

**Attachment A**

**Application**

# O'HANLON, McCOLLOM & DEMERATH

ATTORNEYS AND COUNSELORS AT LAW

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AUSTIN, TEXAS 78701  
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CERTIFIED, CIVIL APPELLATE  
CERTIFIED, CIVIL TRIAL

**LESLIE McCOLLOM**  
CERTIFIED, CIVIL APPELLATE  
CERTIFIED, LABOR AND EMPLOYMENT  
TEXAS BOARD OF LEGAL SPECIALIZATION

**JUSTIN DEMERATH**

November 12, 2013

Local Government Assistance & Economic Analysis  
Texas Comptroller of Public Accounts  
P.O. Box 13528  
Austin, Texas 78711-3528

RE: Application to the Port Neches-Groves Independent School District from Air  
Liquide Large Industries U.S. LP

**(First Qualifying Year 2015)**

To the Local Government Assistance & Economic Analysis Division:

By copy of this letter transmitting the application for review to the Comptroller's Office, the Port Neches-Groves Independent School District is notifying Air Liquide Large Industries U.S. LP of its intent to consider the application for appraised value limitation on qualified property. The Applicant submitted an Application to the school district on November 11, 2013. The Board voted to accept the application on November 11, 2013. The application has Jeffersonn determined complete as of November 12, 2013. Please prepare the economic impact report.

Please note, there is existing property for the existing plant adjacent to the project site. This property is not within the reinvestment zone and is specifically excluded from the application. There is also existing property within the reinvestment zone. This property will be demolished prior to the construction of the property that is the subject of this application. The location of the adjacent existing investment is located within in the blue boundaries on the maps provided by the Applicant. The red boundaries on the map indicate the location of the reinvestment zone and the land upon which the qualified investment/property will be developed. The map created by the appraisal district for Attachment 12 also includes boundary lines related to larger parcels ids, but these marks indicators are for information purposes only and do not relate to the project.

The Applicant is aware that the determination of a completed application by the Comptroller determines what property may be eligible for a value limitation agreement.

Letter to Local Government Assistance & Economic Analysis Division

November 12, 2013

Page 2 of 2

The school district has determined that the wage information included in the application represents the most recent wage data available at the time of the application.

The reinvestment zone has not been created by the County, and we will supplement the application with the final order upon its adoption.

In accordance with 34 Tex. Admin Code §9.1054, a copy of the application will be submitted to the Jefferson County Appraisal District.

A hard copy of the application will be hand delivered to your office tomorrow. Please feel free to contact me with questions.

Sincerely,

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

Kevin O'Hanlon  
School District Consultant

Cc: Jefferson County Appraisal District

Air Liquide Large Industries U.S. LP

**Air Liquide Large Industries U.S., LP**

Chapter 313 Application to Port Neches-Groves ISD

Cummings Westlake, LLC

**ATTACHMENT 1**

See executed application attached.

**ATTACHMENT TO APPLICATION FOR APPRAISED VALUE LIMITATION  
ON QUALIFIED PROPERTY BY AIR LIQUIDE LARGE INDUSTRIES U.S., LP  
TO PORT NECHES-GROVES ISD**



# Application for Appraised Value Limitation on Qualified Property

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

**Form 50-296**  
(Revised July 2013)

**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 website. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules 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 website to find out more about the program at [www.texasahead.org/tax\\_programs/chapter313/](http://www.texasahead.org/tax_programs/chapter313/). 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 November 11, 2013	
First Name Dr. Rodney	Last Name Cavness		
Title Superintendent			
School District Name Port Neches-Groves ISD			
Street Address 620 Avenue C			
Mailing Address 620 Avenue C			
City Port Neches	State TX	ZIP 77651	
Phone Number (409) 722-4244	Fax Number (409) 724-7864		
Mobile Number (optional)	Email Address rcavness@pngisd.org		

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

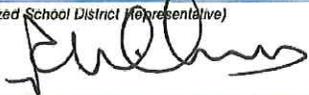
Will consultant be primary contact?  Yes  No

