, County employees shall follow Company safety policies and not interfere with Company operations. The County shall keep all information obtained while on the Premises confidential and shall execute a commercially reasonable form of confidentiality agreement drafted by Company before entering the premises.

C. **Administration Fee.** Beginning on July 31, 2015, and on or before July 31st of each calendar year thereafter during the life of this Agreement, Company shall pay to the County an administration fee of 0.625% of the Chapter 381 Payment for such tax year as set forth in Section 5 of this Agreement. This fee is considered payment for Chapter 381 administrative services as provided in Section 381.004(c) of the Texas Local Government Code. Remittance of this fee shall be separate and distinct from the remittance of the Chapter 381 Payments set forth in Section 5 of this Agreement.

D. **Annual Application for Tax Exemption.** For each tax year for which this Agreement grants tax abatement, Company is responsible for filing an annual exemption application form with the Chief Appraiser of the Chamber County Appraisal District (or its successor). Company shall provide a copy of the exemption application to the County upon request.

Section 8. Default and Termination

A. **Default**. In the event that Company either fails to meet the Construction Covenant or breaches the terms or conditions of this Agreement, Company shall be in default of this Agreement.

B. **Cure**. In the event Company defaults in its performance of the Agreement, the County shall give Company written notice of such default. Company shall have sixty (60) days after said written notice to cure the default. If the default is not reasonably susceptible to cure within such sixty (60) day period and Company has commenced and is pursuing cure of same, then, after first advising the County of Company's efforts to cure same, Company may utilize an additional ninety (90) days for such purposes. The County may authorize additional time to cure defaults, which authorization shall not be unreasonably withheld.

C. **Remedy for Uncured Default**. The County's sole and exclusive remedy against any Person for breach of this Agreement, in the event of default after the expiration of the applicable notice and cure periods, shall be that the County may, at its option, terminate the Agreement and all future tax abatements under this Agreement shall be void. Notwithstanding the foregoing, if Company fails to meet the Construction Covenant, Company shall repay to the County, without penalty or interest, all tax abatements received under this Agreement. If Company breaches a covenant in Section 6, other than the Construction Covenant, for any year, the County shall not be entitled to terminate this Agreement, but may, at its option, rescind the tax abatement pertaining to such year.

D. **Company's Remedies**. Company may institute proceedings as may be necessary or desirable in its opinion to defend against (i) improper assertions of default or (ii) improper attempts to terminate this Agreement, to withhold or obtain payments prescribed by this Agreement, or to seek repayment of amounts paid under the Agreement. Such proceedings may include, but are not limited to, seeking specific performance and/or injunctive relief, or enforcement by mandamus, or such other remedy as may be available at law, in equity, or otherwise. Such rights and remedies are not exclusive and are in addition to any other rights or remedies Company may have at law, in equity, or otherwise.

E. **Discontinuation.** In the event the Service and Distribution Facility herein is completed and begins producing product or services, but subsequently discontinues producing product or services for any reason excepting fire, explosion or other casualty, accident or natural disaster, or governmental mandate, for a period of one (1) year during the abatement period, then this Agreement shall terminate. In the event of termination pursuant to the provisions of this paragraph, the abatement of the taxes for the calendar year during which the facility ceases to operate shall terminate, but there shall be no recapture of prior years' taxes abated by this Agreement. The taxes otherwise abated for the calendar year during which the facility ceases to operate shall be paid to the County, subject to a credit for any Chapter 381 Payment for such year, prior to the delinquency date for such year;

provided, however, that in no event shall Company be required to pay such taxes within less than sixty (60) days of the termination.

F. **Recapture.** The Chief Appraiser of the Chambers County Appraisal District shall annually determine (i) the Taxable Value pursuant to the terms of this abatement of the real and personal property comprising the Service and Distribution Facility and (ii) the full taxable value without abatement of the real and personal property comprising the Service and Distribution Facility. The Chief Appraiser shall record both the Taxable Value and the full taxable value in the appraisal records. The full taxable value figure listed in the appraisal records shall be used to compute the amount of abated taxes that are required to be recaptured and paid in the event this Agreement is terminated in a manner that results in recapture. Each year Company shall furnish the Chief Appraiser with such information outlined in Chapter 22, Tax Code, as may be necessary for the administration of the abatement specified herein. Notwithstanding anything contained in this agreement to the contrary, Company shall be entitled to a credit for all payments made to the County pursuant to Section 5.

G. **Termination.** If after notice of default and failure to cure, the County terminates this Agreement, it shall provide Company written notice of such termination. If Company believes that such termination was improper, Company may file suit in the Chambers County District Court appealing such termination within sixty (60) days after receipt from the County of written notice of the termination. If such a suit is filed, Company shall remit to the County, within ninety (90) days after receipt of the notice of termination, any additional and/or recaptured taxes as may be payable during the pendency of the litigation pursuant to the payment provisions of Section 42.08, Tax Code. If the final determination of the appeal finds that the termination was proper, all taxes previously abated by virtue of this Agreement, less any Chapter 381 Payments previously paid, will be recaptured by the County and, Company shall remit any unpaid additional taxes to the County pursuant to Section 42.42, Tax Code. If the final determination of the appeal decreases Company's tax liability, the County shall refund to Company the difference between the amount of tax paid and the amount of tax for which Company is liable pursuant to Section 42.43, Tax Code.

H. **Mutual Termination**. The parties may terminate this Agreement by mutual agreement at any time.

I. **Employment of Undocumented Workers**. During the term of this Agreement, Company agrees not to knowingly employ any undocumented workers and, if convicted of a violation under 8 U.S.C. Section 1324a (f), Company shall repay to the County the taxes abated pursuant to this Agreement minus the amounts of any Chapter 381 Payments as of the date of such violation within 120 days after the date Company is notified by the County of such violation, plus interest at the rate of 6% compounded annually from the date of violation until paid.

Section 9. Effect of Sale, Assignment or Lease of Property

This Agreement shall be binding on and inure to the benefit of the parties and their respective successors and assigns. Neither Party may assign its rights and duties hereunder, in whole or in part, without prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned, or delayed; provided that Company may assign this Agreement and all of its rights hereunder to any Company Affiliate without the County's consent. In addition, this Agreement and all rights hereunder may be assigned for the benefit of any Financing Party. Any assignment in violation of this Section 9 shall not affect any tax abatements with respect to which Company or a Company Affiliate is already entitled.

Section 10. Notice

All notices called for by this Agreement shall be addressed to the following, or such other party or address as either party designates in writing, by certified mail, postage prepaid or by hand delivery:

Company:

Chambers County Logistics Terminal, LP
333 Clay Street
Suite 3300
Houston, TX 77002
Attn: Yves Huts

County:

County Judge
County of Chambers, Texas
P.O. Box 939
Anahuac, Texas 77514

With an additional copy (which shall constitute notice) to:

Baytown-West Chambers County Economic Development Foundation
1300 Rollingbrook Drive, Ste. 505
Baytown, TX 77521

Section 11. Indemnification

A. **INDEMNITY**. IN ADDITION TO THE OTHER REMEDIES AFFORDED TO THE COUNTY IN THIS AGREEMENT, COMPANY SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS THE COUNTY, ITS COMMISSIONERS, OFFICERS, EMPLOYEES, ATTORNEYS, CONTRACTORS, OR AGENTS (HEREINAFTER "**COUNTY'S INDEMNIFIED PARTY**") FOR, FROM AND AGAINST ANY AND ALL LOSSES, LIENS, CAUSES OF ACTION, SUITS, JUDGMENTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, COURT COSTS, REASONABLE ATTORNEY'S FEES AND COSTS OF INVESTIGATION, REMOVAL AND REMEDIATION, AND OVERSIGHT COSTS), ENVIRONMENTAL OR OTHERWISE, OF ANY NATURE, KIND OR DESCRIPTION, OF ANY PERSON OR ENTITY RESULTING FROM COMPANY'S CONSTRUCTION AND OPERATION OF THE MANUFACTURING FACILITY.

B. **Notice of Indemnified Loss**. The County's Indemnified Party shall promptly notify Company of any indemnified Losses or Claim for indemnified Losses in respect of which the County's Indemnified Party may be entitled to indemnification under this Section 11. Such notice shall be given as soon as reasonably practicable after the County's Indemnified Party becomes aware of the Loss or Claim for Losses.

C. **Defense of Third-Party Claims**. In the event any action or proceeding shall be brought against the County's Indemnified Party by reason of any matter for which the County's Indemnified Party is indemnified hereunder, Company shall, upon notice from the County's Indemnified Party or its authorized agents or representatives, at Company's sole cost and expense, resist and defend the same with legal counsel selected by Company; provided, however, that Company shall not admit liability in any such matter on behalf of the County's Indemnified Party without the County's express written consent. Nothing herein shall be deemed to prevent the County's Indemnified Party at its election and at its own expense from cooperating with Company and participating in the defense of any litigation by their own counsel. If Company fails to retain defense counsel within ten (10) business days after receipt of County's Indemnified Party written notice that the County's Indemnified Party is invoking its right to indemnification under this Agreement, the County's Indemnified Party shall have the right to retain defense counsel on their own behalf, and Company shall be liable for all usual and customary defense costs incurred by the County's Indemnified Party.

D. **Limitation on Indemnity**. The amount owing to a County Indemnified Party will be the amount of the County Indemnified Party's losses net of any insurance proceeds received by the County Indemnified Party following a reasonable effort by the County Indemnified Party to obtain such insurance proceeds.

Section 12. Miscellaneous

A. **Severability**. The provisions of this Agreement are severable, and if for any reason a provision of this Agreement is determined to be invalid by a court having competent jurisdiction over the subject matter of the invalid provision, the invalidity shall not affect other provisions that can be given effect without the invalid provision. Furthermore, in lieu of such illegal, invalid, or unenforceable provision, there shall be added automatically as a part of this Agreement, a provision as similar in its terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.

B. **Venue; Governing Law**. Exclusive venue for any action, cause of action, lawsuit, or other proceeding under or in connection with this Agreement shall be and lie in Chambers County, Texas, and the parties hereby submit themselves to the jurisdiction thereof; and this Agreement shall be governed by and construed in accordance with the laws of the State of Texas without respect to the conflict of laws rules thereof.

C. **Binding Nature of Agreement**. This Agreement shall be binding on and inure to the benefit of the parties, their respective successors and assigns.

D. **No Third Party Rights or Benefits**. This Agreement is solely for the benefit of the parties hereto and do not create rights, contractual or otherwise, in other Persons.

E. **Interpretation**. This Agreement shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against any party. Section, subsection, and other headings are for convenience only and shall not be used to interpret this Agreement.

F. **Survival of Terms; Rights and Remedies Cumulative; No Waiver**. All rights, duties, liabilities, and obligations accrued prior to termination shall survive termination or expiration of this Agreement. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by either party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law statute, ordinance, or otherwise. The failure by either party to exercise any right, power, or option given to it by this Agreement, or to insist upon strict compliance with the terms of this Agreement, shall not constitute a waiver of the terms and conditions of this Agreement with respect to any other or subsequent breach thereof, nor a waiver by such party of its rights at any time thereafter to require exact and strict compliance with all the terms hereof.

G. **Counterparts; Electronic Delivery**. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered (whether delivered in person, by mail, email, facsimile, or other electronic format) shall be an original, but all such counterparts shall together constitute one

and the same instrument. Each counterpart may consist of a number of copies hereof each signed by less than all, but together signed by all of the parties hereto.

H. Estoppel Certificate. Any party hereto may request an estoppel certificate from another party hereto so long as the certificate is requested in connection with a bona fide business purpose. The certificate, which will upon request be addressed to a subsequent purchaser or assignee of Company, shall include, but not necessarily be limited to, statements (to the actual knowledge of the party providing such) that this Agreement is in full force and effect without default (or if default exists, the nature of default and curative action, which should be undertaken to cure same), the remaining term of this Agreement, the levels of tax abatement in effect, and such other matters reasonably requested by the party(ies) to receive the certificate. The County Judge for the County shall provide any such certificate on behalf of the County.

I. Entire Agreement. This Agreement constitutes the entire Economic Development Program and Tax Abatement Agreement between the parties, supersedes any prior understanding or written or oral Economic Development Program and Tax Abatement Agreements or representations between the parties, and can be modified only by written instrument subscribed to by all parties. Notwithstanding the foregoing provision, this Agreement does not modify, alter, or amend any other agreement or instrument among the County and Company relating to matters other than the abatement of property taxes.

** * * Signature Page Follows * * **

EXECUTED the 2 day of July, 2014.

CHAMBERS COUNTY, TEXAS

By: _____
Jimmy Sylvia, County Judge

ATTEST:

Heather Hawthorne, County Clerk

CHAMBERS COUNTY LOGISTICS TERMINAL, LP.

By: _____
Name: Linda Van Petegem
Title: President

Exhibit A

CHAPTER 381 ECONOMIC DEVELOPMENT POLICY
CHAMBERS COUNTY, TEXAS

WHEREAS, Chapter 381 of the Texas Local Government Code authorizes Chambers County to develop and administer projects for local economic development, and to encourage commercial activity in the County, and

WHEREAS, Chambers County desires to provide financial incentives to select private businesses that contribute to economic development, and

WHEREAS, Chambers County desires to provide such incentives to projects whose properties are subject to Chambers County *ad valorem* taxes, and

WHEREAS, Chapter 381 can be used in conjunction with tax abatement provided for under Chapter 312 of the Texas Local Government Code or separately as a Chapter 381 Economic Development Agreement, and

WHEREAS, This policy shall not be construed to obligate Chambers County to provide an incentive under Chapter 381 to any applicant; and all applications, requests and/or projects shall be considered on a case-by-case basis;

NOW, THEREFORE, Chambers County Commissioners' Court does adopt this policy to define the Chapter 381 incentives and establish guidelines and criteria by which they will be implemented.

