



# Application for Appraised Value Limitation on Qualified Property

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

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

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

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

- notify the Comptroller that the school board has elected to consider the application.

This notice must include:

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

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

When the Comptroller receives the notice and required information from the school district, the Comptroller will publish all submitted application materials on its Web site. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules as explained in the Confidentiality Notice below.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, make a recommendation to the school board regarding the application and prepare an economic impact evaluation by the 90th day after the Comptroller receives a complete application—as determined by the Comptroller.

The school board must approve or disapprove the application before the 151st day after the application review start date (the date the application is finally determined to be complete), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to complete the recommendation, economic impact evaluation or consider the application at any time during the application review period.

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

## SCHOOL DISTRICT INFORMATION - CERTIFICATION OF APPLICATION

<b>Authorized School District Representative</b>		Date application received by district
First Name	Last Name	
Title		
School District Name		
Street Address		
Mailing Address		
City	State	ZIP
Phone Number	Fax Number	
Mobile Number (optional)	E-mail Address	

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

Will consultant be primary contact? .....  Yes  No



SCHOOL DISTRICT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized School District Consultant (If Applicable)

First Name <b>Kevin</b>		Last Name <b>O'Hanlon</b>	
Title <b>Attorney</b>			
Firm Name <b>O'Hanlon, McCollom &amp; Demerath, PC</b>			
Street Address <b>808 West Avenue</b>			
Mailing Address <b>808 West Avenue</b>			
City <b>Austin</b>		State <b>TX</b>	ZIP <b>78701</b>
Phone Number <b>512-494-9949</b>		Fax Number <b>512-494-9919</b>	
Mobile Number (Optional)		E-mail Address <b>kohanlon@808west.com</b>	

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

Signature (Authorized School District Representative) 	Date
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Has the district determined this application complete? .....  Yes  No

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

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

SCHOOL DISTRICT CHECKLIST AND REQUESTED ATTACHMENTS

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



**APPLICANT INFORMATION - CERTIFICATION OF APPLICATION**

**Authorized Business Representative (Applicant)**

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

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

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

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

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

Will consultant be primary contact? .....  Yes  No



Form 50-296

Application for Appraised Value Limitation on Qualified Property

APPLICANT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized Company Consultant (if Applicable)

First Name

Mike

Last Name

Fry

Title

Tax Agent

Firm Name

K E Andrews

Street Address

1900 Dalrock Road

Mailing Address

1900 Dalrock Road

City

Rowlett

State

Texas

Zip

75088

Phone Number

469-298-1594

Fax Number

469-298-1619

Business email Address

mfray@keatax.com

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

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

Signature (Authorized Business Representative (Applicant))

*John S. Fry*

Date

8/14/2011

GIVEN under my hand and seal of office this 10<sup>th</sup> day of August 2011



*Yvonne Lynn Richard*  
Notary Public, State of Texas

My commission expires March 7, 2012

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



FEES AND PAYMENTS

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

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

Please answer only either A OR B:

A. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code, 313.027(i)?

B. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)?

BUSINESS APPLICANT INFORMATION

Legal Name under which application is made

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

NAICS code

Is the applicant a party to any other Chapter 313 agreements?

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

APPLICANT BUSINESS STRUCTURE

Registered to do business in Texas with the Texas Secretary of State?

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

1. Is the applicant a combined group, or comprised of members of a combined group, as defined by Texas Tax Code Chapter 171.0001(7)?

2. Is the applicant current on all tax payments due to the State of Texas?

3. Are all applicant members of the combined group current on all tax payments due to the State of Texas?

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



ELIGIBILITY UNDER TAX CODE CHAPTER 313.024

- Are you an entity to which Tax Code, Chapter 171 applies?
The property will be used as an integral part, or as a necessary auxiliary part, in one of the following activities:
(1) manufacturing
(2) research and development.
(3) a clean coal project, as defined by Section 5.001, Water Code
(4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code
(5) renewable energy electric generation
(6) electric power generation using integrated gasification combined cycle technology.
(7) nuclear electric power generation
(8) a computer center that is used as an integral part or as a necessary auxiliary part for the activity conducted by applicant in one or more activities described by Subdivisions (1) through (7)
Are you requesting that any of the land be classified as qualified investment?
Will any of the proposed qualified investment be leased under a capitalized lease?
Will any of the proposed qualified investment be leased under an operating lease?
Are you including property that is owned by a person other than the applicant?
Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment?

PROJECT DESCRIPTION

Provide a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information. (Use attachments as necessary)

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

PROJECT CHARACTERISTICS (CHECK ALL THAT APPLY)

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

PROJECTED TIMELINE

Begin Construction, Construction Complete, Purchase Machinery & Equipment, Begin Hiring New Employees, Fully Operational

Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (date your application is finally determined to be complete)?
Note: Improvements made before that time may not be considered qualified property.

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



**ECONOMIC INCENTIVES**

Identify state programs the project will apply for:

State Source	Amount
_____	_____
_____	_____
_____	_____
Total	_____

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

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

**THE PROPERTY**

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

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

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

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

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

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

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

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

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



INVESTMENT

NOTE: The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as rural, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's Web site at www.window.state.tx.us/taxinfo/proptax/hb1200/values.html.

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

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

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

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

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

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

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

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

Attach the following items to this application:

- (1) a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021,
(2) a description of any new buildings, proposed improvements or personal property which you intend to include as part of your minimum qualified investment and
(3) a map of the qualified investment showing location of new buildings or new improvements with vicinity map.

Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or 313.053 for rural school districts) for the relevant school district category during the qualifying time period? Yes No

Except for new equipment described in Tax Code §151.318(q) or (q-1), is the proposed tangible personal property to be placed in service for the first time:

- (1) in or on the new building or other new improvement for which you are applying? Yes No
(2) if not in or on the new building or other new improvement for which you are applying for an appraised value limitation, is the personal property necessary and ancillary to the business conducted in the new building or other new improvement? Yes No
(3) on the same parcel of land as the building for which you are applying for an appraised value limitation? Yes No

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

Will the investment in real or personal property you propose be counted toward the minimum qualified investment required by Tax Code §313.023, (or 313.053 for rural school districts) be first placed in service in this state during the applicable qualifying time period? Yes No

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

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

QUALIFIED PROPERTY

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

Attach the following items to this application:

- (1) a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021,
(2) a description of any new buildings, proposed improvements or personal property which you intend to include as part of your qualified property and
(3) a map of the qualified property showing location of new buildings or new improvements – with vicinity map.

Land

Is the land on which you propose new construction or improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? Yes No

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

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

Will the project be on leased land? Yes No



QUALIFIED PROPERTY (CONTINUED)

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

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

Attach a map of the reinvestment zone boundaries, certified to be accurate by either the governmental entity creating the zone, the local appraisal district, or a licensed surveyor. (With vicinity map)

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

Miscellaneous

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

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

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

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

Will all of the property for which you are requesting an appraised value limitation be free of a tax abatement agreement entered into by a school district for the duration of the limitation? [ ] Yes [ ] No

WAGE AND EMPLOYMENT INFORMATION

What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)?

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

[ ] First Quarter [ ] Second Quarter [ ] Third Quarter [ ] Fourth Quarter of (year)

What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the TWC?

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

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

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

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

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

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

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

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

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

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



WAGE AND EMPLOYMENT INFORMATION (CONTINUED)

For the following three wage calculations please include on an attachment the four most recent quarters of data for each wage calculation. Show the average and the 110% calculation. Include documentation from TWC Web site. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(7).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ECONOMIC IMPACT

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

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

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

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

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

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

If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, please attach a separate schedule showing the amount for each year affected, including an explanation.

**CONFIDENTIALITY NOTICE**

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

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

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

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

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

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

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

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

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

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

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

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



## COMPANY CHECKLIST AND REQUESTED ATTACHMENTS

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

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



Form 50-296

Application for Appraised Value Limitation on Qualified Property

APPLICANT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized Company Consultant (If Applicable)

First Name

Mike

Last Name

Fry

Title

Tax Agent

Firm Name

K E Andrews

Street Address

1900 Dalrock Road

Mailing Address

1900 Dalrock Road

City

Rowlett

State

Texas

Zip

75088

Phone Number

469-298-1594

Fax Number

469-298-1619

Business email Address

mrfry@keatax.com

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

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

Signature (Authorized Business Representative (Applicant))

*[Handwritten Signature]*

Date

8/14/2011

GIVEN under my hand and seal of office this 10<sup>th</sup> day of August 2011



*[Handwritten Signature]*  
Notary Public, State of Texas

My commission expires March 7, 2012

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

**Attachment**

**B**

**Proof of Payment of Application Fee**

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

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

**Attachment**

**C**

**Documentation of Combined Group Membership**

**N/A**

# Attachment

D

## Detailed Description of Project

Detailed Description of Project  
BARBERS HILL SCHOOL DISTRICT

Proposed Project Description

Cedar Bayou Fractionators, LP proposes to build a new NGL fractionator in Mont Belvieu, Texas.