**SCHOOL DISTRICT INFORMATION – CERTIFICATION OF APPLICATION (CONTINUED)**

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

First Name <b>Daniel T.</b>		Last Name <b>Casey</b>	
Title <b>Partner</b>			
Firm Name <b>Moak, Casey &amp; Associates LLP</b>			
Street Address <b>400 W. 15th Street, Suite 1410</b>			
Mailing Address <b>same</b>			
City <b>Austin</b>	State <b>TX</b>	ZIP <b>78701-1648</b>	
Phone Number <b>(512) 485-7878</b>	Fax Number <b>(512) 485-7888</b>		
Mobile Number (Optional)	Email Address <b>dcasey@moakcasey.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 <b>11-14-13</b>
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Has the district determined this application complete? .....  Yes  No  
 If yes, date determined complete. .... **11-12-13**

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

**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 <b>Hugh</b>		Last Name <b>Spinks</b>	
Title <b>Vice President, Tax</b>			
Organization <b>Air Liquide Large Industries U.S., LP</b>			
Street Address <b>2700 Post Oak Boulevard, Suite 1800</b>			
Mailing Address <b>P.O. Box 460149</b>			
City <b>Houston</b>		State <b>TX</b>	ZIP <b>77056-8149</b>
Phone Number <b>(713) 402-2229</b>		Fax Number <b>713-402-2063</b>	
Mobile Number (optional)		Business Email Address <b>Hugh.Spinks@Airliquide.com</b>	

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 <b>Jonathan</b>		Last Name <b>Jones</b>	
Title <b>Senior Tax Agent</b>			
Organization <b>Air Liquide Large Industries U.S., LP</b>			
Street Address <b>2700 Post Oak Boulevard, Suite 1800</b>			
Mailing Address <b>P.O. Box 460149</b>			
City <b>Houston</b>		State <b>TX</b>	ZIP <b>77056-8149</b>
Phone Number <b>(713) 402-2011</b>		Fax Number <b>713-402-2063</b>	
Mobile Number (optional)		Email Address <b>Jonathan.Jones@Airliquide.com</b>	

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

Will consultant be primary contact?  Yes  No

APPLICANT INFORMATION - CERTIFICATION OF APPLICATION

Authorized Company Consultant (if Applicable)

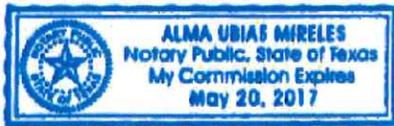
First Name D. Dale	Last Name Cummings	
Title Partner		
Firm Name Cummings Westlake LLC		
Street Address 12837 Louetta Road, Suite 201		
Mailing Address same		
City Cypress	State TX	ZIP 77429-5611
Phone Number (713) 266-4456	Fax Number (713) 266-2333	
Business Email Address dcummings@cwlp.net		

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)) <i>[Handwritten Signature]</i>	Date 11-08-13
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GIVEN under my hand and seal of office this 8th day of November, 2013



(Notary Seal)

*Alma U. Mireles*  
Notary Public, State of *Texas*

My commission expires May 20, 2017

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

[X] 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, §13.027(i)? ... [ ] Yes [ ] No

B. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §13.027(i)? ... [ ] Yes [X] No

BUSINESS APPLICANT INFORMATION

Legal Name Under Which Application is Made  
Air Liquide Large Industries U.S., LP

Texas Taxpayer I.D. Number of Entity Subject to Tax Code, Chapter 171 (11 digits)  
32035542425

NAICS Code  
325120

Is the applicant a party to any other Chapter 313 agreements? ... [X] Yes [ ] No

If yes, please list name of school district and year of agreement.  
Brazosport ISD (2007) & La Porte ISD (2010)

APPLICANT BUSINESS STRUCTURE

Registered to do business in Texas with the Texas Secretary of State? ... [X] Yes [ ] No

Identify Business Organization of Applicant (corporation, limited liability corporation, etc.)  
Limited Partnership

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)? ... [X] Yes [ ] No  
If so, please attach documentation of the combined group membership and contact information.