GENERAL CRITERIA

Chambers County may provide Chapter 381 economic development incentives for a business or commercial development project ("Project") if that project:

1. Will enhance the economic vitality of Chambers County;
2. Will result in a net increase or retention of jobs in the County or add to the tax base or will otherwise improve or enhance the economic welfare of the residents or businesses of the County; or
3. Demonstrates the potential to generate revenues to the County which outweigh costs associated with incentives.

In addition, the following criteria must be satisfied:

The Project MUST:

1. Show a clear demonstration of economic benefit through advancement of the County's economic goals which include expanding the tax base, creating quality jobs, increasing private capital investment in the community, spurring development in targeted county locations; or encouraging development of targeted businesses or clusters desirable to enhance the county's economy;

2. Provide evidence that demonstrates the business' financial stability and capacity to complete the project; and

3. Be in compliance with all local, state and federal laws.

In order to receive any Chapter 381 incentives from Chambers County, credible information must be made available by the applicant, including but not limited to capital investment and employment projections, to enable Chambers County to conduct an appropriate analysis of the proposed project at initiation and throughout the life cycle of the Chapter 381 Agreement.

The decision to provide any Chapter 381 economic development incentives will be considered on a case-by case basis, in accordance with the criteria set forth in this policy, and at the discretion of the Chambers County Commissioners Court.

QUALIFICATION CRITERIA

In order to be eligible for Chapter 381 incentives, a Project must meet the following qualifying criteria:

1. Locate within the boundaries of Chambers County.
2. Create or retain a minimum of 5 jobs.
3. Project investment must meet or exceed $500,000.
4. Must maintain ownership of all property for which an incentive is received through the duration of the agreement.
5. Must make sincere efforts to hire local employees, contractors and purchase items used in construction from vendors within Chambers County.

Projects qualifying under these General and Qualifying Criteria will be eligible for Chapter 381 economic development incentives, the percentages and terms for which will be at the sole discretion of the Chambers County Commissioners Court.

APPLICATION / PROPOSAL PROCESS

Applicants seeking a Chapter 381 Economic Development Agreement with Chambers County may do so by submitting a written proposal to the County Judge of Chambers County.

The written proposal shall consist of a project description, general improvements to be undertaken; a general descriptive list of the improvements for which an incentive is requested; a list of the kind, number and location of all proposed improvements of the property; a map and location of all proposed improvements of the property; a map and property description; and a time schedule for undertaking and completing the proposed improvements.

In the case of modernization, a statement of the assessed value of the facility separately stated for real and personal property shall be given for the tax year immediately preceding the proposal. The proposal may require such financial and other information as the participating municipality or County deems appropriate for evaluating the financial capacity and other factors related to the applicant.

Chambers County, not later than 60 days after receipt of the proposal, shall by Commissioners Court order either approve or deny the request at a regularly scheduled meeting.

CHAPTER 381 AGREEMENTS

A complete review of the Project and proposal will be conducted by Chambers County and/or its representatives. Depending on the nature of the Project, the form of incentive provided via Chapter 381 Agreement will be determined.

After approval, Chambers County shall formally pass a Commissioners court order and execute an agreement with the owner of the Project, which shall include the following:

- Project Description
- Percent of Value to Discount
- Terms of Agreement
- Project Milestones and Deadlines
- Assignment Provisions
- Recapture Provisions

An agreement shall be effective on the January 1st valuation date immediately following the execution of the Chapter 381 Agreement and will be conditioned on the completion of specific improvements to real property, job creation and any other factors deemed appropriate by the County.

Exhibit B

ORDER DESIGNATING/CREATING
CHAMBERS COUNTY LOGISTICS TERMINAL, LP
2014 REINVESTMENT ZONE

On July 2, 2014, at a public meeting of the Commissioner's Court of CHAMBERS COUNTY, TEXAS ("the Court"), the Court conducted a hearing on the application of CHAMBERS COUNTY LOGISTICS TERMINAL, LP ("Chambers") for the creation of the CHAMBERS COUNTY LOGISTICS TERMINAL, LP 2014 Reinvestment Zone ("the 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. Chambers has applied, in a timely and adequate fashion, for tax abatement on a proposed project to be developed within the Reinvestment Zone.

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 Reinvestment 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 Huddleston seconded by Commissioner Nelson and unanimously passed, be it RESOLVED and ORDERED by the Court that the 576-acre tract of land, more or less, described in the attached Exhibit " Field Notes " (4 pages) is hereby designated as the CHAMBERS COUNTY LOGISTICS TERMINAL, LP 2014 REINVESTMENT ZONE and is eligible for commercial / industrial tax abatement.

PASSED and ADOPTED July 2, 2014.

CHAMBERS COUNTY, TEXAS

By: _____
JUDGE JIMMY SYLVIA,
Chambers County Judge

ATTEST:
Heather H. Hawthorne
HEATHER H. HAWTHORNE, County Clerk

FIELD NOTES FOR A 575.8 ACRE TRACT SURVEY

A tract of land containing 575.8 acres being comprised of a called 81.6883 acre tract of land described in deed of record in Volume 1318, Page 349, Chambers County Deed Records, a called 56.3919 acre tract of land described in deed of record in Volume 936, Page 731, Chambers County Deed Records, a called 443.65 acre tract of land described in deed of record in Volume 1291, Page 256, of the Deed Records of Chambers County, Texas and a 50.40 acre tract of land out of a called 444.7717 acre tract of land, aforesaid 444.7717 acre tract of land described in deed of record in Volume 38, Page 529, of the Deed Records of Chambers County, Texas lying and being situated in the B.B.B. & C. R.R. Company Survey, Abstract No. 61, Chambers County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a found 5/8-inch iron rod marking the intersection of the north right-of-way line of F.M. Highway 565, (variable width) with the west line of Chambers County School Land Survey, Abstract No. 321, same being the east line of the aforesaid B.B.B. & C. R.R. Company Survey, the southeast corner of the aforesaid called 443.65 acre tract of land and the southwest corner of the aforesaid called 444.7717 acre tract of land;

THENCE, in a SOUTHWESTERLY direction along the north right-of-way line of F.M. Highway 565,(variable width) and a south line of the said called 443.65 acre tract of land and following the arc of a curve to the left having a radius of 1949.81 feet, a central angle of 02° 34' 25", a distance of 87.58 feet to a set 5/8-inch iron rod with Tri Tech cap marking the end of said curve:

THENCE, S 78° 34' 20" W, continuing along the north right-of-way line of F.M. Highway 565, (variable width) and a south line of the said called 443.65 acre tract of land a distance of 966.66 feet to a point marking the southeast corner of that certain called 12.22 acre tract of land described in deed of record in Volume 659, Page 433, of the Deed Records of Chambers County, Texas, a 5/8-inch iron rod with cap (unreadable) bears S 81° W a distance of 0.5 feet;

THENCE, N 03° 46' 56" E, along the east line of the aforesaid called 12.22 acre tract of land a distance of 1297.95 feet (called 1297.85 feet) to a found 1-inch iron pipe marking the northeast corner of the said called 12.22 acre and an interior corner of this tract of land herein described:

THENCE, S 78° 37' 04" W, along the north line of the said called 12.22 acre tract of land and a called 12.19 acre tract of land described in deed of record in Volume 1061, Page 696, of the Deed Records of Chambers Count, Texas a distance of 1014.15 feet to a found 1-inch iron pipe marking the northwest corner of the aforesaid 12.19 acre tract of land and an interior corner of this tract of land herein described:

THENCE, S 03° 46' 56" W, along the west line of the said called 12.12 acre tract of land a distance of 1298.78 feet (called 1298.69') to point marking the southwest corner of the said called 12.12 acre tract of land, on the south line of the said called 443.65 acre tract of land and the north right-of-way line of F.M. Highway 565 (variable width), a found 5/8-inch iron rod bears N 01° W a distance of 0.8 feet;

THENCE, S 78° 34' 20" W, along the north right-of-way line of F.M. Highway 565 and a south line of the said called 443.65 acre tract of land a distance of 934.55 feet to a point for the most southerly

southwest corner of the said called 443.65 acre tract of land and the southeast corner of a called 92.8172 acre tract of land described in deed of record in Volume 1287, Page 14, of the Deed Records of Chambers County, Texas, found 5/8-inch iron rod with "BHA INC" cap bears S68° W - 0.4';

THENCE, N 11° 09' 14" W, along the east line of the aforesaid called 92.8172 acre tract of land a distance of 2313.95 feet (called 2313.86 feet) to a found 5/8-inch iron rod marking the northeast corner of the said called 92.8172 acre tract of land and the southeast corner of the aforesaid called 59.3919 acre tract of land;

THENCE, S 78° 34' 04" W, along the north line of the said called 92.8172 acre tract of land same being the south line of the said called 59.3919 acre tract of land a distance of 2260.21 feet (called 2260.08 feet) to a found 5/8-inch iron rod marking the northwest corner of the said called 92.8172 acre tract of land same being the southwest corner of the said called 59.3919 acre tract of land, on the east line of a 50 food Railroad Tract as described in deed of record in Volume 180, Page 610 of the deed records of Chambers County, Texas:

THENCE, N 12° 04' 05" W, along the west line of said called 59.3919 acre tract of land and the aforesaid 50 foot wide Railroad Tract a distance of 1066.05 feet to a found 5/8-inch iron rod marking the northwest corner of the said called 59.3919 acre tract of land;

THENCE, S 76° 45' 09" W, a distance of 50.01 feet (called 50.03 feet) to a point for the northeast corner of a called 12.59 acre tract of land described in deed of record in Volume 744, Page 284 of the deed records of Chambers County, Texas and the southeast corner of a called 20.777 acre tract of land described in deed of record in Volume 921, Page 607 of the deed records of Chambers County, Texas, found ½-inch iron rod bears S 64° W – 0.4';

THENCE, N 12° 11' 52" W, a distance of 1120.65 feet (called 1120.31 feet) to a found ½-inch iron rod marking the northeast corner of the aforesaid called 20.777 acre tract of land and the southeast corner of a called 21.097 acre tract of land described in deed of record in Volume 1421, Page 1, of the deed records of Chambers County, Texas;

THENCE, N 77° 27' 17" E, a distance of 50.00 feet to a set 5/8-inch iron rod with Tri Tech cap (found ½-inch iron rod with "BHA INC." cap N 78° W – 0.4') marking the southwest corner of the aforesaid called 81.6883 acre tract of land;

THENCE, N 12° 02' 02" W, along the west line of the said called 81.6883 acre tract of land and the east line of said 50 foot Railroad Tract a distance of 1144.56 feet to a found ½-inch iron rod with cap (unreadable) marking the northeast corner of said Railroad Tract;

THENCE, N 77° 27' 54" E, a distance of 25.00 feet to a set 5/8-inch iron rod with Tri Tech cap marking the southeast corner of a Railroad Tract described in deed of record in Volume 181, Page 550, of the deed records of Chambers County, Texas;

THENCE, N 12° 02' 06" W, along the most easterly west line of the said called 81.6883 acre tract of land a distance of 900.01 feet (called 900.09 feet) to a point for the northwest corner of the said called 81.6883 acre tract of land same being the southwest corner of a called 9.005 acre tract of land described

in deed of record in Volume 427, Page 71, of the deed records of Chambers County, Texas, found 5/8-inch iron rod bears S 39° E - 0.7';

THENCE, N 77° 23' 05" E, along the most northerly line of the said called 81.6883 acre tract of land and the south line of the aforesaid called 9.005 acre tract of land a distance of 695.45 feet (called 695.48 feet) to a found ½-inch iron rod with 'BHA INC." cap marking the southeast corner of the said called 9.005 acre tract of land same being the southwest corner of a called 3.000 acre tract of land described in deed of record in Volume 1017, Page 71, of the deed records of Chambers County, Texas and the northwest corner of a called 12.06 acre tract of land described in deed of record in Volume 730, Page 376, of the deed records of Chambers County, Texas;

THENCE, S 06° 48' 25" E, along the west line of the aforesaid called 12.06 acre tract of land a distance of 667.22 feet to a found 1-inch iron pipe marking the southwest corner of the said called 12.06 acre tract of land and an interior corner of the said called 81.6883 acre tract of land;

THENCE, N 77° 14' 23" E, along the most southerly north line of the said called 81.6883 acre tract of land same being the south line of the said called 12.06 acre tract of land and a called 12.05 acre tract of land referenced Volume 1318, Page 349, of the deed records of Chambers County, Texas a distance of 1591.17 feet (called 1591.22 feet) to a found 5/8-inch iron rod marking the northeast corner of the said called 81.6883 acre tract of land, same being the southeast corner of the aforesaid called 12.05 acre tract of land, the southwest corner of a called 12.97 acre tract of land described in deed of record in Volume 1238, Page 740, of the deed records of Chambers County, Texas and the northwest corner of a called 9.430 acre tract of land described in deed of record in Volume 1336, Page 607, of the deed records of Chambers County, Texas;