NGL Fractionation

NGL fractionation is the process of manufacturing raw NGL mix produced by natural gas processing plants into discrete NGL purity components (i.e., ethane, propane, normal butane, iso-butane, and natural gasoline).

Fractionation Process

The fractionation process is accomplished by applying heat and pressure to the mixture of raw NGL hydrocarbons and separating each discrete product at the different boiling points for each NGL component of the mixture. The raw NGL mixture is passed through a specific series of distillation towers: deethanizer, depropanizer, debutanizer, and deisobutanizer. The name of each of these towers corresponds to the NGL component that is separated in that tower. The raw NGL mixture first passes through the deethanizer, where its temperature is increased to the point where ethane (the lightest component) boils off the top of the tower as a gas and is condensed into a purity liquid that is routed to storage. The heavier components in the mixture at the bottom of the tower (i.e., propane, butane, iso butane, and natural gasoline) are routed to the second tower (depropanizer), where the process is repeated and the next lightest component (propane) is separated. This process is repeated until the mixture of liquids has been separated into its purity components.

Demand for NGLs

Sources of U.S. NGL demand include petrochemical consumption, gasoline blending, heating and fuel, and exports. Demand is driven primarily by the petrochemical industry, which accounts for 40-50% of total consumption. The U.S. petrochemical industry uses NGL products as feedstock (i.e. raw material) to produce ethylene, propylene, and butadiene (also known as olefins).

The following factors influence demand for each individual NGL component:

- **Ethane.** Essentially all of the ethane extracted from natural gas is consumed by the petrochemical industry as a feedstock for ethylene production. (Ethylene is a building block for polyethylene, which is the most popular plastic in the world.)
- **Propane.** Approximately 25-30% of propane is used as a feedstock by the petrochemical industry to produce ethylene and propylene. (Like ethylene, propylene is an important building block used in the manufacture of plastics.) The bulk of the remaining demand for propane is primarily as a heating fuel in the residential and commercial markets.

- **Normal butane.** Normal butane is used as a petrochemical feedstock for the production of ethylene and butadiene (used to make synthetic rubber), as a blendstock for motor gasoline, and as a feedstock to create isobutene.
- **Isobutane.** Isobutane has the same molecular formula as normal butane, but a different structural formula (i.e., atoms are rearranged). Isobutane is used in refinery alkylation to enhance the octane content of motor gasoline.
- **Natural gasoline.** Natural gasoline is used primarily as a blendstock.

### List of Improvements

#### Plant Components

- DeEthanizer
- DePropanizer
- Debutanizer
- Towers
- Heat Medium
- Gasoline Treater
- Compression Equipment

**Ability to locate or relocate:**

CBF currently operates in two states. They allocate capital investment to projects and locations that create the best economic return. The existence of a limitation on tax value is a significant factor in calculating the economic return and allocation of reserves to the project. However, CBF could redirect its expenditures to its plants in:

**Cameron - Louisiana**

**Lake Charles - Louisiana**

# Attachment

E

## District Allocation of Project

**District Allocation:**

**Cedar Bayou Fractionators LP is located 100% in Chambers County and Barbers Hill ISD**

# Attachment

F

## Description of Qualified Investment

**Detailed Description of Qualified Investment**  
**BARBERS HILL SCHOOL DISTRICT**

**Proposed Project Description**

Cedar Bayou Fractionators, LP proposes to build a new NGL fractionator in Mont Belvieu, Texas.

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- **Natural gasoline.** Natural gasoline is used primarily as a blendstock.

#### List of Improvements

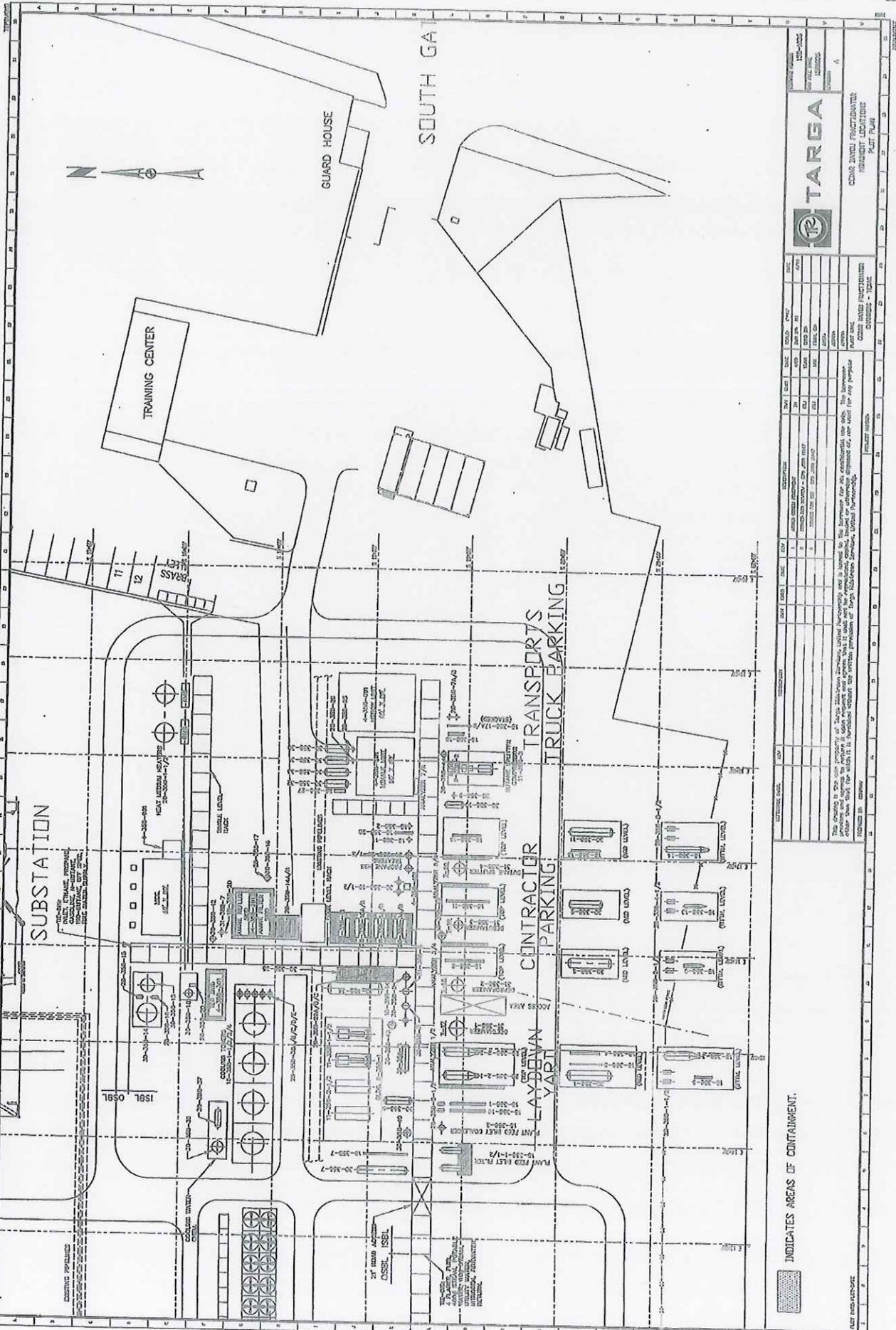
##### Plant Components

- DeEthanizer
- DePropanizer
- Debutanizer
- Towers
- Heat Medium
- Gasoline Treater
- Compression Equipment

**Attachment**

**G**

**Map of Qualified Investment**



SOUTH GA

TRAINING CENTER

GUARD HOUSE

SUBSTATION

TRANSPORTS TRUCK PARKING

CONTRACTOR PARKING

LAY-DOWN YARD

INDICATES AREAS OF CONTAINMENT.

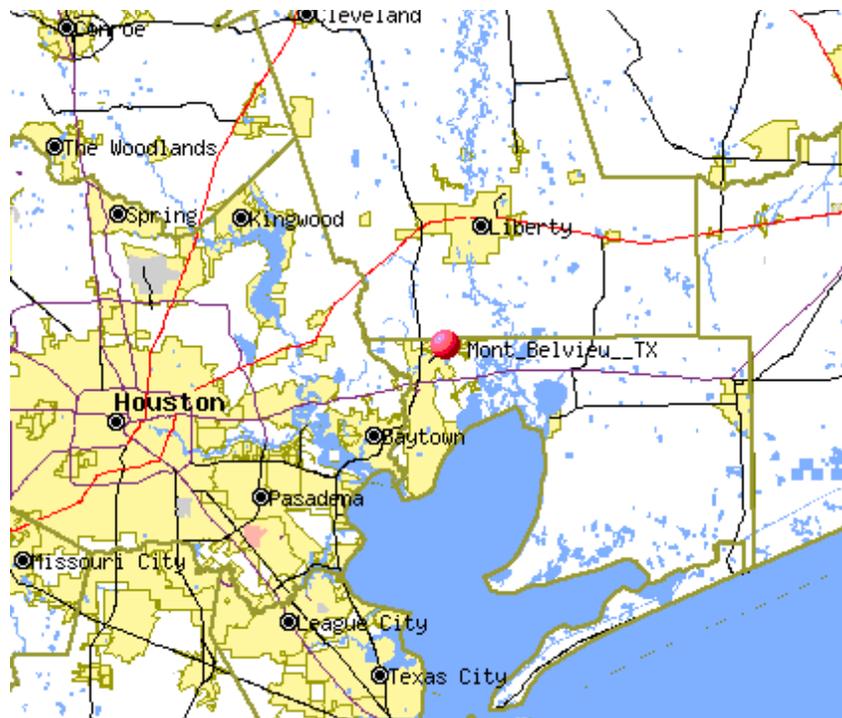


CONTRACTOR: TARGA  
 PROJECT: [unreadable]  
 SHEET: [unreadable]