2. Is the applicant current on all tax payments due to the State of Texas? ... [X] Yes [ ] No

3. Are all applicant members of the combined group current on all tax payments due to the State of Texas? ... [ ] NA [X] Yes [ ] No  
If the answer to either question is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (Use attachment if necessary.)

[Empty box for providing explanation or documentation for question 3.]

**ELIGIBILITY UNDER TAX CODE CHAPTER 313.024**

- Are you an entity to which Tax Code, Chapter 171 applies?  Yes  No
- The property will be used as an integral part, or as a necessary auxiliary part, in one of the following activities:
- (1) manufacturing  Yes  No
  - (2) research and development  Yes  No
  - (3) a clean coal project, as defined by Section 5.001, Water Code  Yes  No
  - (4) an advanced clean energy project, as defined by Section 362.003, Health and Safety Code  Yes  No
  - (5) renewable energy electric generation  Yes  No
  - (6) electric power generation using integrated gasification combined cycle technology  Yes  No
  - (7) nuclear electric power generation  Yes  No
  - (8) a computer center that is used as an integral part or as a necessary auxiliary part for the activity conducted by applicant in one or more activities described by Subdivisions (1) through (7)  Yes  No
- Are you requesting that any of the land be classified as qualified investment?  Yes  No
- Will any of the proposed qualified investment be leased under a capitalized lease?  Yes  No
- Will any of the proposed qualified investment be leased under an operating lease?  Yes  No
- Are you including property that is owned by a person other than the applicant?  Yes  No
- Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment?  Yes  No

**PROJECT DESCRIPTION**

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

See Attachment 4

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

See Attachment 4A

**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 Q3 - 2014      Begin Hiring New Employees Q2 - 2015

Construction Complete Q4 - 2015      Fully Operational Q4 - 2015

Purchase Machinery & Equipment Q4 - 2014

Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (date your application is finally determined to be complete)?  Yes  No

Note: Improvements made before that time may not be considered qualified property.

When do you anticipate the new buildings or improvements will be placed in service? Q4 - 2015

**ECONOMIC INCENTIVES**

Identify state programs the project will apply for:

State Source	Amount
Not Applicable	
<b>Total</b>	

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.)

Applicant will apply for tax abatement and anticipates entering into local Chapter 312 tax abatement agreements with Jefferson County, Sabine-Neches Navigation District, and Drainage District #7. Abatement terms negotiations have not been initiated at the time of the filing of this application. The percentages shown in Schedule D are estimates.

**THE PROPERTY**

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

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

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

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

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

Hospital District:  Water District: none  
(Name and percent of project) (Name and percent of project)

Other (describe): Sabine-Neches Navigation District (100%) Other (describe): Drainage District #7 (100%)  
(Name and percent of project) (Name and percent of project)

Is the project located entirely within this ISD?  Yes  No

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

**INVESTMENT**

**NOTE:** The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as rural, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's website at [www.texasahead.org/tax\\_programs/chapter313/](http://www.texasahead.org/tax_programs/chapter313/).

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

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

What is your total estimated qualified investment? ..... \$117,000,000

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

What is the anticipated date of application approval? ..... April 15, 2014

What is the anticipated date of the beginning of the qualifying time period? ..... April 15, 2014

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? ..... \$117,000,000

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

Attach the following items to this application:

- (1) a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021,
- (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? ..... December 30, 2013

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

Will the project be on leased land?  Yes  No



Application for Appraised Value Limitation on Qualified Property

Form 50-296

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? [X] 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. \$37,072,800 (Improvements Only) 2013 (Market Value) (Tax Year)

Is any of the existing property subject to a value limitation agreement under Tax Code 313? [ ] Yes [X] 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? [X] 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)? 13

The last complete calendar quarter before application review start date is the: [ ] First Quarter [ ] Second Quarter [X] Third Quarter [ ] Fourth Quarter of 2013 (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? 674

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

N/A

Total number of new jobs that will have been created when fully operational 8

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 [X] 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)? [X] 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? 7

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 www.texashead.org/tax\_programs/chapter313/)

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 website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(7).