THENCE, S 12° 34' 54" E, along the west line of the aforesaid called 9.430 acre tract of land and the west line of a tract of land described in Exhibit A, Cause 5753, recorded in Volume 258, Page 647, of the deed records of Chambers County, Texas and the east line of the said called 81.6883 acre tract of land a distance of 1387.21 feet (called 1387.28 feet) to a ¼-inch iron rod marking the southeast corner of the said called 81.6883 acre tract of land;

THENCE, S 11° 59' 37" E, along the west line of that aforesaid tract of land described in Exhibit A, Cause 5753 a distance of 902.62 feet (called 902.28 feet) to a found ½-inch iron pipe marking the southwest corner of the said tract of land described in Exhibit A, Cause 5753;

THENCE, N 77° 38' 25" E, along the south line of the said tract of land described in Exhibit A, Cause 5753 a distance of 1197.25 feet (called 1197.31 feet) to a found 5/8-inch iron rod with "RPLS 5206" cap marking the southeast corner of the said tract of land described in Exhibit A, Cause 5753;

THENCE, N 12° 15' 18" W, along east line of the said tract of land described in Exhibit A, Cause 5753 a distance of 1101.49 feet (called 1101.22 feet) to a found ½ inch iron pipe marking the northeast corner of the said tract of land described in Exhibit A, Cause 5753 on the south line of a called 8.5 acre tract of land described in deed of record in Volume 1134, Page 240, of the deed records of Chambers County, Texas;

THENCE, N 78° 09' 45" E, along the south line of the aforesaid called 8.5 acre tract of land a distance of 101.90 feet to a found ½-inch iron pipe marking the southeast corner of the said called 8.5 acre tract of land;

THENCE, N 12° 15' 48" W, along the east line of the said called 8.5 acre tract of land a distance of 893.14 feet (called 893.41 feet) to a point forth southwest corner of a called 2.00 acre tract of land described in deed of record in Volume 1291, Page 256, of the deed records of Chambers County, Texas, ½-inch iron rod found bears S 05° E – 1.4 feet ;

THENCE, N 78° 00' 55" E, along the south line of the aforesaid called 2.00 acre tract of land a distance of 295.00 feet to a found 5/8-inch iron rod marking the southeast corner of the said called 2.00 acre tract of land;

THENCE, N 12° 14' 21" W, along the east line of the said called 2.00 acre tract of land a distance of 295.44 feet to a found ½-inch iron pipe on the north line of the said called 443.65 acre tract of land and the south line of that called 24.33 acre tract of land described in deed of record in Volume 1036, Page 215, of the deed records of Chambers County, Texas;

THENCE, N 77° 47' 54" E, along the south line of the aforesaid called 24.33 acre tract of land and the north line of the said called 443.65 acre tract of land a distance of 1424.92 feet to a found ½-inch iron pipe marking the most northerly northeast corner of the said 443.65 acre tract of land and the northwest corner of the aforesaid 50.40 acre tract of land;

THENCE, N 76° 51' 41" E, continuing along the south line of the said 24.33 acre tract of land and the north line of the said 50.40 acre tract of land a distance of 988.24 feet (called 987.76 feet) to a found ½-inch iron pipe marking the northeast corner of the said 50.40 acre tract of land, the southeast corner of the said called 24.33 acre tract of land on the east line of the B.B.B. & C R.R. Company Survey, and the west line of the Chambers County School Land Survey;

THENCE, S 01° 27' 27" E, along the easterly line of the said 50.40 acre tract of land the east line of the B.B.B. & C. R.R. Company Survey and the west line of the Chambers County School Land Survey, a distance of 2339.44 feet to a found 5/8-inch iron rod marking the southeast corner of the said 50.40 acre tract of land and the most southerly northeast corner of the said called 443.65 acre tract of land;

THENCE, S 02° 47' 52" E, continuing along the east line of the B.B.B. & C. R.R. Company, the west line of the Chambers County School Land Survey and the east line of the said called 443.65 acre tract of land a distance of 3473.15 feet (called 3473.05 feet) to the POINT OF BEGINNING and containing 575.80 acres of land.

APPLICATION FOR DESIGNATION / CREATION OF THE CHAMBERS COUNTY LOGISTICS TERMINAL, LP 2014 REINVESTMENT ZONE

TO THE CHAMBERS COUNTY COMMISSIONERS COURT:

CHAMBERS COUNTY LOGISTICS TERMINAL, LP ("CHAMBERS") files this application and requests the designation / creation of a commercial-industrial reinvestment zone under Texas Tax Code Chapter 312. The property requested to be designated as a commercial-industrial reinvestment zone is five hundred and seventy five (575) acres of land ("the property") in the B.B.B. & C.R.R. Company survey, Abstract No. 61, Chambers County, Texas, and it's particularly described in the attached Exhibit "Field Note Description", which consists of 5 pages. CHAMBERS is the owner of the property and the property is located in Chambers County, Texas, and in the City of Baytown's extraterritorial jurisdiction.

CHAMBERS has filed an application for tax abatement with Chambers County, Texas. CHAMBERS seeks abatement of ad valorem taxes from Chambers County on approximately $40 million in commercial-industrial improvements to be constructed on the property. The proposed improvements subject to the proposed abatement are generally described in the attached copy of the APPLICATION FOR TAX ABATEMENT presented to Commissioners Court on July 02, 2014.

Notice of the required public hearing relating to the designation / creation of this requested commercial-industrial reinvestment zone will be timely given,

published and/or posted as required by law. A hearing on the application is requested before the Chambers County Commissioner's Court scheduled for July 02, 2014.

SIGNED (Date) 06/19/2014

CHAMBERS COUNTY LOGISTICS TERMINAL, LP

By: _____

Yves Huts
Chambers County Logistics Terminal, LP
1919 S FM565
Baytown, TX 77523

NOTICE OF PUBLIC HEARING REGARDING CREATION OF THE CHAMBERS COUNTY LOGISTICS TERMINAL, LP 2014 REINVESTMENT ZONE

Notice is given that CHAMBERS COUNTY LOGISTICS TERMINAL LP ("CHAMBERS") has applied to the Commissioner's Court of CHAMBERS COUNTY, TEXAS ("the Court") for the creation of a commercial – industrial reinvestment zone within Chambers County, Texas. CHAMBERS has requested that a five hundred and seventy five (575) acre tract of land owned by it ("the property") be designated a reinvestment zone by the Court, thereby permitting CHAMBERS to seek tax abatement from Chambers County, Texas, on improvements proposed to be constructed on the property. The property is described in the attached Exhibit "FIELD NOTES", which consists of 1 page. CHAMBERS's Application for Designation/Creation of the CHAMBERS COUNTY LOGISTICS TERMINAL LP 2014 Reinvestment Zone was filed JUNE 19, 2014, in the office of Judge Jimmy Sylvia, Chambers County Judge.

The required hearing on the designation/creation of the reinvestment zone will be conducted by the Court on Tuesday, July 02, 2014, at 09:30 a.m. in the courtroom of the Chambers County Court located in the Chambers County Courthouse, 404 Washington Avenue, Anahuac, Texas 77514. All persons interested in such application or desiring to comment thereon are invited to attend and participate in such hearing.

DATED: JUNE 19, 2014.

CHAMBERS COUNTY COMMISSIONERS COURT
ANAHUAC, TEXAS

FIELD NOTES FOR A 575 ACRE TRACT SURVEY
COMPLETED JUNE 18, 2014 BY GLOBAL SURVEYOR, INC, HOUSTON

575.8 acres
Chambers County
Texas

A tract of land containing 575.8 acres being comprised of a called 81.6883 acre tract of land described in deed of record in Volume 1318, Page 349, Chambers County Deed Records, a called 56.3919 acre tract of land described in deed of record in Volume 936, Page 731, Chambers County Deed Records, a called 443.65 acre tract of land described in deed of record in Volume 1291, Page 256, of the Deed Records of Chambers County, Texas and a 50.40 acre tract of land out of a called 444.7717 acre tract of land, aforesaid 444.7717 acre tract of land described in deed of record in Volume 38, Page 529, of the Deed Records of Chambers County, Texas lying and being situated in the B.B.B. & C. R.R. Company Survey, Abstract No. 61, Chambers County, Texas and being more particularly described by metes and bounds as follow:

BEGINNING at a found 5/8-inch iron rod marking the intersection of the north right-of-way line of F.M. Highway 565, (variable width) with the west line of Chambers County School Land Survey, Abstract No. 321, same being the east line of the aforesaid B.B.B. & C. R.R. Company Survey, the southeast corner of the aforesaid called 443.65 acre tract of land and the southwest corner of the aforesaid called 444.7717 acre tract of land;

THENCE, in a SOUTHWESTERLY direction along the north right-of-way line of F.M. Highway 565,(variable width) and a south line of the said called 443.65 acre tract of land and following the arc of a curve to the left having a radius of 1949.81 feet, a central angle of 02° 34' 25", a distance of 87.58 feet to a set 5/8-inch iron rod with Tri Tech cap marking the end of said curve:

THENCE, S 78° 34' 20" W, continuing along the north right-of-way line of F.M. Highway 565, (variable width) and a south line of the said called 443.65 acre tract of land a distance of 966.66 feet to a point marking the southeast corner of that certain called 12.22 acre tract of land described in deed of record in Volume 659, Page 433, of the Deed Records of Chambers County, Texas, a 5/8-inch iron rod with cap (unreadable) bears S 81° W a distance of 0.5 feet;

THENCE, N 03° 46' 56" E, along the east line of the aforesaid called 12.22 acre tract of land a distance of 1297.95 feet (called 1297.85 feet) to a found 1-inch iron pipe marking the northeast corner of the said called 12.22 acre and an interior corner of this tract of land herein described:

THENCE, S 78° 37' 04" W, along the north line of the said called 12.22 acre tract of land and a called 12.19 acre tract of land described in deed of record in Volume 1061, Page 696, of the Deed Records of Chambers Count, Texas a distance of 1014.15 feet to a found 1-inch iron pipe marking the northwest corner of the aforesaid 12.19 acre tract of land and an interior corner of this tract of land herein described:

THENCE, S 03° 46' 56" W, along the west line of the said called 12.12 acre tract of land a distance of 1298.78 feet (called 1298.69') to point marking the southwest corner of the said called 12.12 acre tract

of land, on the south line of the said called 443.65 acre tract of land and the north right-of-way line of F.M. Highway 565 (variable width), a found 5/8-inch iron rod bears N 01° W a distance of 0.8 feet;

THENCE, S 78° 34' 20" W, along the north right-of-way line of F.M. Highway 565 and a south line of the said called 443.65 acre tract of land a distance of 934.55 feet to a point for the most southerly southwest corner of the said called 443.65 acre tract of land and the southeast corner of a called 92.8172 acre tract of land described in deed of record in Volume 1287, Page 14, of the Deed Records of Chambers County, Texas, found 5/8-inch iron rod with "BHA INC" cap bears S68° W - 0.4';

THENCE, N 11° 09' 14" W, along the east line of the aforesaid called 92.8172 acre tract of land a distance of 2313.95 feet (called 2313.86 feet) to a found 5/8-inch iron rod marking the northeast corner of the said called 92.8172 acre tract of land and the southeast corner of the aforesaid called 59.3919 acre tract of land;

THENCE, S 78° 34' 04" W, along the north line of the said called 92.8172 acre tract of land same being the south line of the said called 59.3919 acre tract of land a distance of 2260.21 feet (called 2260.08 feet) to a found 5/8-inch iron rod marking the northwest corner of the said called 92.8172 acre tract of land same being the southwest corner of the said called 59.3919 acre tract of land, on the east line of a 50 food Railroad Tract as described in deed of record in Volume 180, Page 610 of the deed records of Chambers County, Texas:

THENCE, N 12° 04' 05" W, along the west line of said called 59.3919 acre tract of land and the aforesaid 50 foot wide Railroad Tract a distance of 1066.05 feet to a found 5/8-inch iron rod marking the northwest corner of the said called 59.3919 acre tract of land;

THENCE, S 76° 45' 09" W, a distance of 50.01 feet (called 50.03 feet) to a point for the northeast corner of a called 12.59 acre tract of land described in deed of record in Volume 744, Page 284 of the deed records of Chambers County, Texas and the southeast corner of a called 20.777 acre tract of land described in deed of record in Volume 921, Page 607 of the deed records of Chambers County, Texas, found ½-inch iron rod bears S 64° W – 0.4';

THENCE, N 12° 11' 52" W, a distance of 1120.65 feet (called 1120.31 feet) to a found ½-inch iron rod marking the northeast corner of the aforesaid called 20.777 acre tract of land and the southeast corner of a called 21.097 acre tract of land described in deed of record in Volume 1421, Page 1, of the deed records of Chambers County, Texas;

THENCE, N 77° 27' 17" E, a distance of 50.00 feet to a set 5/8-inch iron rod with Tri Tech cap (found ½-inch iron rod with "BHA INC." cap N 78° W – 0.4') marking the southwest corner of the aforesaid called 81.6883 acre tract of land;

THENCE, N 12° 02' 02" W, along the west line of the said called 81.6883 acre tract of land and the east line of said 50 foot Railroad Tract a distance of 1144.56 feet to a found ½-inch iron rod with cap (unreadable) marking the northeast corner of said Railroad Tract;

THENCE, N 77° 27' 54" E, a distance of 25.00 feet to a set 5/8-inch iron rod with Tri Tech cap marking the southeast corner of a Railroad Tract described in deed of record in Volume 181, Page 550, of the deed records of Chambers County, Texas;