NO.	DATE	DESCRIPTION	BY	CHECKED
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49	10/15/02	ISSUED FOR PERMIT	[unreadable]	[unreadable]
50	10/15/02	ISSUED FOR PERMIT	[unreadable]	[unreadable]

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NOT FOR CONSTRUCTION



# Attachment

H

## Description of Qualified Property

Detailed Description of Qualified Property  
BARBERS HILL SCHOOL DISTRICT

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#### **List of Improvements**

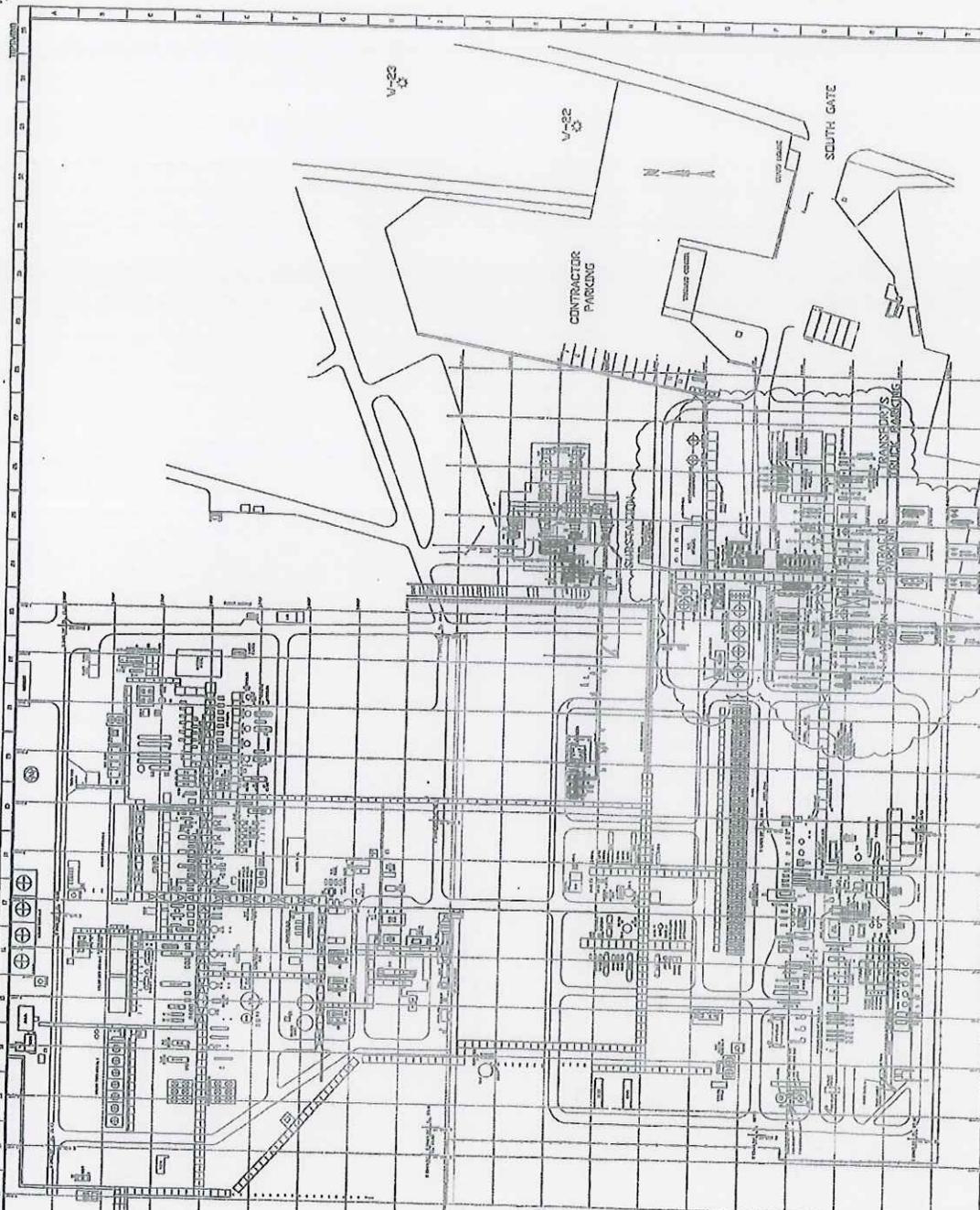
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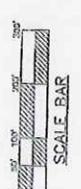
# Attachment

I

## Map of Qualified Property



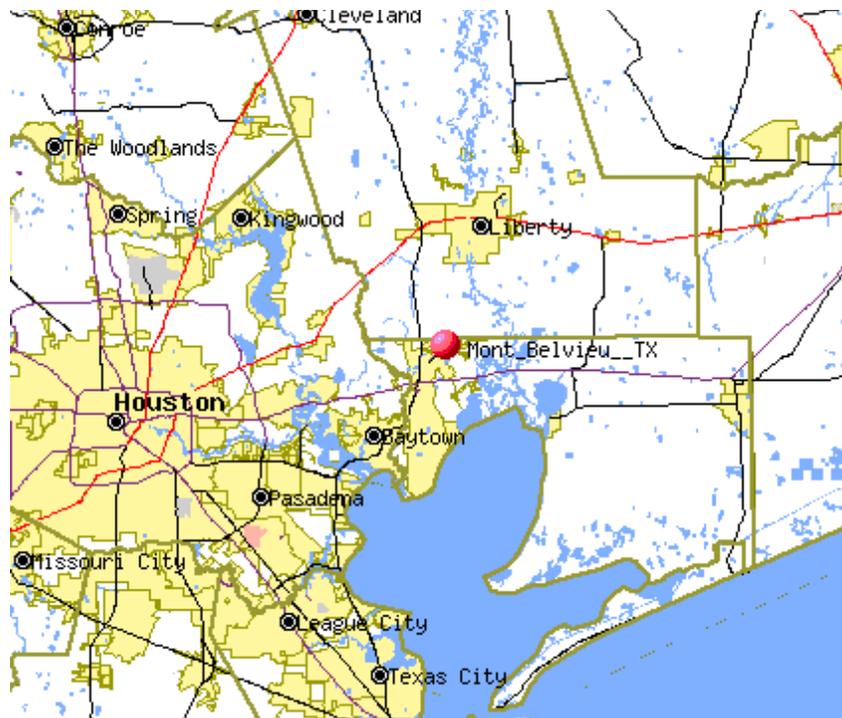
CLOUDED AREAS REPRESENT NEW EQUIPMENT FOR OPD JOB 10047



CEING ENVOI FRACTIONNEMENT  
HIGHLIGHT LOCATIONS  
PILOT PLAN

NO.	DATE	DESCRIPTION	BY	CHKD	APP'D	SCALE	GROUP	DATE
1	01/15/04	ISSUED FOR CONSTRUCTION	J. J. [unclear]	[unclear]	[unclear]	AS SHOWN	CONSTRUCTION	01/15/04
2	01/22/04	ISSUED FOR CONSTRUCTION	J. J. [unclear]	[unclear]	[unclear]	AS SHOWN	CONSTRUCTION	01/22/04
3	02/02/04	ISSUED FOR CONSTRUCTION	J. J. [unclear]	[unclear]	[unclear]	AS SHOWN	CONSTRUCTION	02/02/04

THIS DRAWING IS THE SOLE PROPERTY OF TARGA. IT IS TO BE USED ONLY FOR THE PROJECT AND SITE SPECIFICALLY IDENTIFIED HEREON. THE INFORMATION CONTAINED HEREIN IS UNCLASSIFIED AND IS TO BE RELEASED WITHOUT LIMITATION TO THE PUBLIC. THIS DRAWING IS NOT TO BE USED FOR ANY PURPOSE OTHER THAN THAT FOR WHICH IT IS ISSUED WITHOUT THE WRITTEN PERMISSION OF TARGA. REVISIONS SHOWN IN THIS DRAWING ARE THE PROPERTY OF TARGA.



**Attachment**

**J**

**Description of Land**

# Chambers County Appraisal District

Chief Appraiser - Michael L. Fregia, RPA



Official Website

Hosted By Pritchard & Abbott, Inc.



Real Estate Roll Search Results: --- 28 matches found

Account / Geo Number	Market Value	Parcel Id	Property Type	Owner Name	Property Location	City/State/Zip
<a href="#">00004-07601-00000-090001</a>	29,340	1185	Real Estate	TARGA DOWNSTREAM LP		MONT BELVIEU TX 77523
<a href="#">00004-07901-00000-090001</a>	31,130	1188	Real Estate	TARGA DOWNSTREAM LP		MONT BELVIEU TX 77523
<a href="#">00004-00900-00000-090001</a>	424,030	1864	Real Estate	TARGA DOWNSTREAM LP		MONT BELVIEU TX 77523
<a href="#">00024-00300-00100-090001</a>	1,578,600	2761	Real Estate	TARGA DOWNSTREAM LP		MONT BELVIEU TX
<a href="#">00024-00400-00100-090001</a>	1,258,920	2762	Real Estate	TARGA DOWNSTREAM LP		MONT BELVIEU TX
<a href="#">00024-00500-00300-090001</a>	653,040	2763	Real Estate	TARGA DOWNSTREAM LP		MONT BELVIEU TX
<a href="#">61500-00004-00000-000100</a>	16,070	12214	Real Estate	TARGA DOWNSTREAM LP	WARREN RD	MONT BELVIEU TX
<a href="#">00005-02300-00000-090001</a>	315,730	12757	Real Estate	TARGA DOWNSTREAM LP	N HWY 146	MONT BELVIEU TX 77523
<a href="#">00012-16301-00000-090001</a>	83,920	17615	Real Estate	TARGA DOWNSTREAM LP	WINFREE RD	MONT BELVIEU TX 77523
<a href="#">00012-04200-00100-090001</a>	39,850	17617	Real Estate	TARGA DOWNSTREAM LP		MONT BELVIEU TX 77523

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Real Estate Roll Search Results: --- 28 matches found

Account / Geo Number	Market Value	Parcel Id	Property Type	Owner Name	Property Location	City/State/Zip
<a href="#">00012-04600-00100-090001</a>	270,000	17618	Real Estate	TARGA DOWNSTREAM LP	HWY 146	MONT BELVIEU TX 77523
<a href="#">00012-04701-00000-090001</a>	17,500	17619	Real Estate	TARGA DOWNSTREAM LP		MONT BELVIEU TX 77523
<a href="#">00012-11800-00300-090001</a>	7,671,250	17621	Real Estate	TARGA DOWNSTREAM LP		MONT BELVIEU TX 77523
<a href="#">00012-04702-00000-090001</a>	45,000	17622	Real Estate	TARGA DOWNSTREAM LP		MONT BELVIEU TX 77523
<a href="#">00005-01102-00000-090001</a>	265,720	17623	Real Estate	TARGA DOWNSTREAM LP		MONT BELVIEU TX 77523
<a href="#">00013-14500-00000-010000</a>	206,580	17626	Real Estate	TARGA DOWNSTREAM LP		MONT BELVIEU TX 77523
<a href="#">00012-12300-00100-090001</a>	2,800	17628	Real Estate	TARGA DOWNSTREAM LP	HWY 146	MONT BELVIEU TX 77523
<a href="#">00024-00300-00200-090001</a>	36,000	19289	Real Estate	TARGA DOWNSTREAM LP		MONT BELVIEU TX
<a href="#">00024-00400-00200-090001</a>	324,000	19290	Real Estate	TARGA DOWNSTREAM LP		MONT BELVIEU TX
<a href="#">00004-03500-00000-090001</a>	18,000	20399	Real Estate	TARGA DOWNSTREAM LP		MONT BELVIEU TX 77523

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Real Estate Roll Search Results: --- 28 matches found

Account / Geo Number	Market Value	Parcel Id	Property Type	Owner Name	Property Location	City/State/Zip
<a href="#">00004-05801-00000-090001</a>	563,760	20401	Real Estate	TARGA DOWNSTREAM LP		MONT BELVIEU TX 77523
<a href="#">00004-07102-00000-090001</a>	1,037,340	20402	Real Estate	TARGA DOWNSTREAM LP		MONT BELVIEU TX 77523
<a href="#">00004-02402-00100-090100</a>	125,460	36643	Real Estate	TARGA DOWNSTREAM LP		MONT BELVIEU TX 77523
<a href="#">00004-05600-00000-090100</a>	284,630	36866	Real Estate	TARGA DOWNSTREAM LP		MONT BELVIEU TX 77523
<a href="#">00004-06902-00000-090300</a>	59,720	49225	Real Estate	TARGA DOWNSTREAM LP		MONT BELVIEU TX 77523
<a href="#">00005-01102-00000-090100</a>	58,410	49226	Real Estate	TARGA DOWNSTREAM LP	SUN OIL ROAD	MONT BELVIEU TX 77523
<a href="#">00012-01200-00000-090510</a>	4,270	49303	Real Estate	TARGA DOWNSTREAM LP		
<a href="#">00012-11800-00300-090200</a>	2,810	50049	Real Estate	TARGA DOWNSTREAM LP		MONT BELVIEU TX 77523

[1](#) [2](#) [3](#)

[New Property Search](#)

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STATE OF TEXAS;  
COUNTY OF CHAMBERS)

FIELD NOTES of a 53.880 acre tract of land situated in the William Bloodgood League, Abstract Number 4, Chambers County, the Henry Griffith League, Abstract Number 12, Chambers County, the William Bloodgood Augmentation Survey, Abstract Number 5, Chambers County, and being out of and a part of a 242.5057 acre tract of land called Tract 9 and conveyed to Midstream Combination Corp. by Chevron U.S.A. Inc., in deed dated August 20, 1996, and recorded in Volume 308 at Page 85 of the Official Public Records of Chambers County. This 53.880 acre tract of land is more particularly described by metes and bounds as follows, to-wit:

NOTE: ALL BEARINGS ARE LAMBERT GRID BEARINGS AND ALL COORDINATES REFER TO THE STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE, AS DEFINED BY ARTICLE 21.071 OF THE NATURAL RESOURCES CODE OF THE STATE OF TEXAS, 1927 DATUM. ALL DISTANCES ARE ACTUAL DISTANCES. REFERENCE IS MADE TO PLAT OF EVEN DATE ACCOMPANYING THIS METES AND BOUNDS DESCRIPTION.

BEGINNING at a brass cap set in concrete for the Northeast corner of this tract of land, having a State Plane Coordinate Value of  $Y = 752,799.30$  and  $X = 3,299,929.27$ . From this BEGINNING corner a 1 1/4 inch iron pipe found for the Northeast corner of said Bloodgood League, an interior corner of the Henry Griffith League, Abstract Number 12, Chambers County, an angle point in the North line of said 242.5057 acres, and an angle point in the South line of a tract of land conveyed to Texas Eastern Transmission Corporation by O. Z. Smith, et ux, in deed dated January 3, 1959, and recorded in Volume 227 at Page 201 of the Deed Records of Chambers County bears North  $15^{\circ} 06' 33''$  West a distance of 1245.27 feet.

THENCE in a Southerly direction with the East line of this tract of land the following courses to brass caps set in concrete:

South  $15^{\circ} 19' 31''$  East 495.89 feet;  
North  $79^{\circ} 11' 30''$  East 39.03 feet;  
South  $13^{\circ} 05' 10''$  East 72.16 feet;  
South  $74^{\circ} 48' 00''$  West 36.40 feet;  
South  $15^{\circ} 20' 53''$  East 1099.45 feet to a brass cap set

in concrete for the Southeast corner of this tract of land.

THENCE South  $76^{\circ} 53' 10''$  West with the South line of this tract of land a distance of 1149.43 feet to a brass cap set in concrete for the Southwest corner of this tract of land, in the West line of said 242.5057 acres, and in the East line of a 25.28 acre tract of land called First Tract and conveyed to Exxon Pipeline Corporation in Partition Deed dated July 22, 1971, and recorded in Volume 326 at Page 646 of the Deed Records of Chambers County.

PAGE NO. 2 - 53.880 ACRES

THENCE North 11° 44' 58" West with the West line of this tract of land, the West line of said 242.5057 acres, and the East line of said 25.28 acres a distance of 626.28 feet to a brass cap set in concrete for an interior corner of this tract of land, an interior corner of said 242.5057 acres, and the Northeast corner of said 25.28 acres.

THENCE South 76° 49' 25" West with the a South line of this tract of land, a South line of said 242.5057 acres, and the North line of said 25.28 acres a distance of 152.77 feet to a brass cap set in concrete for the most Northerly Southwest corner of this tract of land.

THENCE in a Westerly and Northerly direction with the West line of this tract of land the following courses to brass caps set in concrete:

North 19° 42' 27" East 81.08 feet;  
North 13° 03' 18" West 228.62 feet;  
South 76° 56' 42" West 278.41 feet;  
South 13° 03' 18" East 77.07 feet;  
South 76° 56' 42" West 133.07 feet;  
North 13° 03' 18" West 314.52 feet;  
South 76° 56' 42" West 171.52 feet;  
North 13° 03' 18" West 350.11 feet to a brass cap set

in concrete for the Northwest corner of this tract of land, in a non-tangent curve to the right.