THENCE, N 12° 02' 06" W, along the most easterly west line of the said called 81.6883 acre tract of land a distance of 900.01 feet (called 900.09 feet) to a point for the northwest corner of the said called 81.6883 acre tract of land same being the southwest corner of a called 9.005 acre tract of land described in deed of record in Volume 427, Page 71, of the deed records of Chambers County, Texas, found 5/8-inch iron rod bears S 39° E – 0.7';

THENCE, N 77° 23' 05" E, along the most northerly line of the said called 81.6883 acre tract of land and the south line of the aforesaid called 9.005 acre tract of land a distance of 695.45 feet (called 695.48 feet) to a found ½-inch iron rod with "BHA INC." cap marking the southeast corner of the said called 9.005 acre tract of land same being the southwest corner of a called 3.000 acre tract of land described in deed of record in Volume 1017, Page 71, of the deed records of Chambers County, Texas and the northwest corner of a called 12.06 acre tract of land described in deed of record in Volume 730, Page 376, of the deed records of Chambers County, Texas;

THENCE, S 06° 48' 25" E, along the west line of the aforesaid called 12.06 acre tract of land a distance of 667.22 feet to a found 1-inch iron pipe marking the southwest corner of the said called 12.06 acre tract of land and an interior corner of the said called 81.6883 acre tract of land;

THENCE, N 77° 14' 23" E, along the most southerly north line of the said called 81.6883 acre tract of land same being the south line of the said called 12.06 acre tract of land and a called 12.05 acre tract of land referenced Volume 1318, Page 349, of the deed records of Chambers County, Texas a distance of 1591.17 feet (called 1591.22 feet) to a found 5/8-inch iron rod marking the northeast corner of the said called 81.6883 acre tract of land, same being the southeast corner of the aforesaid called 12.05 acre tract of land, the southwest corner of a called 12.97 acre tract of land described in deed of record in Volume 1238, Page 740, of the deed records of Chambers County, Texas and the northwest corner of a called 9.430 acre tract of land described in deed of record in Volume 1336, Page 607, of the deed records of Chambers County, Texas;

THENCE, S 12° 34' 54" E, along the west line of the aforesaid called 9.430 acre tract of land and the west line of a tract of land described in Exhibit A, Cause 5753, recorded in Volume 258, Page 647, of the deed records of Chambers County, Texas and the east line of the said called 81.6883 acre tract of land a distance of 1387.21 feet (called 1387.28 feet) to a ¾-inch iron rod marking the southeast corner of the said called 81.6883 acre tract of land;

THENCE, S 11° 59' 37" E, along the west line of that aforesaid tract of land described in Exhibit A, Cause 5753 a distance of 902.62 feet (called 902.28 feet) to a found ½-inch iron pipe marking the southwest corner of the said tract of land described in Exhibit A, Cause 5753;

THENCE, N 77° 38' 25" E, along the south line of the said tract of land described in Exhibit A, Cause 5753 a distance of 1197.25 feet (called 1197.31 feet) to a found 5/8-inch iron rod with "RPLS 5206" cap marking the southeast corner of the said tract of land described in Exhibit A, Cause 5753;

THENCE, N 12° 15' 18" W, along east line of the said tract of land described in Exhibit A, Cause 5753 a distance of 1101.49 feet (called 1101.22 feet) to a found ½ inch iron pipe marking the northeast corner of the said tract of land described in Exhibit A, Cause 5753 on the south line of a called 8.5 acre tract of land described in deed of record in Volume 1134, Page 240, of the deed records of Chambers County, Texas;

THENCE, N 78° 09' 45" E, along the south line of the aforesaid called 8.5 acre tract of land a distance of 101.90 feet to a found ½-inch iron pipe marking the southeast corner of the said called 8.5 acre tract of land;

THENCE, N 12° 15' 48" W, along the east line of the said called 8.5 acre tract of land a distance of 893.14 feet (called 893.41 feet) to a point forthe southwest corner of a called 2.00 acre tract of land described in deed of record in Volume 1291, Page 256, of the deed records of Chambers County, Texas, ½-inch iron rod found bears S 05° E – 1.4 feet ;

THENCE, N 78° 00' 55" E, along the south line of the aforesaid called 2.00 acre tract of land a distance of 295.00 feet to a found 5/8-inch iron rod marking the southeast corner of the said called 2.00 acre tract of land;

THENCE, N 12° 14' 21" W, along the east line of the said called 2.00 acre tract of land a distance of 295.44 feet to a found ½-inch iron pipe on the north line of the said called 443.65 acre tract of land and the south line of that called 24.33 acre tract of land described in deed of record in Volume 1036, Page 215, of the deed records of Chambers County, Texas;

THENCE, N 77° 47' 54" E, along the south line of the aforesaid called 24.33 acre tract of land and the north line of the said called 443.65 acre tract of land a distance of 1424.92 feet to a found ½-inch iron pipe marking the most northerly northeast corner of the said 443.65 acre tract of land and the northwest corner of the aforesaid 50.40 acre tract of land;

THENCE, N 76° 51' 41" E, continuing along the south line of the said 24.33 acre tract of land and the north line of the said 50.40 acre tract of land a distance of 988.24 feet (called 987.76 feet) to a found ½-inch iron pipe marking the northeast corner of the said 50.40 acre tract of land, the southeast corner of the said called 24.33 acre tract of land on the east line of the B.B.B. & C R.R. Company Survey, and the west line of the Chambers County School Land Survey;

THENCE, S 01° 27' 27" E, along the easterly line of the said 50.40 acre tract of land the east line of the B.B.B. & C. R.R. Company Survey and the west line of the Chambers County School Land Survey, a distance of 2339.44 feet to a found 5/8-inch iron rod marking the southeast corner of the said 50.40 acre tract of land and the most southerly northeast corner of the said called 443.65 acre tract of land;

THENCE, S 02° 47' 52" E, continuing along the east line of the B.B.B. & C. R.R. Company, the west line of the Chambers County School Land Survey and the east line of the said called 443.65 acre tract of land a distance of 3473.15 feet (called 3473.05 feet) to the POINT OF BEGINNING and containing 575.80 acres of land.

1.) BEARINGS ARE GRID WITH DISTANCES BEING TRUE BASED UPON TEXAS STATE PLANE COORDINATE SYSTEM SOUTH CENTRAL ZONE (4204).
2.) THE SQUARE FOOTAGE AND ACREAGE VALUES SHOWN HEREON ARE MATHEMATICAL VALUES CALCULATED FROM THE BOUNDARY DATA SHOWN HEREON. THESE VALUES IN NO WAY REPRESENT THE PRECISION OF CLOSURE OF THIS SURVEY OR THE ACCURACY OF BOUNDARY MONUMENTS FOUND OR SET.

6/19/14

CODY L. CONDRON, R.P.LS. NO. 5899
SURVEY OPERATIONS MANAGER
GLOBAL SURVEYOR, INC.
10401 WESTOFFICE DRIVE
HOUSTON, TEXAS 77042
8-17-14
JOB NO. 8392-13



Exhibit C

CHAMBERS COUNTY LOGISTICS TERMINAL LP
PO BOX 1356
LA PORTE, TX 77572

July 19th, 2014

Honorable Jimmy Sylvia
County Judge
Chambers County
404 Washington Avenue
PO Box 939
Anahuac, TX 77514

RE: Application for Tax Abatement

Dear Judge Sylvia,

Chambers County Logistics Terminal, LP hereby submits its application for 10-year tax abatement for its inaugural project on 575 acres of land in Chambers County. The development will be located at 1919 S FM 565 Baytown, TX 77523. The 1st phase of the site will consist of:

1. 505,000 sq. ft. of warehouse space
2. 40 Dock high loading doors
3. 200 Hopper car spots
4. 4 interchange tracks connecting main line to property
5. ESFR Sprinkler system
6. 4-8 Silos, packaging equipment, transfer equipment
7. 4 Grade level loading doors
8. 8,000 Square foot office
9. 2,400 Square foot maintenance shop
10. Entrance road
11. Detention Pond

This will be Phase 1 of an overall development of the 575 acres. Phase 1 will cover approximately 53 acres with peak construction job creation of approximately 140 jobs. Phase 1 of the project will be completed in May of 2015 and the tenant will immediately create 20 full-time jobs with job creation reaching 75 jobs by 2020. The total cost of Phase 1 will be approximately $40,000,000.

The development of Chambers County Logistics Terminal will continue with future phases until the build out of the entire 575 acres is complete. This will lead to the creation of hundreds of jobs and spur economic growth that will add a future benefit to all of Chambers County. We look forward to partnering with you now and in the future on the growth of Chambers County.



Yves Huts, President

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.

For projects west of the Trinity River and south of IH- 10, the applicant must maintain membership in the Baytown-West Chambers County Economic Development Foundation, commencing with the date of the 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: June 19, 2014**

Company Name: CHAMBERS COUNTY LOGISTICS TERMINAL LP
Address: 1919 S FM 565
City Baytown State TX Zip-Code 77523

APPLICANT MUST SUBMIT ANNUAL REPORT. (See instructions).

Number of Employees: 0
Annual Sales: TBD
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: 1919 S FM 565 BAYTOWN TX 77523
Attach map showing proposed site

Jurisdictions:

School District Goose Creek ISD
College District LEE

City or Town Baytown ETJ

Describe Product or Service

Project Description:

Attach statement fully explaining project, describe existing site and 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 07/ 2014 Construction Man Years____
Completion Date 05/ 2015 Peak Construction Jobs 140

If Modernization:

Estimated Economic Life of Existing Plant N/A Years
Added Economic Life from Modernization N/A Years

Permanent Employment Estimates (PEE'S)

Current Plant Employment 0
Number of Plant Jobs ☐ Retained or ☒ Created
At start/opening 20 in year 2015
5 years into operation 75 in year 2020

Estimated Appraised Value on Site

	Personal	Improvements	Land
Value January 1 Preceding Abatement Agreement:	____	____	745,000
Est. Value of Improvements:	3,000,000	37,000,000	745,000
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 (f) of the guidelines? ☒ YES NO
If "YES", attach required supplementary information.

OTHER ABATEMENTS. Has company made application for abatement of this project by another taxing jurisdiction 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: Yves Huts

Signature of Company Official

TITLE: President

Yves Huts, President
Name & Title of Company Official

ADDRESS: 333 Clay St. Ste 3300
CITY: Houston STATE: TX ZIP-CODE: 77002
TELEPHONE: 281-624-1001

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 see if project qualifies.

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 a 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.

DO NOT WRITE IN THIS AREA – FOR PROCESSING ONLY

1. ED Contact _____
2. Precinct _____
3. Jurisdictions Notified _____
4. Initial Review Completed _____
5. Review Circulated _____
6. ISD Concurrence? _____
7. College Concurrence? _____
8. City Concurrence? _____
9. Letter of Intent _____
10. Hearing Notice on Agenda _____
11. Public Hearing _____/_____/_____
12. ISD Action _____/_____/_____
13. College Action _____/_____/_____
14. City Action _____/_____/_____
15. Agreement Signed _____/_____/_____

EXHIBIT "B"

PHASES 2 / 3 ABATEMENT APPLICATION

CHAMBERS COUNTY LOGISTICS TERMINAL LP
PO BOX 1356
LA PORTE, TX 77572

October 9th, 2015

Judge Jimmy Sylvia
County Judge
Chambers County
404 Washington Avenue
PO Box 939
Anahuac, TX 77514

RE: Application for Tax Abatement

Dear Judge Sylvia,

Chambers County Logistics Terminal, LP hereby submits its application for a 10-year Tax Abatement for the next phases on the 575 acres of land in Chambers County. The development will be located at 1919 S FM 565 Baytown, TX 77523. This 2nd and 3rd phase of the site will consist of:

1. 945,000 sq. ft. of warehouse space
2. 2 ground floor operational offices
3. 80 dock high loading doors
4. ESFR Sprinkler system
5. Packaging bins, packaging equipment, transfer equipment
6. Grade level loading doors
7. 200 additional Hopper car storage spots in the rail yard.

This will be the 2nd and 3rd phase of an overall development of the 575 acres; it will cover approximately 37.5 acres with peak construction job creation of approximately 140 jobs. Phase 2 of the project will be completed in April of 2016 and Phase 3 should complete by June of 2016. The tenant will immediately create 30 full time jobs with job creation reaching 100 jobs by 2030. The total cost of Phase 2 and 3 combined will be approximately $43,000,000.

The development of Chambers County Logistics Terminal will continue with future phases until the build out of the entire 575 acres is complete. This will lead to the creation of hundreds of jobs and spur economic growth that will add a future benefit to all of Chambers County. We look forward to partnering with you now and in the future on the growth of Chambers County.

Yves Huts, President


2,316,507 sq ft
292,809 sq ft
1,332,612.5 sq ft
TAX ZONE #1 2,316,507.75 SQ. FT.
TAX ZONE #2.1 1,332,612.50 SQ. FT.
TAX ZONE #2.2 292,809.00 SQ. FT.
TOTAL 3,941,929.25 SQ. FT.
90.49 ACRES
Improvement Zone #2
FM HIGHWAY 565
NOT FOR CONSTRUCTION
CCLT - Site
Chambers County Logistics Terminal, L.P.
FM 565
G00

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.