THENCE in a Northeasterly direction with the north line of this tract of land and said non-tangent curve to the right, concave Southeast, having a central angle of 18° 33' 33", a radius of 1185.34 feet, an arc length of 383.95 feet, and a chord bearing and distance of North 53° 10' 11" East 382.28 feet to a brass cap set in concrete for a corner of this tract of land and the end of said curve.

THENCE in an Easterly direction with the North line of this tract of land the following courses to brass caps set in concrete:

North 72° 12' 42" East 106.35 feet;  
North 74° 27' 33" East 93.65 feet;  
North 77° 15' 59" East 1211.38 feet to the PLACE OF

BEGINNING, containing within said boundaries 53.880 acres of land.

SURVEYED: December 8, 1997.

PAGE NO. 2 - 53.880 ACRES

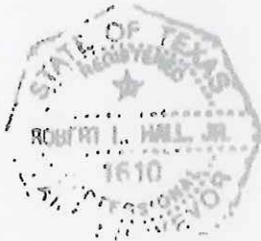
SURVEYOR'S CERTIFICATE

I, Robert L. Hall, Jr., Reg Professional Land Surveyor No. 1610, do hereby certify that the foregoing field notes were prepared from an actual survey made on the ground on the date shown and that all lines, boundaries and landmarks are accurately described therein.

WITNESS my hand and seal at Baytown, Texas, this the 12th., day of December, A.D., 1997.



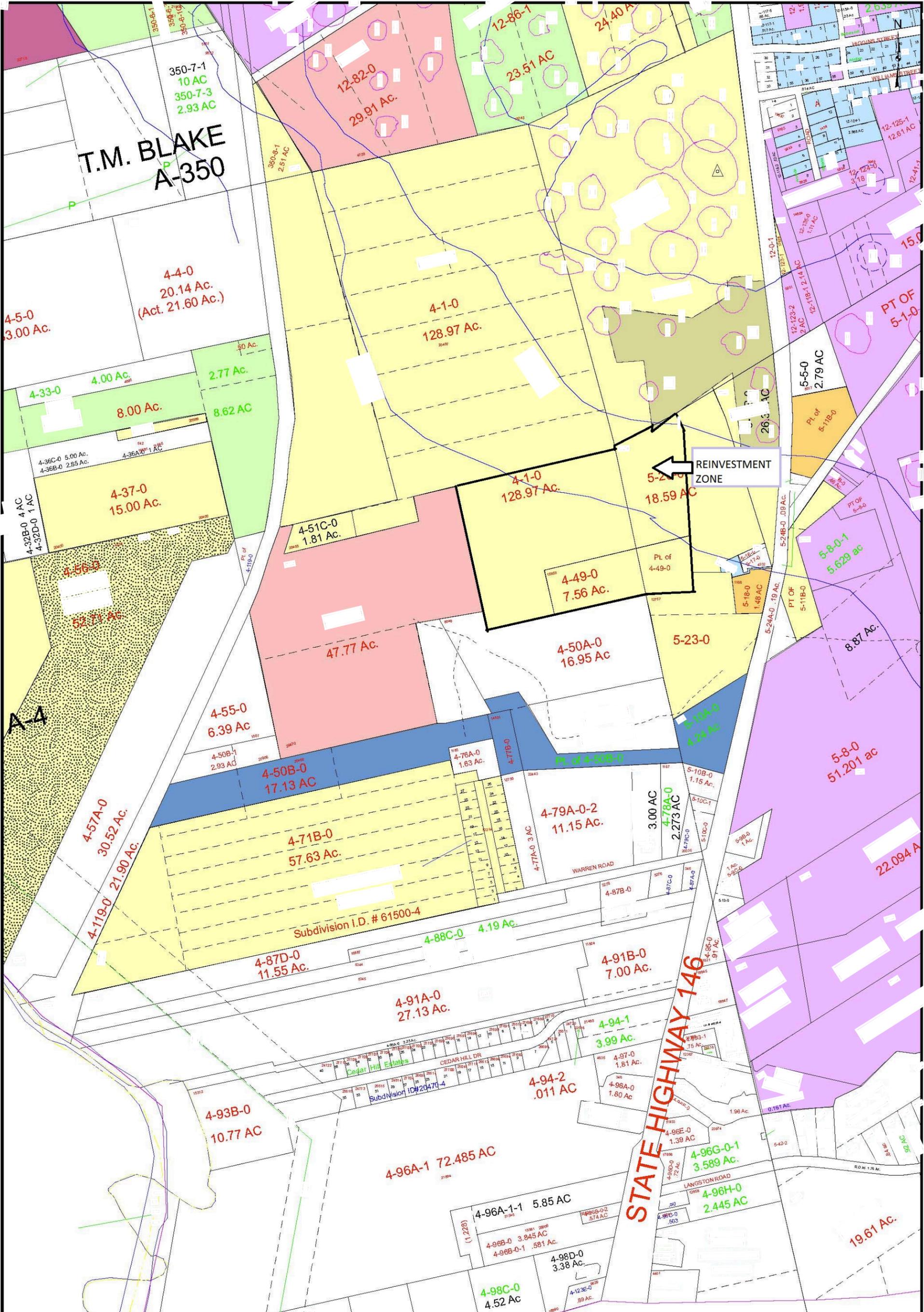
REG. PROFESSIONAL LAND SURVEYOR  
NO. 1610  
97-1388H.FDN



# Attachment

K

Detailed Map Showing Location of Land

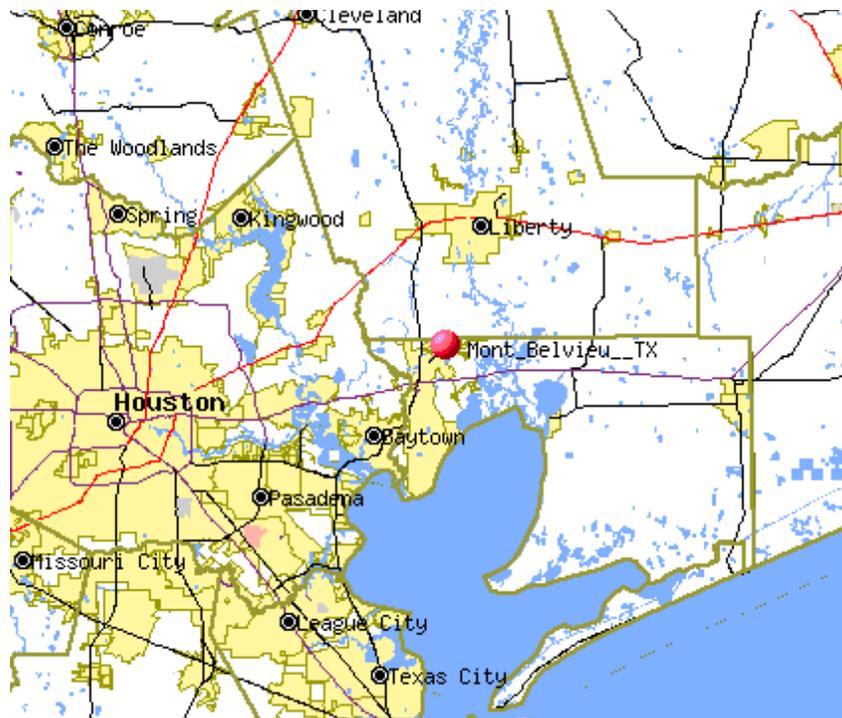


**T.M. BLAKE  
A-350**

**REINVESTMENT  
ZONE**

**STATE HIGHWAY 146**

<p>GRAPHIC SCALE</p> <p>1"=600'</p>	REV	DESCRIPTION	DWN	DATE	SCALE: 1"=600'	DATE	<p>PROJECT NAME LGR00B6</p> <p>DRAWING NUMBER 383-3400-B6</p> <p>REVISION 0</p>
						2/23/11	
						<p><b>TARGA</b></p>	
						<p>INDUSTRIAL OWNERSHIP- MONT BELVUE</p>	



## **Attachment**

**L**

**Description of Existing Improvements**

**No Pre-existing Improvements**

**Attachment**

**M**

**Request for Waiver of Job Creation Requirement**

**N/A**

# Attachment

N

## Calculation of Wage Requirements

**Calculations of wages information---Based on Most Recent Data Available**

**110% of County Average Weekly Wage for all Jobs**

Year	Period	Wages
2010	2Q	857
2010	3Q	929
2010	4Q	1,067
2011	1Q	957

Average= \$952.50 average weekly salary  
X 1.1 (110%)  
**\$1047.75** 110% of County Average Weekly Wage for all Jobs

**110% of County Average Weekly Wage for manufacturing Jobs**

Year	Period	Wages
2010	2Q	1,305
2010	3Q	1,461
2010	4Q	1,599
2011	1Q	1,470

Average = \$1458.75 average weekly salary  
X 1.1 (110%)  
**\$1,604.63** 110% of County Average Weekly Wage for Manufacturing Jobs

**110 % of County Average Weekly Wage for Manufacturing Jobs in Region  
(Houston-Galveston)**

\$24.52 per hour  
X 40 hr per week  
\$ 980.80 average weekly salary  
X 1.10 (110%)  
**\$1,078.88**  
X 52 weeks  
**\$56,101.76** 110% of County Average Weekly Wage for all Jobs in Region

**Texas Workforce Commission**

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- Wage Information
- The Future
- Career & Economic Dev Resource
- LMCI Publications
- Resources
- Select Data Type
  - All Data Types
  - Unemployment (LAUS)
  - Employment Estimates (CES)
  - Quarterly Employment and Wages (QCEW)
  - Wages by Profession
  - Projections - Occupation
  - Projections - Industry
  - Consumer Price Index
  - Income
  - Staffing Patterns
  - Population

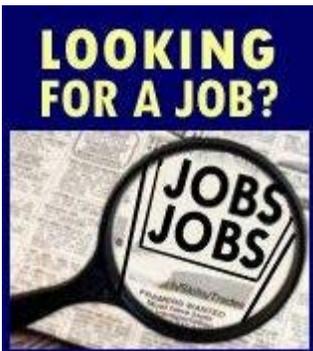
## Quarterly Employment and Wages (QCEW)

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Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2011	1st Qtr	Chambers County	Private	00	0	10	Total, All Industries	\$957
2010	2nd Qtr	Chambers County	Private	00	0	10	Total, All Industries	\$857
2010	3rd Qtr	Chambers County	Private	00	0	10	Total, All Industries	\$929
2010	4th Qtr	Chambers County	Private	00	0	10	Total, All Industries	\$1,067

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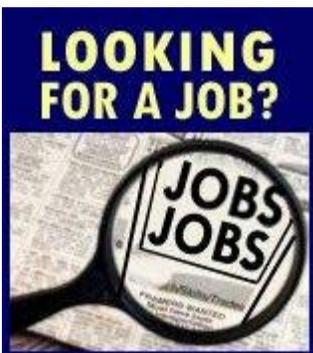
## Quarterly Employment and Wages (QCEW)

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Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2011	1st Qtr	Chambers County	Private	31	2	31-33	Manufacturing	\$1,470
2010	2nd Qtr	Chambers County	Private	31	2	31-33	Manufacturing	\$1,305
2010	3rd Qtr	Chambers County	Private	31	2	31-33	Manufacturing	\$1,461
2010	4th Qtr	Chambers County	Private	31	2	31-33	Manufacturing	\$1,599

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**2010 Manufacturing Wages by Council of Government Region  
Wages for All Occupations**

COG	Wages	
	Hourly	Annual
<b>Texas</b>		
<a href="#">1. Panhandle Regional Planning Commission</a>	\$18.60	\$38,683
<a href="#">2. South Plains Association of Governments</a>	\$16.21	\$33,717
<a href="#">3. NORTEX Regional Planning Commission</a>	\$18.34	\$38,153
<a href="#">4. North Central Texas Council of Governments</a>	\$23.45	\$48,777
<a href="#">5. Ark-Tex Council of Governments</a>	\$15.49	\$32,224
<a href="#">6. East Texas Council of Governments</a>	\$17.63	\$36,672
<a href="#">7. West Central Texas Council of Governments</a>	\$17.48	\$36,352
<a href="#">8. Rio Grande Council of Governments</a>	\$15.71	\$32,683
<a href="#">9. Permian Basin Regional Planning Commission</a>	\$19.90	\$41,398
<a href="#">10. Concho Valley Council of Governments</a>	\$15.33	\$31,891
<a href="#">11. Heart of Texas Council of Governments</a>	\$17.91	\$37,257
<a href="#">12. Capital Area Council of Governments</a>	\$25.37	\$52,778
<a href="#">13. Brazos Valley Council of Governments</a>	\$15.24	\$31,705
<a href="#">14. Deep East Texas Council of Governments</a>	\$15.71	\$32,682
<a href="#">15. South East Texas Regional Planning Commission</a>	\$27.56	\$57,333
<a href="#">16. Houston-Galveston Area Council</a>	\$24.52	\$51,002
<a href="#">17. Golden Crescent Regional Planning Commission</a>	\$20.07	\$41,738
<a href="#">18. Alamo Area Council of Governments</a>	\$17.28	\$35,952
<a href="#">19. South Texas Development Council</a>	\$13.27	\$27,601
<a href="#">20. Coastal Bend Council of Governments</a>	\$21.55	\$44,822
<a href="#">21. Lower Rio Grande Valley Development Council</a>	\$14.35	\$29,846
<a href="#">22. Texoma Council of Governments</a>	\$18.10	\$37,651
<a href="#">23. Central Texas Council of Governments</a>	\$17.21	\$35,788
<a href="#">24. Middle Rio Grande Development Council</a>	\$13.21	\$27,471

Source: Texas Occupational Employment and Wages

Data published: June 2011

Data published annually, next update will be June 2012.

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

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

Data intended for TAC 313 purposes only.

## Attachment

0

### Description of Benefits

Cedar Bayou offers the following benefits to employees:

Health Care

Paid Sick Leave

Education

Retirement Benefits

Attachment

P

Economic Impact

N/A

Attachment

Q

Schedule A

Schedule A (Rev. May 2010): Investment

Form 50-296

Applicant Name: Cedar Bayou Fractionators, LP  
 ISD Name: Barbers Hill ISD

PROPERTY INVESTMENT AMOUNTS

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

The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A: Tangible Personal Property The amount of new investment (original cost) placed in service of building during this year	Column B: Building or permanent nonremovable component (annual amount only)	Column C: Sum of A and B Qualifying investment (during the qualifying time period)	Column D: Other investment that is not qualified investment but investment affecting economic impact and total value	Column E: Total Investment (A+B+D)
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)  Tax Credit Period (with 50% cap on credit)  Credit Settle-Up Period  Post-Settle-Up Period  Post-Settle-Up Period	1	2011-2012	2011	2,500,000				2,500,000
	2	2012-2013	2012	\$ 271,000,000.00	\$ 1,500,000	\$ 272,500,000.00		\$ 272,500,000.00
	3	2013-2014	2013	\$ -	\$ -	\$ -		\$ -
	4	2014-2015	2014					
	5	2015-2016	2015					
	6	2016-2017	2016					
	7	2017-2018	2017					
	8	2018-2019	2018					
	9	2019-2020	2019					
	10	2020-2021	2020					
	11	2021-2022	2021					
	12	2022-2023	2022					
	13	2023-2024	2023					
	14	2024-2025	2024					
	15	2025-2026	2025					

Qualifying Time Period usually begins with the final board approval of the application and extends generally for the following two complete tax years.  
 Column A: This represents the total dollar amount of planned investment in tangible personal property the applicant considers qualified investment - as defined in Tax Code §313.021(1)(A)-(D).  
 For the purposes of investment, please list amount invested each year, not cumulative totals.

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

Column D: For the years outside the qualifying time period, this number should simply represent the planned investment in new buildings or nonremovable components of buildings. Dollar value of other investment that may not be qualified investment but that may affect economic impact and total value for planning, construction and operation of the facility. The most significant example for many projects would be land. Other examples may be items such as professional services, etc.  
 Note: Land can be listed as part of investment during the "pre-year 1" time period. It cannot be part of qualifying investment.

Notes: For advanced clean energy projects, nuclear projects, projects with deferred qualifying time periods, and projects with lengthy application review periods, insert additional rows as needed. This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

*Mitchell*  
 SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

8/15/2011  
 DATE

**Attachment**

**R**

**Schedule B**

---

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

Form 50-296

Applicant Name  
ISD Name  
Cedar Bayou Fractionators, LP  
Barbers Hill ISD

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Reductions from Market Value	Estimated Taxable Value	
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new building or "in or on the new improvement"		Estimated Taxable Value	Final taxable value for I&S - after all reductions
	pre-year 1	2011-2012	2011						
Tax Credit Period (with 50% cap on credit)	1	2012-2013	2012		\$ 2,500,000	\$ -	\$ -	\$ 2,500,000	\$ 2,500,000
	2	2013-2014	2013		\$ 1,500,000	\$ -	\$ -	\$ 225,000,000	\$ 225,000,000
	3	2014-2015	2014		\$ 1,425,000	\$ -	\$ -	\$ 213,750,000	\$ 30,000,000
	4	2015-2016	2015		\$ 1,353,750	\$ -	\$ -	\$ 203,062,500	\$ 30,000,000
	5	2016-2017	2016		\$ 1,286,063	\$ -	\$ -	\$ 192,909,375	\$ 30,000,000
	6	2017-2018	2017		\$ 1,221,759	\$ -	\$ -	\$ 183,263,906	\$ 30,000,000
	7	2018-2019	2018		\$ 1,160,671	\$ -	\$ -	\$ 174,100,711	\$ 30,000,000
	8	2019-2020	2019		\$ 1,102,638	\$ -	\$ -	\$ 165,395,675	\$ 30,000,000
	9	2020-2021	2020		\$ 1,047,506	\$ -	\$ -	\$ 157,125,892	\$ 30,000,000
	10	2021-2022	2021		\$ 995,131	\$ -	\$ -	\$ 149,269,597	\$ 30,000,000
	11	2022-2023	2022		\$ 945,374	\$ -	\$ -	\$ 141,806,117	\$ 141,806,117
	12	2023-2024	2023		\$ 898,105	\$ -	\$ -	\$ 134,715,811	\$ 134,715,811
	13	2024-2025	2024		\$ 853,200	\$ -	\$ -	\$ 127,980,021	\$ 127,980,021
	14	2025-2026	2025		\$ 810,540	\$ -	\$ -	\$ 121,581,020	\$ 121,581,020
	15	2026-2027	2026		\$ 770,013	\$ -	\$ -	\$ 115,501,969	\$ 115,501,969