For projects west of the Trinity River and south of IH- 10, the applicant must maintain membership in the Baytown-West Chambers County Economic Development Foundation, commencing with the date of the 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: October 13, 2015**

Company Name: CHAMBERS COUNTY LOGISTICS TERMINAL LP
Address: 1919 S FM 565
City Baytown State TX Zip-Code 77523

APPLICANT MUST SUBMIT ANNUAL REPORT. (See instructions).

Number of Employees: 0
Annual Sales: TBD
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: 1919 S FM 565 BAYTOWN TX 77523
Attach map showing proposed site

Jurisdictions:

School District Goose Creek ISD
College District LEE

City or Town Baytown ETJ

Describe Product or Service

Project Description:

Attach statement fully explaining project, describe existing site and 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 09/ 2015 Construction Man Years_____
Completion Date 05/ 2016 Peak Construction Jobs 160

If Modernization:

Estimated Economic Life of Existing Plant N/A Years
Added Economic Life from Modernization N/A Years

Permanent Employment Estimates (PEE'S)

Current Plant Employment 0
Number of Plant Jobs ☐ Retained or ☒ Created
At start/opening 30 in year 2016
5 years into operation 100 in year 2021

Estimated Appraised Value on Site

	Personal	Improvements	Land
Value January 1 Preceding Abatement Agreement:	_____	_____	745,000
Est. Value of Improvements:	8,500,000	43,000,000	745,000
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 (f) of the guidelines? ☒ YES ☐ NO
If "YES", attach required supplementary information.

OTHER ABATEMENTS. Has company made application for abatement of this project by another taxing jurisdiction 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: Yves Huts



Signature of Company Official

TITLE: President

Yves Huts, President
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 see if project qualifies.

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 a 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.

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11. Public Hearing _____/ _____/ _____
12. ISD Action _____/ _____/ _____
13. College Action _____/ _____/ _____
14. City Action _____/ _____/ _____
15. Agreement Signed _____/ _____/ _____

Passed.

Judge Sylvia then went to agenda item 2.6 under Financial.

Agenda item 2.6- Receive into record TxCDBG No. 712051 Project Close Out Report and Administrative Warnings.

Insert.

At this time, Judge Sylvia went to agenda item 1.7 under Administration. Let the record reflect, Commissioner Huddleston left court at 10:49 a.m. and returned at 10:54 a.m.

15-10-622 Motion made by Senac and seconded by Huddleston to approve Chambers County Logistics Terminal Phase 2 & 3 tax abatement application.

Public comment made by B.J. Simon, Baytown West Chambers County Economic Development Foundation.

Insert.

Passed.

15-10-623 Motion made by Huddleston and seconded by George to approve going forward with hiring a Mental Health Liaison Deputy at this time, to be funded out of Health Services.

EXHIBIT "C"

ABATEMENT APPLICATION FOR 1ST PHASE

Chambers County LogisticsTerminal LP
Capitol Corporate Services Inc.
800 Brazos
Suite 400
Austin, Texas 78701

June 15, 2016

Judge Jimmy Sylvia
County Judge
Chambers County
404 Washington Avenue
PO Box 939
Anahuac, TX 77514

Application for Tax Abatement

Dear Judge Sylvia,
Chambers County Logistics Terminal, LP hereby submits its application for a 10-year Tax Abatement for the next phase of the 575 acres of land in Chambers County. The development will be located at 1919 S FM 565 Baytown, TX 77523. The 1st phase of the site will consist of:

1. 453,000 sq. ft. of warehouse space
2. 40 Dock high loading doors
3. ESFR Sprinkler system
4. Packaging equipment, transfer equipment
5. Dock high level loading doors

This will be Phase 4 of an overall development of the 575 acres; it will cover approximately 15 acres with peak construction job creation of approximately 70 jobs. Phase 4 of the project will be completed in February 2017 and the tenant will immediately create 15 full time jobs with job creation reaching 40 jobs by 2020. The total cost of Phase 1 will be approximately $18,500,000.

The development of Chambers County Logistics Terminal will continue with future phases until the build out of the entire 575 acres is complete. This will lead to the creation of hundreds of jobs and spur economic growth that will add a future benefit to all of Chambers County. We look forward to partnering with you now and in the future on the growth of Chambers County.

Yves Huts, President

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.

For projects west of the Trinity River and south of IH- 10, the applicant must maintain membership in the Baytown-West Chambers County Economic Development Foundation, commencing with the date of the 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: June 27, 2016**

Company Name: CHAMBERS COUNTY LOGISTICS TERMINAL LP
Address: 1919 S FM 565
City Baytown State TX Zip-Code 77523

APPLICANT MUST SUBMIT ANNUAL REPORT. (See instructions).

Number of Employees: 0
Annual Sales: TBD
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: 1919 S FM 565 BAYTOWN TX 77523
Attach map showing proposed site

Jurisdictions:

School District Goose Creek ISD
College District LEE

City or Town Baytown ETJ

Describe Product or Service

Project Description:

Attach statement fully explaining project, describe existing site and 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 07/ 2016 Construction Man Years_____
Completion Date 12/ 2016 Peak Construction Jobs 70

If Modernization:

Estimated Economic Life of Existing Plant N/A Years
Added Economic Life from Modernization N/A Years

Permanent Employment Estimates (PEE'S)

Current Plant Employment 0
Number of Plant Jobs ☐ Retained or ☐ Created
At start/opening 15 in year 2016
5 years into operation 40 in year 2021

Estimated Appraised Value on Site

	Personal	Improvements	Land
Value January 1 Preceding Abatement Agreement:			745,000
Est. Value of Improvements:	1,500,000	18,500,000	370,000
Est. Value of Abated Properties After Abatement Expires:			
Value upon Completion of Project Personal Property and Project Improvements Not Subject To Abatement:			

ECONOMIC INFORMATION

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13. College Action _____/_____/_____
14. City Action _____/____/____
15. Agreement Signed _____/_____/_____

VARIANCE

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

OTHER ABATEMENTS. Has company made application for abatement of this project by another taxing jurisdiction 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: Yves Huts

Signature of Company Official

TITLE: President

Yves Huts, President
Name & Title of Company Official

ADDRESS: Capitol Corporate Services Inc
800 Brazos – Suite 400
CITY: Austin STATE: Texas ZIP-CODE: 78701
TELEPHONE: -

INSTRUCTIONS

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Judge Pro Tem, Mark Huddleston, then went back to agenda items under Administration.

16-07-378 Motion made by Senac and seconded by Nelson to approve the Tax Abatement application for Project Golden Steel.

Insert.

Passed.

At this time, court recessed for a short break at 10:57 a.m. Court reconvened at 11:12 a.m.

16-07-379 Motion made by Senac and seconded by Nelson to approve the Chambers County Logistics Terminal, LP application for Chapter 381 Agreement.

Insert.

Passed.

16-07-380 Motion made by Senac and seconded by George to accept the draft of the Chambers County Foreign Trade Zone Policy, and will continue to develop the draft until Chambers County establishes a Foreign Trade Zone Policy.

EXHIBIT "D"

ABATEMENT AMENDMENT REQUEST FOR PHASES 1-4

Agenda item 1.2-Receive monthly reports-**none.**

Judge Sylvia started with agenda item 1.12 under Administration.

16-12-706 Motion made by Senac and seconded by Nelson to approve an amendment to the Chambers County Logistics Terminal Chapter 381 Agreement for Buildings 2, 3, and 4.

Insert.

Passed.

Judge Sylvia skipped to agenda item 4.1 under Economic Development & Tourism.

16-12-707 Motion made by Senac and seconded by George to approve awarding Engineering Services Contract for the 2017/2018 TxCDBG Community Development Fund Application administered by the Texas Department of Agriculture.

Insert.

Passed.

Chambers County LogisticsTerminal LP
Capitol Corporate Services Inc.
800 Brazos
Suite 400
Austin, Texas 78701

June 15, 2016

Judge Jimmy Sylvia
County Judge
Chambers County
404 Washington Avenue
PO Box 939
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Application for Tax Abatement

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APPLICANT INFORMATION **Date: June 27, 2016**

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Address: 1919 S FM 565
City Baytown State TX Zip-Code 77523

APPLICANT MUST SUBMIT ANNUAL REPORT. (See instructions).

Number of Employees: 0
Annual Sales: TBD
Corporation: ☐ Partnership: ☒ Proprietorship: ☐

PROJECT INFORMATION

Type of Facility
See Instructions

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- ☐ Wholesale Distribution Facility
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☒ NEW PLANT ☐ EXPANSION ☐ MODERNIZATION

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Start Month/Year 07/ 2016 Construction Man Years_____
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Value upon Completion of Project – Personal Property and Project Improvements Not Subject To Abatement:	____	____	____

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NAME: Yves Huts

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15. Agreement Signed _____/_____/_____

GUIDELINES AND CRITERIA FOR TAX ABATEMENT IN CHAMBERS COUNTY

SECTION 1 INTRODUCTION

In recognition of the fact that:

a.) The creation and retention of job opportunities that bring new wealth is the highest civic priority;

b.) New jobs and investments will benefit the area economy, provide needed opportunities, strengthen the real estate market and generate tax revenue to support local services;

c.) The communities within Chambers County must compete with other localities across the nation currently offering tax inducements to attract new plant and modernization projects;

d.) Any tax incentives offered in Chambers County would reduce needed tax revenue unless strictly limited in application to those new and existing industries that bring new wealth to the community;

e.) Any tax incentives should not adversely affect the competitive position of existing companies operating in Chambers County;

f.) The abatement of property taxes, when offered to attract primary jobs in industries which bring in money from outside a community instead of merely re-circulating dollars within a community, has been shown to be an effective method of enhancing and diversifying an area's economy;

g.) Effective September 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 that 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:

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

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

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

h.) **Economic Qualification.** In order to be eligible for designation as a reinvestment zone and receive tax abatement, the proposed improvement;

(1) Must be reasonably expected to increase the value of property in the amount of $500,000 or more after the period of abatement has expired;

(2) Must be reasonably expected to prevent the loss of employment and to create employment at the facility for at least five people on a permanent basis and the owner must agree to exercise its best efforts to insure that 50% of new employees, or a minimum of two (2) employees, are residents of Chambers County, Harris County, Jefferson County, Galveston County, Hardin County and/or Liberty County; 10% of new employees, or a minimum of two (2) employees, are residents of Chambers County; and 5% of new employees, or a minimum of one (1) employee are resident(s) of the city in which the facility is located;

(3) Must not be expected to solely or primarily have the effect of transferring employment from one part of Chambers County to another; and

(4) If a new facility, must be necessary because capacity cannot be provided efficiently utilizing existing improved property when reasonable allowance is made for necessary improvements.

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

i.) **Taxability.** For tax years beginning on or after the execution of the tax abatement agreement to the end of the agreement period taxes shall be payable as follows;

(1) the value of ineligible property as provided in Section 3(e) shall be fully taxable;

(2) the base year value of existing eligible property shall be fully taxable; and

(3) the value of eligible property shall be taxable in the manner described in Section 3(g).

SECTION 4
APPLICATION

a.) **Filing of Application.** Any present or potential owner of taxable property in Chambers County may request the creation of a reinvestment zone and tax abatement by filing a written request with the County Judge of Chambers County if the property is located outside of the taxing jurisdiction of a municipality.

b.) **Content of Application.** The application shall consist of a completed application form accompanied by: a general description of the new improvements to be undertaken; a general descriptive list of the improvements for which an abatement is requested; a list of the kind, number and location of all proposed improvements of the property; a map and location of all proposed improvements of the property; a map and property description; and a time schedule for undertaking and completing the proposed improvements. In the case of modernization, a statement of the assessed value of the facility, separately stated for real and personal property shall be given for the tax year immediately preceding the application. The application form may require such financial and other information as the municipality or County deems appropriate for evaluating the financial capacity and other factors of the applicant. Sworn statement that no construction has been undertaken on the project.

c.) **Notice to Eligible Jurisdiction.** Upon receipt of an approved application, Chambers County, shall notify in writing the presiding officer of the governing body of each eligible jurisdiction.

d.) **Abatement Inapplicable to Prior Projects.** Chambers County shall not establish a reinvestment zone or enter into an abatement agreement if it finds that the request for the abatement was approved by Commissioner's Court after the construction, alteration, or installation of improvements began as related to a proposed modernization, expansion or new facility.

e.) **Variance.** Requests for variance from the provisions of Subsections (a), (e) and (g) of Section 3 must be made in written form. Such request shall include a complete description of the circumstances explaining why the applicant should be granted a variance.

SECTION 5
PUBLIC HEARING AND APPROVAL

a.) **Public Hearing for Designation of Zone.** A resolution designating a reinvestment zone may not be adopted until the governing body has held a public hearing at which interested persons are entitled to speak and present evidence for or against the designation. Notice of the hearing shall be published at least seven (7) days prior to the hearing in a newspaper paper having general circulation in the eligible jurisdiction. The presiding officers of other eligible jurisdictions shall be notified in writing at least (7) days prior to the hearing.

b.) **Findings Required for Agreement.** In order to enter into a tax abatement agreement, the eligible jurisdiction must find that the terms of the proposed agreement and the subject property meet these guidelines and criteria and that:

(1) there will be no substantial adverse effect on the provision of the jurisdiction's service or tax base; and
(2) the planned use of the property will not constitute a hazard to public safety, health or morals.