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation. This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

*Mick Ly*

*8/15/2011*

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

Attachment

S

Schedule C



**Attachment**

**T**

**Schedule D**

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

Form 50-296

Applicant Name: Cedar Bayou Fractionators, LP

ISD Name: Barbers Hill ISD

	Sales Tax Information			Franchise Tax		Other Property Tax Abatements Sought				
	Year	School Year (YYYY-YYYY)	Tax/Calendar Year YYYY	Column F: Estimate of total annual expenditures* subject to state sales tax	Column G: Estimate of total annual expenditures* made in Texas NOT subject to sales tax	Column H: Estimate of Franchise tax due from (or attributable to) the applicant	County	City	Hospital	Other
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)		2011-2012	2011							
Tax Credit Period (with 50% cap on credit)	1	2012-2013	2012	\$ 226,667	\$ 306,667	\$ 360,455	100	100		Fill in percentage exemption requested or granted in each year of the Agreement
	2	2013-2014	2013	\$ 226,667	\$ 306,667	\$ 338,843	100	100		Fill in percentage exemption requested or granted in each year of the Agreement
	3	2014-2015	2014	\$ 226,667	\$ 306,667	\$ 138,843	75	100		Fill in percentage exemption requested or granted in each year of the Agreement
	4	2015-2016	2015	\$ 226,667	\$ 306,667	\$ 164,943	60	100		Fill in percentage exemption requested or granted in each year of the Agreement
	5	2016-2017	2016	\$ 226,667	\$ 306,667	\$ 193,443	50	75		Fill in percentage exemption requested or granted in each year of the Agreement
	6	2017-2018	2017	\$ 226,667	\$ 306,667	\$ 209,243		60		Fill in percentage exemption requested or granted in each year of the Agreement
	7	2018-2019	2018	\$ 226,667	\$ 306,667	\$ 226,443		50		Fill in percentage exemption requested or granted in each year of the Agreement
	8	2019-2020	2019	\$ 226,667	\$ 306,667	\$ 336,343		50		Fill in percentage exemption requested or granted in each year of the Agreement
	9	2020-2021	2020	\$ 226,667	\$ 306,667	\$ 456,100		50		Fill in percentage exemption requested or granted in each year of the Agreement
	10	2021-2022	2021	\$ 226,667	\$ 306,667	\$ 704,800		25		Fill in percentage exemption requested or granted in each year of the Agreement
	11	2022-2023	2022	\$ 226,667	\$ 306,667	\$ 735,900				Fill in percentage exemption requested or granted in each year of the Agreement
	12	2023-2024	2023	\$ 226,667	\$ 306,667	\$ 768,100				Fill in percentage exemption requested or granted in each year of the Agreement
	13	2024-2025	2024	\$ 226,667	\$ 306,667	\$ 816,500				Fill in percentage exemption requested or granted in each year of the Agreement
	14	2025-2026	2025	\$ 226,667	\$ 306,667	\$ 867,000				Fill in percentage exemption requested or granted in each year of the Agreement
	15	2026-2027	2026	\$ 226,667	\$ 306,667	\$ 919,600				Fill in percentage exemption requested or granted in each year of the Agreement

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

*Mick Fey*

8/15/2011

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

# Attachment

U

Map of Reinvestment Zone

ORDINANCE 2010-003  
"EXHIBIT A"



WILLIAM BLOODGOOD ACQUISITION  
F - 6  
WILLIAM BLOODGOOD SURVEY

WILLIAM BLOODGOOD LEASUE  
F - A  
WILLIAM BLOODGOOD SURVEY

7.7081 ACRES

**Attachment**

**v**

**Order, Resolution or Ordinance Establishing Zone**

ORDINANCE NO. 2010-003

AN ORDINANCE OF THE CITY OF MONT BELVIEU, TEXAS DESIGNATING A REINVESTMENT ZONE FOR PURPOSES OF TAX ABATEMENT FOR THE TAX ABATEMENT APPLICATION SUBMITTED BY CEDAR BAYOU FRACTIONATORS, L.P. ON JANUARY 25, 2010

WHEREAS, the City Council of the City of Mont Belvieu (the "City") desires to make available tax abatement relief in the area which is the subject of this Ordinance in order to encourage the development of primary employment and to attract major investment; and

WHEREAS, the City has elected to become eligible to participate in tax abatement under the provisions of the property Development and Tax Abatement Act, Tex. Tax. Code Chapter 312, Subchapter B; and

WHEREAS, the City adopted guidelines and criteria governing tax abatements agreement in Ordinance 2009-021;

WHEREAS, a public hearing is required by Chapter 312 of the Texas Tax Code prior to approval of a reinvestment zone; and

WHEREAS, the City published notice of a public hearing to be held on Monday, March 22, 2010 regarding the designation of the area described in the attached Exhibit 1 as a reinvestment zone for tax abatement purposes; and

WHEREAS, all interested members of the public were given an opportunity to make a comment at the public hearing; and NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL  
OF THE CITY OF MONT BELVIEU, TEXAS:

1. A reinvestment zone for the purposes of Chapter 312 of the Texas Tax Code is hereby established for the property shown on the attached Exhibit 1.

PASSED and APPROVED on this, the 22nd day March, 2010.

  
\_\_\_\_\_  
Nick Dixon, Mayor

ATTEST:

  
\_\_\_\_\_  
City Secretary



COPY

ORDINANCE NO. 2011-013

AN ORDINANCE OF THE CITY OF MONT BELVIEU, TEXAS AUTHORIZING THE MAYOR TO EXECUTE A TAX ABATEMENT AGREEMENT FOR PROPERTY LOCATED IN CEDAR BAYOU FRACTIONATORS, L.P. (TARGA) REINVESTMENT ZONE IN THE FORM ATTACHED HERETO AS EXHIBIT "A"; ESTABLISHING AN EFFECTIVE DATE; PROVIDING A SEVERABILITY CLAUSE

WHEREAS, the City of Mont Belvieu, Texas, (the "City") desires to grant a tax abatement for Economic Development Programs in accordance with the authority granted to municipalities pursuant to Chapter 312 of the Texas Tax Code;

WHEREAS, the City wishes to provide tax abatement incentives for the purpose of encouraging the development of primary employment and attracting major economic investments in the City through the development or expansion of development of land for commercial and industry related uses (the "Project");

WHEREAS, the City has elected to become eligible to participate in a tax abatement under the provisions of the Property Re-Development and Tax Abatement Act, Tex. Tax. Code Chapter 312, Subchapter B;

WHEREAS, the City adopted guidelines and criteria governing tax abatement agreements and established a proper reinvestment zone;

WHEREAS, the City recognizes the positive economic impact the Project will have on the community and desires to offer tax abatement incentives through the Tax Abatement Agreement and executed in conjunction with the Chapter 380 Agreement to encourage development of the Project which will generate ad valorem property taxes and employment in the community;

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL  
OF THE CITY OF MONT BELVIEU, TEXAS:

Section 1. All of the recitals stated above and in the Abatement Agreement attached hereto as Exhibit "A" are found to be true and correct.

Section 2. The Abatement Agreement attached hereto as Exhibit "A" is hereby granted and approved.

Section 3. The Mayor of the City is hereby authorized to execute the Abatement Agreement attached hereto as Exhibit "A."

Section 4. Should any sentence, paragraph, subdivision, clause, phrase or section of this Ordinance, or the Abatement Agreement attached hereto as Exhibit "A", be held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this Ordinance, or the Abatement Agreement as a whole or any part or provisions thereof, other than the part so declared to be invalid, illegal or unconstitutional.

Section 5. This Ordinance shall take effect immediately on the Effective Date of the Abatement Agreement attached hereto as Exhibit "A" and after the passage and the publication of the caption of this Ordinance.

PASSED and APPROVED on this, the 27 day of June, 2011.



Nick Dixon, Mayor

ATTEST:



City Secretary



**Attachment**

**W**

**Legal Description of Reinvestment Zone**

STATE OF TEXAS;  
COUNTY OF CHAMBERS)

FIELD NOTES of a 53.880 acre tract of land situated in the William Bloodgood League, Abstract Number 4, Chambers County, the Henry Griffith League, Abstract Number 12, Chambers County, the William Bloodgood Augmentation Survey, Abstract Number 5, Chambers County, and being out of and a part of a 242.5057 acre tract of land called Tract 9 and conveyed to Midstream Combination Corp. by Chevron U.S.A. Inc., in deed dated August 20, 1996, and recorded in Volume 308 at Page 85 of the Official Public Records of Chambers County. This 53.880 acre tract of land is more particularly described by metes and bounds as follows, to-wit:

NOTE: ALL BEARINGS ARE LAMBERT GRID BEARINGS AND ALL COORDINATES REFER TO THE STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE, AS DEFINED BY ARTICLE 21.071 OF THE NATURAL RESOURCES CODE OF THE STATE OF TEXAS, 1927 DATUM. ALL DISTANCES ARE ACTUAL DISTANCES. REFERENCE IS MADE TO PLAT OF EVEN DATE ACCOMPANYING THIS METES AND BOUNDS DESCRIPTION.

BEGINNING at a brass cap set in concrete for the Northeast corner of this tract of land, having a State Plane Coordinate Value of Y = 752,799.30 and X = 3,299,929.27. From this BEGINNING corner a 1 1/4 inch iron pipe found for the Northeast corner of said Bloodgood League, an interior corner of the Henry Griffith League, Abstract Number 12, Chambers County, an angle point in the North line of said 242.5057 acres, and an angle point in the South line of a tract of land conveyed to Texas Eastern Transmission Corporation by O. Z. Smith, et ux, in deed dated January 3, 1959, and recorded in Volume 227 at Page 201 of the Deed Records of Chambers County bears North 15° 06' 33" West a distance of 1245.27 feet.

THENCE in a Southerly direction with the East line of this tract of land the following courses to brass caps set in concrete:

South 15° 19' 31" East 495.89 feet;

North 79° 11' 30" East 39.03 feet;

South 13° 05' 10" East 72.16 feet;

South 74° 48' 00" West 36.40 feet;

South 15° 20' 53" East 1099.45 feet to a brass cap set

in concrete for the Southeast corner of this tract of land.

THENCE South 76° 53' 10" West with the South line of this tract of land a distance of 1149.43 feet to a brass cap set in concrete for the Southwest corner of this tract of land, in the West line of said 242.5057 acres, and in the East line of a 25.28 acre tract of land called First Tract and conveyed to Exxon Pipeline Corporation in Partition Deed dated July 22, 1971, and recorded in Volume 326 at Page 646 of the Deed Records of Chambers County.

PAGE NO. 2 - 53.880 ACRES

THENCE North 11° 44' 58" West with the West line of this tract of land, the West line of said 242.5057 acres, and the East line of said 25.28 acres a distance of 626.28 feet to a brass cap set in concrete for an interior corner of this tract of land, an interior corner of said 242.5057 acres, and the Northeast corner of said 25.28 acres.

THENCE South 76° 49' 25" West with the a South line of this tract of land, a South line of said 242.5057 acres, and the North line of said 25.28 acres a distance of 152.77 feet to a brass cap set in concrete for the most Northerly Southwest corner of this tract of land.

THENCE in a Westerly and Northerly direction with the West line of this tract of land the following courses to brass caps set in concrete:

North 19° 42' 27" East 81.08 feet;  
North 13° 03' 18" West 228.62 feet;  
South 76° 56' 42" West 278.41 feet;  
South 13° 03' 18" East 77.07 feet;  
South 76° 56' 42" West 133.07 feet;  
North 13° 03' 18" West 314.52 feet;  
South 76° 56' 42" West 171.52 feet;  
North 13° 03' 18" West 350.11 feet to a brass cap set

in concrete for the Northwest corner of this tract of land, in a non-tangent curve to the right.

THENCE in a Northeasterly direction with the north line of this tract of land and said non-tangent curve to the right, concave Southeast, having a central angle of 18° 33' 33", a radius of 1185.34 feet, an arc length of 382.95 feet, and a chord bearing and distance of North 53° 10' 11" East 382.28 feet to a brass cap set in concrete for a corner of this tract of land and the end of said curve.

THENCE in an Easterly direction with the North line of this tract of land the following courses to brass caps set in concrete:

North 72° 12' 42" East 106.35 feet;  
North 74° 27' 33" East 93.65 feet;  
North 77° 15' 59" East 1211.38 feet to the PLACE OF

BEGINNING, containing within said boundaries 53.880 acres of land.

SURVEYED: December 8, 1997.

PAGE NO. 2 - 53.880 ACRES

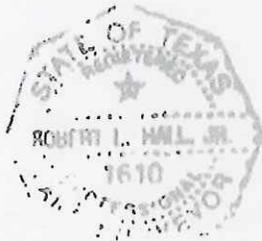
## SURVEYOR'S CERTIFICATE

I, Robert L. Hall, Jr., Reg Professional Land Surveyor No. 1610, do hereby certify that the foregoing field notes were prepared from an actual survey made on the ground on the date shown and that all lines, boundaries and landmarks are accurately described therein.

WITNESS my hand and seal at Baytown, Texas, this the 12th., day of December, A.D., 1997.



REG. PROFESSIONAL LAND SURVEYOR  
NO. 1610  
97-1388H.FDN



# Attachment

X

## Guidelines and Criteria for Reinvestment Zone

ORDINANCE NO. 2009 .002

AN ORDINANCE MAKING CERTAIN FINDINGS, OF FACTS, AND ADOPTING GUIDELINES AND CRITERIA FOR TAX ABATEMENT AGREEMENTS, AND PROVIDING FOR A TAX ABATEMENT AGREEMENT WHICH WOULD PERMIT TAX ABATEMENT BY OTHER TAXING ENTITIES TO THE EXCLUSION OF THE CITY OF MONT BELVIEU IN ACCORDANCE WITH CHAPTER 312 OF THE TEXAS TAX CODE.

WHEREAS, pursuant to Chapter 312 of the Texas Tax Code, certain guidelines and criteria are necessary prior to the creation of a reinvestment zone or entering into a tax abatement agreement;

WHEREAS, the City Council of the City of Mont Belvieu determines that the guidelines and criteria as hereinafter set forth are in the best interest of the City of Mont Belvieu to encourage economic development to the exclusion of others, and

WHEREAS, the City Council of the City of Mont Belvieu affirms its absolute discretion to approve and/or reject any application for tax abatement, whether or not an application meets the guidelines as hereinafter stated, and

WHEREAS, the City Council of the City of Mont Belvieu determines that it should consider applications for tax abatement and enter into tax abatement agreements which provide for abatement under the criteria established by other taxing entities without city participation;

NOW, THEREFORE,  
BE IT ORDAINED BY THE CITY COUNCIL  
OF THE CITY OF MONT BELVIEU, TEXAS:

Section 1,

That pursuant to the provisions of Section 312.002(d) of the Texas Tax Code, the City of Mont Belvieu does hereby adopt the following guidelines

and criteria for the City of Mont Belvieu to consider and/or to enter into a tax abatement agreement:

Section 2,

The property subject to the abatement must be located within the city limits of the City of Mont Belvieu.

Eligible businesses shall include any business duly authorized to operate in the State of Texas.

Section 3,

Eligible activities in which an abatement may be granted shall include the lesser of either the additional assessed value over the base year value or the actual investment resulting from construction or acquisition of fixed assets.

Section 4,

The abatement formula that may be permitted in any abatement agreement shall be:

- 1) Abatement shall not exceed five (5) years, beginning on January 1st after the signing of the tax abatement agreement.
- 2) Years one (1) two (2) and three (3) will be one hundred percent (100%) abatement.
- 3) Year four (4) will be seventy five percent (75%) abatement.
- 4) Year five (5) will be at fifty (50%) abatement.
- 5) Year six (6) the abatement expires and all taxes are paid.

Section 5,

The City may consider an application for abatement when entering into a tax abatement agreement which provides for no abatement to be granted by the City, but which provides for an abatement to be granted by other taxing entities to the extent of the limitations provided under their guidelines and criteria.

PASSED and APPROVED on this, the 23<sup>rd</sup> day of February, 2009.

APPROVED:

Neil Dixon  
Neil Dixon, Mayor

ATTEST:

Phyllis Sockwell  
Phyllis Sockwell, City Secretary

**Attachment**

**Y**

**Certificate of Account Status**



TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

SUSAN COMBS • COMPTROLLER • AUSTIN, TEXAS 78774

July 22, 2011

CERTIFICATE OF ACCOUNT STATUS

THE STATE OF TEXAS  
COUNTY OF TRAVIS

I, Susan Combs, Comptroller of Public Accounts of the State of Texas, DO  
HEREBY CERTIFY that according to the records of this office

CEDAR BAYOU FRACTIONATORS, L.P.

is, as of this date, in good standing with this office having no franchise  
tax reports or payments due at this time. This certificate is valid through  
the date that the next franchise tax report will be due November 15, 2011.

This certificate does not make a representation as to the status of the  
entity's registration, if any, with the Texas Secretary of State.

This certificate is valid for the purpose of conversion when the converted  
entity is subject to franchise tax as required by law. This certificate is  
not valid for any other filing with the Texas Secretary of State.

GIVEN UNDER MY HAND AND  
SEAL OF OFFICE in the City of  
Austin, this 22nd day of  
July 2011 A.D.

Susan Combs  
Texas Comptroller

Taxpayer number: 17605551617  
File number: 0010375011