SECTION 6
AGREEMENT

a.) **Contents of Agreement.** After approval, the eligible jurisdiction shall formally approve and execute an agreement with the owner of the facility which agreement shall include:

(1) estimated value to be abated and the base year value;

(2) percent of value to be abated each year as provided in Section 3(g);

(3) the commencement date and the termination date of abatement;

(4) the proposed use of the facility; nature of construction, time schedule, map, property description and improvement list as provided in Section 4(b);

(5) contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, recapture, administration and assignment as provided in Sections 3(a), 3(f), 3(g), 7, 8, and 9, or other provisions that may be required for uniformity or by state law; and

(6) amount of investment and average number of jobs involved.

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

SECTION 7
RECAPTURE

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

discontinues operating or using the property as required by the agreement, or 4) the owner breaches any of the terms or conditions of the agreement.

SECTION 8
ADMINISTRATION

a.) **Appraisal and Assessment.** The Chief Appraiser of the County shall annually determine an appraisal of the real and personal property comprising the reinvestment zone. Each year, the company or individual receiving abatement shall furnish the assessor with such information as may be necessary for the abatement. Once value has been established, the Chief Appraiser shall notify the affected jurisdictions, which levy taxes of the amount of the assessment.

b.) **Access to Property.** The agreement shall stipulate that employees and/or designated representatives of the contracting eligible jurisdiction shall have access to the subject property during the term of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only upon twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the facility.

c.) **Annual Evaluations.** Upon completion of construction, the jurisdiction creating the reinvestment zone shall annually evaluate each facility receiving abatement to ensure compliance with the agreement and report possible violations of the agreement to the eligible jurisdictions.

SECTION 9
ASSIGNMENT

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

SECTION 10
SUNSET PROVISIONS

a.) These guidelines and criteria are effective upon the date of their adoption and will remain in force for two years, at which time all reinvestment zones and tax abatement contracts created pursuant to its provisions will be reviewed by the County to determine whether the goals have been achieved. Based on that review, the guidelines and criteria will be modified, renewed or eliminated.

b.) This policy applies only to the tax abatement under the provisions of the Property Redevelopment and Tax Abatement Act, Tex. Tax Code Ann. Chapter 312.

CHAMBERS COUNTY LOGISTICS TERMINAL LP
PO BOX 1356
LA PORTE. TX 77572

October 9th, 2015

Judge Jimmy Sylvia
County Judge
Chambers County
404 Washington Avenue
PO Box 939
Anahuac, TX 77514

RE: Application for Tax Abatement

Dear Judge Sylvia,

Chambers County Logistics Terminal, LP hereby submits its application for a 10-year Tax Abatement for the next phases on the 575 acres of land in Chambers County. The development will be located at 1919 S FM 565 Baytown, TX 77523. This 2nd and 3rd phase of the site will consist of:

1. 945,000 sq. ft. of warehouse space
2. 2 ground floor operational offices
3. 80 dock high loading doors
4. ESFR Sprinkler system
5. Packaging bins, packaging equipment, transfer equipment
6. Grade level loading doors
7. 200 additional Hopper car storage spots in the rail yard.

This will be the 2nd and 3rd phase of an overall development of the 575 acres; it will cover approximately 37.5 acres with peak construction job creation of approximately 140 jobs. Phase 2 of the project will be completed in April of 2016 and Phase 3 should complete by June of 2016. The tenant will immediately create 30 full time jobs with job creation reaching 100 jobs by 2030. The total cost of Phase 2 and 3 combined will be approximately $43,000,000.

The development of Chambers County Logistics Terminal will continue with future phases until the build out of the entire 575 acres is complete. This will lead to the creation of hundreds of jobs and spur economic growth that will add a future benefit to all of Chambers County. We look forward to partnering with you now and in the future on the growth of Chambers County.

Yves Huts, President



NOT FOR CONSTRUCTION

Not for Construction or Regulatory Approval

KEG

CCLT - Site
Chambers County Logistics Terminal, L.P.
FM 565
Baytown, Texas 77523

G002

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.

For projects west of the Trinity River and south of IH- 10, the applicant must maintain membership in the Baytown-West Chambers County Economic Development Foundation, commencing with the date of the 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: October 13, 2015**

Company Name: CHAMBERS COUNTY LOGISTICS TERMINAL LP
Address: 1919 S FM 565
City Baytown State TX Zip-Code 77523

APPLICANT MUST SUBMIT ANNUAL REPORT. (See instructions).

Number of Employees: 0
Annual Sales: TBD
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: 1919 S FM 565 BAYTOWN TX 77523
Attach map showing proposed site

Jurisdictions:

School District Goose Creek ISD
College District LEE

City or Town Baytown ETJ

Describe Product or Service

Project Description:

Attach statement fully explaining project, describe existing site and 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 09/ 2015 Construction Man Years_____
Completion Date 05/ 2016 Peak Construction Jobs 160

If Modernization:

Estimated Economic Life of Existing Plant N/A Years
Added Economic Life from Modernization N/A Years

Permanent Employment Estimates (PEE'S)

Current Plant Employment 0
Number of Plant Jobs ☐ Retained or ☒ Created
At start/opening 30 in year 2016
5 years into operation 100 in year 2021

Estimated Appraised Value on Site

	Personal	Improvements	Land
Value January 1 Preceding Abatement Agreement:	_____	_____	745,000
Est. Value of Improvements:	8,500,000	43,000,000	745,000
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 (f) of the guidelines? ☒ YES ☐ NO
If "YES", attach required supplementary information.

OTHER ABATEMENTS. Has company made application for abatement of this project by another taxing jurisdiction 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: Yves Huts

Signature of Company Official

TITLE: President

Yves Huts, President
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 see if project qualifies.

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 a 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.

DO NOT WRITE IN THIS AREA – FOR PROCESSING ONLY

1. ED Contact _____
2. Precinct _____
3. Jurisdictions Notified _____
4. Initial Review Completed _____
5. Review Circulated _____
6. ISD Concurrence? _____
7. College Concurrence? _____
8. City Concurrence? _____
9. Letter of Intent _____
10. Hearing Notice on Agenda _____
11. Public Hearing _____/ _____/ _____
12. ISD Action _____/ _____/ _____
13. College Action _____/ _____/ _____
14. City Action _____/ _____/ _____
15. Agreement Signed _____/ _____/ _____

EXHIBIT "E"

5TH PHASE ABATEMENT REQUEST

April 5, 2017

Judge Jimmy Sylvia
County Judge
Chambers County
404 Washington Avenue
PO Box 939
Anahuac, TX 77514

Application for Tax Abatement

Dear Judge Sylvia,
Chambers County Logistics Terminal, LP hereby submits its application for a 10-year Tax Abatement for the next phase of the 575 acres of land in Chambers County. The development will be located at 1919 S FM 565 Baytown, TX 77523. The 5th phase of the site will consist of:

1. 550,000 sq. ft. of warehouse space
2. 30 Dock high loading doors
3. ESFR Sprinkler system
4. Packaging equipment, transfer equipment
5. 2 floor office each floor 3,600 sq. ft.

This will be Phase 5 of an overall development of the 575 acres; it will cover approximately 15 acres with peak construction job creation of approximately 70 jobs. Phase 5 of the project will be completed in December of 2017 and the tenant will immediately create 15 full time jobs with job creation reaching 40 jobs by 2022. The total cost of Phase 1 will be approximately $22,400,000.

The development of Chambers County Logistics Terminal will continue with future phases until the build out of the entire 575 acres is complete. This will lead to the creation of hundreds of jobs and spur economic growth that will add a future benefit to all of Chambers County. We look forward to partnering with you now and in the future on the growth of Chambers County.

Yves Huts, President

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.

For projects west of the Trinity River and south of IH- 10, the applicant must maintain membership in the Baytown-West Chambers County Economic Development Foundation, commencing with the date of the 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: April 5, 2017**

Company Name: CHAMBERS COUNTY LOGISTICS TERMINAL LP
Address: 1919 S FM 565
City Baytown State TX Zip-Code 77523

APPLICANT MUST SUBMIT ANNUAL REPORT. (See instructions).

Number of Employees: 0
Annual Sales: TBD
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: 1919 S FM 565 BAYTOWN TX 77523
Attach map showing proposed site

Jurisdictions:

School District Goose Creek ISD
College District LEE

City or Town Baytown ETJ

Describe Product or Service

Project Description:

Attach statement fully explaining project, describe existing site and 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 04/ 2017 Construction Man Years_____
Completion Date 12/ 2017 Peak Construction Jobs 70

If Modernization:

Estimated Economic Life of Existing Plant N/A Years
Added Economic Life from Modernization N/A Years

Permanent Employment Estimates (PEE'S)

Current Plant Employment 0
Number of Plant Jobs ☐ Retained or ☒ Created
At start/opening 15 in year 2017
5 years into operation 40 in year 2022

Estimated Appraised Value on Site

	Personal	Improvements	Land
Value January 1 Preceding Abatement Agreement:	_____	_____	745,000
Est. Value of Improvements:	1,500,000	20,900,000	370,000
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 (f) of the guidelines? ☒ YES ☐ NO
If "YES", attach required supplementary information.

OTHER ABATEMENTS. Has company made application for abatement of this project by another taxing jurisdiction 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: Yves Huts

Signature of Company Official

TITLE: President

Yves Huts, President
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 see if project qualifies.

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 a 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.

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6. ISD Concurrence? _____
7. College Concurrence? _____
8. City Concurrence? _____
9. Letter of Intent _____
10. Hearing Notice on Agenda _____
11. Public Hearing _____/ _____/ _____
12. ISD Action _____/ _____/ _____
13. College Action _____/ _____/ _____
14. City Action _____/ _____/ _____
15. Agreement Signed _____/ _____/ _____

EXHIBIT "F"

AMENDMENT RECOMMENDATIONS

Baytown
West Chambers County
ECONOMIC DEVELOPMENT FOUNDATION

July 22, 2019

The Honorable Jimmy Sylvia
Judge – Chambers County
404 Washington Avenue
P. O. Box 939
Anahuac, TX 77514

Re: Chambers County Logistics Terminal L.P. Economic Development Agreement

Dear Judge Sylvia,

We have been working with the Chambers County Appraisal District (CCAD), Capital Appraisal Group (CAG) and Chambers County Logistics Terminal L.P. (CCLT) to reconcile accounts associated with the CCLT Ch. 381 Economic Development Agreement. Application for the renewal of the Chambers County Logistics Terminal L.P. 2014 Reinvestment Zone and proposed amendments to the Agreement to effectively rationalize all approved abatements are presented to Commissioners Court for consideration.

Recommendation:

Amend the 2014 Agreement to reflect the Court's intent related to all approved requests and do so under the original 10-year term, which expires in 2024. Establish a new agreement to incorporate remaining term (2025 – 2028) for Warehouses 2-6.

This will resolve issues related to the following sequence of events:

- On July 2, 2014, Commissioners Court passed a Resolution establishing a reinvestment zone known as the Chambers County Logistics Terminal, L.P. 2014 Reinvestment Zone, a 576-acre tract, located north of FM 565.

- In conjunction, the Court approved and executed a Chapter 381 Agreement with Chambers County Logistics Terminal, L.P. (CCLT) for a "Service and Distribution Facility" to be constructed in the Reinvestment Zone.

- On 10/27/15, the Court approved an abatement request for CCLT Phases 2 & 3 (Item 15-10-622, page 4):

  http://www.co.chambers.tx.us/users/comm/ags/15/10%2027%2015%20Regular%20Meeting.pdf

- On 7/12/16, the Court approved an abatement request for a facility described as the "1st phase", later to be known as CCLT Bldg. 4 (Item 16-07-379, page 6):

  https://www.co.chambers.tx.us/upload/page/0048/docs/07%2012%2016%20Regular%20Meeting.pdf

- On 12/27/16, the Court approved amending the CCLT Chapter 381 Agreement to incorporate terms for Phases 2, 3, and 4 (Item 16-12-706, page 2):

  https://www.co.chambers.tx.us/upload/page/0048/docs/cc12.27.16.PDF

While intent, terms, and conditions were managed consistent with Section 312.204(b) of the Texas Tax Code https://statutes.capitol.texas.gov/Docs/TX/htm/TX.312.htm#312.204, reconciliation of the agreements have yet to affected due to the confluence of several limiting factors, namely:

- Litigation
- Contingent/Overlapping Negotiations
- Dynamic Construction Development Plans & Confusing Nomenclature

Litigation:

As noted, intent has been managed consistent with Section 312.204 of the Tax Code, however the Agreement was not amended/executed due to litigation (Maximus Alliance Partners, LLC V. Katoen Natie USA, Inc., et al). At the time, Katoen Natie USA, Inc (KTN) was embroiled in a long-standing lawsuit brought by a consulting firm engaged to secure incentives for several competitive expansion projects across the country, one of which was the CCLT.

The suit was formally settled in December 2015. The CCLT abatement application for Phases 2&3 was approved by the Court on 10/27/15. However, given that the plaintiff's attorney routinely renewed efforts to recover damages each time any incentives activity occurred, the intent at the time was to work with CCLT to amend the original Phase 1 agreement to address construction covenants & include Phase 2 (reflecting CWIP) and establish a separate agreement for Phase 3 by April 2016 if practicable.

This intent was communicated to CCAD and CAG, providing clarification and allowing for abatement coding.

Contingent/Overlapping Negotiations:

Coincident with agreement negotiations, time allowances for the possibility to incorporate terms associated with CCLT's participation in the Kilgore sub-regional drainage project were provided, further extending time to consummate the amendment. However, terms were binding consistent with Section 312.204 of the Tax Code.

Dynamic Construction Development Plans and Confusing Nomenclature:

Communication and documentation related to the CCLT development was further complicated by the conflation of 3 terms:

- Phase
- Building
- Warehouse

These terms were often used interchangeably, creating confusion. The phases noted on various exhibits do not align as well. (Please note the attached 2018 Appraisal Roll).

- Warehouse 1 = Bldg.6
- Warehouse 2 = Bldg.7
- Warehouse 3 = Bldg.5
- Warehouse 4 = Bldg.4
- Warehouse 5 = Bldg.2

While these are individual warehouses, CCLT's tax agent and CAG routinely call them buildings. Further adding to confusion were conflicting schematics illustrating phasal buildout and CCLT tax agent turnover.

The most recent manifestation of this conflation is Warehouse 6 / Bldg. 8. When CCAD and CAG officials inspected the facility last February, they were informed that the construction has not been developed exactly as the documents detailed, (e.g., the timing of the construction phases has somehow changed as well as the design of the facility).

Buildings 8 and 9 which were thought to be two separate buildings, have now been combined into one (Bldg. 8 / Warehouse 6). Bldg. 8 is in fact Warehouse 6 or the 6th building in the CCLT complex.

Previous inquiries and references to Bldg. 6 were interpreted as allusions to Warehouse 1 (Acct. #A036-2-001288-000010). The same applies for Bldg. 2 / Warehouse 5 (Acct. #A036-2-001288-000090).

Amending the 2014 Agreement as recommended to reflect the reality of the physical plant and the Court's intent will allay any further confusion. Thank you.

Sincerely,

B. J. Simon

Associate Executive Director

ATTACHMENTS:

2018 Appraisal Roll
Sorted by Owner Name
Industrial Property

33774 **AMERIPORT BUILDING 6 LLC** **BTA** BETTENCOURT TAX ADVISORS LLC
REND=N **3330 S SAM HOUSTON PKWY E** PROPERTY TAX DEPT
HOUSTON TX 77047-6503 730 N POST OAK RD STE 400
HOUSTON TX 77024

Account	Legal	Jurisdictions		2017	2018
A036-2-002220-000010	NEW WAREHOUSE FACILITY 1500 TRANSNPORT DRIVE 5000 AMERIPORT PARKWAY, BAYTOWN, TEXAS AGENT: BTA 033774 Use: F2	CHAMBERS COUNTY (CC) ABAT GOOSE CREEK CISD 016 (SG) CEDAR BAYOU NAV DIST (1C) LEE COLLEGE 046 (2L) CHAMBERS CO IMP DS 2 (3D)	Land Imp Per Min Exm Txbl	 20,900,000 20,900,000 0	 20,927,410 20,927,410 0

33051 **BORUSAN MANNESMANN PIPE US** **ITC** INDUSTRIAL TAX CONSULTING LLC
REND=Y **363 N SAM HOUSTON PKWY E STE 500** PROPERTY TAX DEPT
HOUSTON TX 77060-2407 901 S MOPAC BLDG 2 STE 410
AUSTIN TX 78746

Account	Legal	Jurisdictions		2017	2018
A036-2-647051-000030	IMPROVEMENTS OFFICE AND MFG BLDG/CH 381 ABATEMENT 4949 BORUSAN RD, BAYTOWN, TX AGENT: ITC 033051 R Use: F2	CHAMBERS COUNTY (CC) ABAT OMITTED SCHOOL CODE (S-)	Land Imp Per Min Exm Txbl	 28,957,142 28,957,142 0	 28,957,142 28,957,142 0
A036-2-647051-000031	PERSONAL PROPERTY/CH 381 ABATEMENT 4949 BORUSAN RD, BAYTOWN, TX AGENT: ITC 033051 R Use: L2	CHAMBERS COUNTY (CC) ABAT OMITTED SCHOOL CODE (S-)	Land Imp Per Min Exm Txbl	 43,799,232 43,799,232 0	 43,799,232 43,799,232 0
			Owner Totals: 2 Items	**0**	**0**

1645 **CEDAR BAYOU FRACTIONATORS LP** **KEA** K E ANDREWS & CO - ROWLETT
REND=Y **PROPERTY TAX DEPT** PROPERTY TAX DEPT
1000 LOUISIANA ST STE 4700 1900 DALROCK RD
HOUSTON TX 77002-5021 ROWLETT TX 75088-5526

Account	Legal	Jurisdictions		2017	2018
A036-2-004185-000202	2012 FRACTIONATOR EXPANSION TRAIN 4; 100K BPD TARGA/CBF AGENT: KEA 001645 R Use: F2	OMITTED COUNTY CODE (C-) OMITTED SCHOOL CODE (S-) CITY OF MT BELVIEU (TM) ABAT 0.5	Land Imp Per Min Exm Txbl	 216,809,010 130,085,406 86,723,604	 218,606,209 109,303,104 109,303,105
A036-2-004185-000220	FRAC TRAIN #5 -100K BPD CH 381 COUNTY TARGA/CBF AGENT: KEA 001645 R Use: F2	CHAMBERS COUNTY (CC) ABAT OMITTED SCHOOL CODE (S-)	Land Imp Per Min Exm Txbl	 234,456,379 234,456,379 0	 237,492,377 237,492,377 0
A036-2-004185-000222	FRAC TRAIN #5 -100K BPD CH 380 CITY MB TARGA/CBF AGENT: KEA 001645 R Use: F2	OMITTED COUNTY CODE (C-) OMITTED SCHOOL CODE (S-) CITY OF MT BELVIEU (TM) ABAT	Land Imp Per Min Exm Txbl	 234,456,379 234,456,379 0	 237,492,377 237,492,377 0
			Owner Totals: 3 Items	**0**	**0**

33214 **CHAMBERS COUNTY LOGISTICS TERMINAL RCI** RYAN - HOUSTON
REND=N **333 CLAY ST STE 3300** PROPERTY TAX DEPT
HOUSTON TX 77002-4104 2800 POST OAK BLVD STE 3700
HOUSTON TX 77056-6139

Account	Legal	Jurisdictions		2017	2018
A036-2-001288-000010 BLDG 6	WAREHOUSE 1 PLUS IMPROV CH 381 AGREEMENT ABATED COUNTY AGENT: RCI 033214 Use: F2 BLDG 6	CHAMBERS COUNTY (CC) ABAT GOOSE CREEK CISD 016 (SG) BAYTOWN-INDUSTRIAL 3 (TI) LEE COLLEGE 046 (2L)	Land Imp Per Min Exm Txbl	 37,917,916 37,917,916 0	 31,796,182 31,796,182 0

2018 Appraisal Roll
Sorted by Owner Name
Industrial Property

33214 **CHAMBERS COUNTY LOGISTICS TERMINAL RCI** RYAN - HOUSTON
REND=N **333 CLAY ST STE 3300** PROPERTY TAX DEPT
HOUSTON TX 77002-4104 2800 POST OAK BLVD STE 3700
HOUSTON TX 77056-6139

Account	Legal	Jurisdictions		2017	2018
A036-2-001288-000030	WAREHOUSE 2 IMPROVEMENTS	CHAMBERS COUNTY (CC) ABAT	Land		
BLDG 7	CH 381 AGREEMENT	GOOSE CREEK CISD 016 (SG)	Imp	23,254,864	23,636,399
	ABATED COUNTY	BAYTOWN-INDUSTRIAL 3 (TI)	Per		
		LEE COLLEGE 046 (2L)	Min		
	AGENT: RCI 033214 Use: F2		Exm	23,254,864	23,636,399
	BLDG 7		Txbl	0	0
A036-2-001288-000050	WAREHOUSE 3 IMPROVEMENTS	CHAMBERS COUNTY (CC) ABAT	Land		
BLDG 5	CH 381 AGREEMENT	GOOSE CREEK CISD 016 (SG)	Imp	19,998,697	18,904,181
	ABATED COUNTY	BAYTOWN-INDUSTRIAL 3 (TI)	Per		
		LEE COLLEGE 046 (2L)	Min		
	AGENT: RCI 033214 Use: F2		Exm	19,998,697	18,904,181
	BLDG 5		Txbl	0	0
A036-2-001288-000070	WAREHOUSE 4 IMPROVEMENTS	CHAMBERS COUNTY (CC) ABAT	Land		
BLDG 4	CH 381 AGREEMENT	GOOSE CREEK CISD 016 (SG)	Imp	12,308,801	17,842,667
	ABATED COUNTY	BAYTOWN-INDUSTRIAL 3 (TI)	Per		
		LEE COLLEGE 046 (2L)	Min		
	AGENT: RCI 033214 Use: F2		Exm	12,308,801	17,842,667
	BLDG 4		Txbl	0	0
A036-2-001288-000090	WAREHOUSE 5IMPROVEMENTS	CHAMBERS COUNTY (CC) ABAT	Land		
BLDG 2	CH 381 AGREEMENT	GOOSE CREEK CISD 016 (SG)	Imp		17,861,602
	ABATED COUNTY	BAYTOWN-INDUSTRIAL 3 (TI)	Per		
		LEE COLLEGE 046 (2L)	Min		
	AGENT: RCI 033214 Use: F2		Exm		17,861,602
	BLDG 2		Txbl	0	0
		Owner Totals: 5 Items		**0**	**0**

2709 **DENBURY ONSHORE LLC**
REND=Y **PROPERTY TAX DEPT**
5320 LEGACY DR
PLANO TX 75024-3127

Account	Legal	Jurisdictions		2017	2018
A036-2-616484-000013	CO2 RECYCLE FACILITY EXPANSION	CHAMBERS COUNTY (CC) ABAT	Land		
	ABATED (2018-2022)	ANAHUAC ISD (SA)	Imp		7,536,900
	FM 1941	CHAMBERS PUB HOSP DS (HC)	Per		
		TRINITY BAY CD 79 (3T)	Min		
	002709 R Use: F2		Exm		7,536,900
			Txbl	0	0

2945 **DUNA USA INC** **W&F** WILSON & FRANCO
REND=Y **PROPERTY TAX DEPT** PROPERTY TAX DEPT
4210 FM 1405 RD 11000 RICHMOND STE 350
BAYTOWN TX 77523-9736 HOUSTON TX 77042

Account	Legal	Jurisdictions		2017	2018
A036-2-005296-000040	NEW IMPROVEMENTS	CHAMBERS COUNTY (CC) ABAT	Land		
	ABATED COUNTY 2018	GOOSE CREEK CISD 016 (SG)	Imp		3,956,662
	4210 FM 1405 - CEDAR CROSSING	CEDAR BAYOU NAV DIST (1C)	Per		
		LEE COLLEGE 046 (2L)	Min		
	AGENT: W&F 002945 R Use: F2	CHAMBERS CO IMP DS 1 (3C)	Exm		3,956,662
			Txbl	0	0

3327 **ENTERPRISE EF78 LLC** **ETR** ENTERPRISE PRODUCTS PRTNRS LP
REND=Y **ATTN: AD VALOREM TAX** PROPERTY TAX DEPT
PO BOX 4018 PO BOX 4018
HOUSTON TX 77210-4018 HOUSTON TX 77210-4018

Account	Legal	Jurisdictions		2017	2018
A036-2-005644-000010	FRAC VII	CHAMBERS COUNTY (CC) ABAT	Land		
	ABATED CITY/COUNTY	OMITTED SCHOOL CODE (S-)	Imp	220,910,834	222,742,031
		CITY OF MT BELVIEU (TM) ABAT	Per		
			Min		
	AGENT: ETR 003327 R Use: F2		Exm	220,910,834	222,742,031
			Txbl	0	0

CAUSE NO. DC-11-16379-H

MAXIMUSALLIANCE PARTNERS, INC.	§	IN THE DISTRICT COURT OF
	§	
	§	
V.	§	DALLAS COUNTY, TEXAS
	§	
	§	
KATOEN NATIE USA, INC., et al.	§	160TH JUDICIAL DISTRICT

NOTICE OF INTENTION TO TAKE DEPOSITION BY WRITTEN QUESTIONS

To Defendants by and through their attorney(s) of record: **Brian C. Boyle (Norton Rose Fulbright US LLP), and Robert Paddock (Thompson & Knight, LLP)**

You will please take notice that twenty (20) days from the service of a copy hereof with attached questions, a deposition by written questions will be taken of:

Chambers County (Government)
Judge Jimmy Sylvia as Agent and Records Custodian
404 Washington Avenue
Anahuac, TX 77514

Before a Notary Public, **at 404 Washington Avenue, Anahuac, TX 77514** by **Complete Legal**, or its designated agent, which deposition with attached questions may be used in evidence upon the trial of the above-styled and numbered cause pending in the above named court. Notice is further given that request is hereby made as authorized under Rule 200 and 205 Texas Rules of Civil Procedure, to the officer taking this deposition to issue a subpoena duces tecum and cause it to be served on the witness to produce any and all records as described on the attached questions and/or Exhibit(s) and any other such record in the possession, custody or control of the said witness, and every such record to which the witness may have access, pertaining to **Exhibit "A"**, and to turn all such records over to the officer authorized to take this deposition so that photographic reproductions of the same may be made and attached to said deposition.

Issued by: **Complete Legal**

Authorized by: /s/: D. Brent Lemon
D. Brent Lemon
Law Office of D. Brent Lemon
1201 Elm Street, Ste. 4880
Dallas, TX 75202
214-747-2277
214-747-2280
Attorney for Plaintiff

CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the foregoing document, Notice of Intention to Take Deposition by Written Questions, was served on this 28th day of October, 2015, pursuant to Texas Rules of Civil Procedure 21 and 21a to:

County Attorney Scott Peal
404 Washington Avenue
Anahuac, TX 77514
Phone: 409-267-2411
VIA FAX 409-267-8296

HAND DELIVERY
FACSIMILE ✓
CERTIFIED MAIL
COMMERCIAL DELIVERY SERVICE
EMAIL

Robert Paddock
Thompson & Knight, LLP
333 Clay Street, Suite 3300
Houston, TX 77002-4499
VIA FAX 713-654-1871

HAND DELIVERY
FACSIMILE ✓
CERTIFIED MAIL
COMMERCIAL DELIVERY SERVICE
EMAIL

Brian C. Boyle
Norton Rose Fulbright US LLP
1301 McKinney, Suite 5100
Houston, TX 77010-3095
VIA FAX 713-651-5246

HAND DELIVERY
FACSIMILE ✓
CERTIFIED MAIL
COMMERCIAL DELIVERY SERVICE
EMAIL

Ira Strandt

Complete Legal
1201 Elm Street, Suite 2560
Dallas, TX 75270
214-746-5403, Phone 214-279-7736, Fax

Order No. 2366

EXHIBIT "G"

REINVESTMENT ZONE RENEWAL RESOLUTION

19-08-312

D.2

ORDER RENEWING
THE CHAMBERS COUNTY LOGISTICS TERMINAL, LP 2014 REINVESTMENT ZONE

On August 13, 2019, at a regular, public meeting of the Commissioners Court of CHAMBERS COUNTY, TEXAS ("the Court"), the Court conducted a hearing on the application of CHAMBERS COUNTY LOGISTICS TERMINAL, LP ("CCLT") for renewal of the CHAMBERS COUNTY LOGISTICS TERMINAL, LP 2014 REINVESTMENT ZONE ('the 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 and economic development agreements in accordance with the Texas Tax Code ("the Code").

2. On July 2, 2014, the Court designated the Zone by Order to affect tax abatement on qualified investments. In accordance with Chapter 312.203 of the Code, the designation of a reinvestment zone for tax abatement expires five (5) years after the date of designation.

3. The Zone expired on July 1, 2019. Chapter 312.203 of the Code allows for a reinvestment zone to be renewed for a period of 5 years.

4. The request for renewal/re-designation of the Zone was timely submitted by CCLT and received by the Court.

5. All notices and legal requirements have been given and/or satisfied prior to the consideration by the Court of the renewal of the 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.

6. The renewal of the 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.

7. The improvements sought to be made are feasible and practical and will be a benefit to the land to be included in the Zone.

8. The area requested to be renewed as a reinvestment zone meets the criteria for designation as such in one of more ways as specifically provided by law.

9. The Zone shall take effect upon the effective date of this Order and expire five (5) years thereafter. The Zone may be renewed by the Court for one or more subsequent terms of five (5) years or less.

Therefore, upon motion made by Commissioner Combs seconded by Commissioner Tice and affirmatively passed, be it RESOLVED and ORDERED by the Court that the 575.8-acre tract of land, more or less, described in the attached Exhibit "ZONE DESCRIPTION" is hereby renewed and re-designated as the CHAMBERS COUNTY LOGISTICS TERMINAL, LP 2014 REINVESTMENT ZONE and is eligible for manufacturing / industrial tax abatement.

PASSED and ADOPTED August 13, 2019.

CHAMBERS COUNTY, TEXAS

By: _____

JUDGE ~~JIMMY SYLVIA~~, Gary Nelson
Chambers County Judge, Pro-tem

ATTEST:

HEATHER H. HAWTHORNE, County Clerk

CHAMBERS COUNTY LOGISTICS TERMINAL, LP
2014 PROPERTY DESCRIPTION

A tract of land containing 575.8 acres being comprised of a called 81.6883 acre tract of land described in deed of record in Volume 1318, Page 349, Chambers County Deed Records, a called 56.3919 acre tract of land described in deed of record in Volume 936, Page 731, Chambers County Deed Records, a called 443.65 acre tract of land described in deed of record in Volume 1291, Page 256, of the Deed Records of Chambers County, Texas and a 50.40 acre tract of land out of a called 444.7717 acre tract of land, aforesaid 444.7717 acre tract of land described in deed of record in Volume 38, Page 529, of the Deed Records of Chambers County, Texas lying and being situated in the B.B.B. & C. R.R. Company Survey, Abstract No. 61, Chambers County, Texas.

NOTICE OF PUBLIC HEARING REGARDING RENEWAL OF THE CHAMBERS COUNTY LOGISTICS TERMINAL, LP 2014 REINVESTMENT ZONE

Notice is given that CHAMBERS COUNTY LOGISTICS TERMINAL, LP ("CCLT") has applied to the Commissioners Court of CHAMBERS COUNTY, TEXAS ("the Court") for the renewal of the Chambers County Logistics Terminal, LP 2014 Reinvestment Zone ("the Zone") in accordance with Chapter 312.203 of the Texas Tax Code, thereby permitting CCLT to seek tax abatement from Chambers County on improvements proposed to be constructed on the property. The Zone is 576 acres of land in Chambers County, Texas, largely situated in three tracts in the B.B.B. & C.R.R. COMPANY SURVEY, ABSTRACT NO. 61, CHAMBERS COUNTY, TEXAS. The CCLT Request for Renewal of the Zone was submitted to the Court on July 23, 2019.

The required hearing on the renewal/re-designation of the Zone will be conducted by the Court on Tuesday, August 13, 2019, at 10:00 a.m. in the courtroom of the Chambers County Court located in the Chambers County Courthouse, 404 Washington Avenue, Anahuac, Texas 77514. All persons interested in such designation or desiring to comment thereon are invited to attend and participate in such hearing.

DATED: July 23, 2019

CHAMBERS COUNTY COMMISSIONERS COURT
ANAHUAC, TEXAS

CHAMBERS COUNTY LOGISTICS TERMINAL, LP
2014 PROPERTY DESCRIPTION

A tract of land containing 575.8 acres being comprised of a called 81.6883 acre tract of land described in deed of record in Volume 1318, Page 349, Chambers County Deed Records, a called 56.3919 acre tract of land described in deed of record in Volume 936, Page 731, Chambers County Deed Records, a called 443.65 acre tract of land described in deed of record in Volume 1291, Page 256, of the Deed Records of Chambers County, Texas and a 50.40 acre tract of land out of a called 444.7717 acre tract of land, aforesaid 444.7717 acre tract of land described in deed of record in Volume 38, Page 529, of the Deed Records of Chambers County, Texas lying and being situated in the B.B.B. & C. R.R. Company Survey, Abstract No. 61, Chambers County, Texas.

Combs and Nelson vote No.

Passed; Insert.

At this time, Court recessed at 10:06 a.m. out of Open Session into a Public Hearing to discuss agenda item 4.5. With there being no public comments, court adjourned at 10:07 a.m. out of Public Hearing and back into Regular Session. Judge Sylvia went to agenda item 4.6 under Engineering/Project Management.

19-08-311 Motion made by Gore and seconded by Tice to approve County Ordinance regarding solicitations in the right-of-ways and public roadways of Chambers County.

Amended motion and second to approve County Ordinance regarding solicitations in the right-of-ways and public roadways of Chambers County including all traffic signals effective August 13, 2019.

Passed; Insert.

At this time, Court recessed at 10:08 a.m. out of Open Session into a Public Hearing to discuss agenda item 5.1. With there being no public comments, court adjourned at 10:08 a.m. out of Public Hearing and back into Regular Session. Judge Sylvia left court for the day and Judge Pro Tem Nelson went to agenda item 5.2 under Economic Development & Tourism.

19-08-312 Motion made by Combs and seconded by Tice to approve Order renewing the Chambers County Logistics Terminal, LP 2014 Reinvestment Zone. Comment by Mike Shields, Baytown EDF.

Passed; Insert.

Judge Pro Tem Nelson went to agenda item 4.4.

19-08-313 Motion made by Combs and seconded by Gore to set a public hearing on September 10, 2019, at 10:00 a.m. to discuss the abandonment of a portion of County Dock Road in the E.T Branch Survey, Abstract 40, Smith Point, Chambers County, Texas. Comment by Bobby Hall, and Tracy Woody.

Passed; Insert.

Judge Sylvia went to agenda item 1.1 under Administration.

Agenda item 10.1-Discuss and consider creating a county-wide EMS Service.

Tabled.

Judge Sylvia went to several agenda items under Economic Development & Tourism.

19-07-290 Motion made by Combs and seconded by Nelson to approve referring Chambers County Designated Project ("JRI Phase 2 Completion) to a private sector entity, namely JR Intermodal Resources, Ltd. As its designated substitute pursuant to the U.S. Department of Transportation Maritime Administration's Notice of Funding Opportunity for America's Marine Highway Projects dated June 14, 2019, and further authorizing the County Judge, with the advice and consent of the Chambers County Attorney, to execute any and all documents associated with the Designated Project transfer. Comment by Rusty Senac.

Passed; Insert.

19-07-291 Motion made by Nelson and seconded by Combs to approve Family WTS, LLC Tax Abatement Agreement. Comment by B. J. Simon, Baytown EDF.

Passed; Insert.

19-07-292 Motion made by Combs and seconded by Tice to approve renewal of the Chambers County Logistics Terminal 2014 Reinvestment Zone. Comment by B. J. Simon, Baytown EDF.

Passed; Insert.

19-07-293 Motion made by Combs and seconded by Tice to approve amendment to the Chambers County Logistics Terminal Economic Development Agreement. Comment by B. J. Simon, Baytown EDF.

Passed; Insert.

Agenda item 5.5-Discuss and consider Agreement with LJA Engineering and/or TBCD (Trinity Bay Conservation District) for the CDBG funded Hankamer Wastewater Project.

Pulled.

EXHIBIT "H"

CHAPTER 381 PAYMENT & ADMINSTRATION FEE SCHEDULES

Phase 1 Facility:

Tax Year	Admin Fee @.625%	CHAPTER 381 Payment Amount	CHAPTER 381 Payment Date
2015	$344	$55,000	1/31/2016
2016	$456	$73,000	1/31/2017
2017	$514	$82,282	1/31/2018
2018	$431	$68,998	1/31/2019
2019	$446	$71,403	1/31/2020
2020	TBD	40% of Abatement	1/31/2021
2021	TBD	40% of Abatement	1/31/2022
2022	TBD	40% of Abatement	1/31/2023
2023	TBD	40% of Abatement	1/31/2024
2024	TBD	40% of Abatement	1/31/2025

Phase 2 Facilities:

Tax Year	Admin Fee @.625%	CHAPTER 381 Payment Amount	CHAPTER 381 Payment Date
2016	$344	$55,000	1/31/2017
2017	$456	$73,000	1/31/2018
2018	$577	$92,313	1/31/2019
2019	$598	$95,620	1/31/2020
2020	TBD	40% of Abatement	1/31/2021
2021	TBD	40% of Abatement	1/31/2022
2022	TBD	40% of Abatement	1/31/2023
2023	TBD	40% of Abatement	1/31/2024
2024	TBD	40% of Abatement	1/31/2025
2025	TBD	40% of Abatement	1/31/2026

CHAPTER 381 PAYMENT & ADMINSTRATION FEE SCHEDULES

Phase 3 Facility:

Tax Year	Admin Fee @.625%	CHAPTER 381 Payment Amount	CHAPTER 381 Payment Date
2017	$344	$55,000	1/31/2018
2018	$456	$73,000	1/31/2019
2019	$242	$38,687	1/31/2020
2020	TBD	40% of Abatement	1/31/2021
2021	TBD	40% of Abatement	1/31/2022
2022	TBD	40% of Abatement	1/31/2023
2023	TBD	40% of Abatement	1/31/2024
2024	TBD	40% of Abatement	1/31/2025
2025	TBD	40% of Abatement	1/31/2026
2026	TBD	40% of Abatement	1/31/2027

Phase 4 Facility:

Tax Year	Admin Fee @.625%	CHAPTER 381 Payment Amount	CHAPTER 381 Payment Date
2018	$344	$55,000	1/31/2019
2019	$456	$73,000	1/31/2020
2020	TBD	40% of Abatement	1/31/2021
2021	TBD	40% of Abatement	1/31/2022
2022	TBD	40% of Abatement	1/31/2023
2023	TBD	40% of Abatement	1/31/2024
2024	TBD	40% of Abatement	1/31/2025
2025	TBD	40% of Abatement	1/31/2026
2026	TBD	40% of Abatement	1/31/2027
2027	TBD	40% of Abatement	1/31/2028

CHAPTER 381 PAYMENT & ADMINSTRATION FEE SCHEDULES

Phase 5 Facilities:

Tax Year	Admin Fee @.625%	CHAPTER 381 Payment Amount	CHAPTER 381 Payment Date
2019	$344	$55,000	1/31/2020
2020	$456	$73,000	1/31/2021
2021	TBD	40% of Abatement	1/31/2022
2022	TBD	40% of Abatement	1/31/2023
2023	TBD	40% of Abatement	1/31/2024
2024	TBD	40% of Abatement	1/31/2025
2025	TBD	40% of Abatement	1/31/2026
2026	TBD	40% of Abatement	1/31/2027
2027	TBD	40% of Abatement	1/31/2028
2028	TBD	40% of Abatement	1/31/2029