110% of the county average weekly wage for all jobs (all industries) in the county is .....	\$1,068.38
110% of the county average weekly wage for manufacturing jobs in the county is .....	\$1,932.15
110% of the county average weekly wage for manufacturing jobs in the region is .....	\$1,292.88

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? .....

\$67,230

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? .....

\$75,000

Will 80% of all new jobs created by the owner be qualifying jobs as defined by 313.021(3)? .....

Yes  No

Will each qualifying job require at least 1,600 of work a year? .....

Yes  No

Will any of the qualifying jobs be jobs transferred from one area of the state to another? .....

Yes  No

Will any of the qualifying jobs be retained jobs? .....

Yes  No

Will any of the qualifying jobs be created to replace a previous employee? .....

Yes  No

Will any required qualifying jobs be filled by employees of contractors? .....

Yes  No

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

Does the applicant or contractor of the applicant offer to pay at least 80% of the employee's health insurance premium for each qualifying job? .....

Yes  No

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

See Attachment 15

**ECONOMIC IMPACT**

Is an Economic Impact Analysis attached (if supplied by other than the Comptroller's office)? .....

Yes  No

Is Schedule A completed and signed for all years and attached? .....

Yes  No

Is Schedule B completed and signed for all years and attached? .....

Yes  No

Is Schedule C (Application) completed and signed for all years and attached? .....

Yes  No

Is Schedule D completed and signed for all years and attached? .....

Yes  No

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

Schedule A: Investment (Revised January 2010)

PROPERTY INVESTMENT AMOUNTS

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

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A: Tangible Personal Property The amount of new investment (original cost) placed in service during this year	Column B: Building or Permanent Nonremovable Component of Building (annual amount only)	Column C: Sum of A and B Qualifying Investment (during the qualifying time period)	Column D: Other investment that is not qualified investment but investment affecting economic impact and total value	Column E: Total Investment (A+B+D)	
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	Investment made before filing complete application with district (neither qualified property nor eligible to become qualified investment)					X			
	Investment made after filing complete application with district, but before final board approval of application (eligible to become qualified property)								
	Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period (qualified investment and eligible to become qualified property)								
Complete tax years of qualifying time period	1								
	2								
Tax Credit Period (with 50% cap on credit)	Value Limitation Period	3							
		4							
		5							
		6							
		7							
		8							
		9							
		10							
Credit Settle-Up Period	Continue to Maintain Wable Presence	11							
		12							
		13							
Post-Settle-Up Period		14							
Post-Settle-Up Period		15							

See Attachment 17

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. [For the years outside the qualifying time period, this number should simply represent the planned investment in tangible personal property. Include estimates of investment for "replacement" property - property that is part of original agreement but scheduled for probable replacement during limitation period.

**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). For the years outside the qualifying time period, this number should simply represent the planned investment in new buildings or nonremovable components of buildings.

**Column D:** 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.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

Schedule B: Estimated Market and Taxable Value (Revised January 2010)

Applicant Name

ISD Name

		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"	Exempted Value	Final taxable value for ISS - after all reductions	Final taxable value for M&O - after all reductions
		pre-year 1								
Complete tax years of qualifying time period		1			<b>See Attachment 18</b>					
		2								
Tax Credit Period (with 80% cap on credit)	Value Limitation Period	3								
		4								
		5								
		6								
		7								
		8								
		9								
		10								
Credit Settle-Up period	Continue to Maintain Viable Presence	11								
		12								
		13								
Post-Settle-Up Period		14								
Post-Settle-Up Period		15								

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.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE



### Schedule C: Application: Employment Information

Applicant Name \_\_\_\_\_

ISD Name \_\_\_\_\_

		Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Construction		New Jobs	Qualifying Jobs				
					Column A: Number of Construction FTE's or man-hours (specify)	Column B: Average annual wage rates for construction workers	Column C: Number of new jobs applicant commits to create (cumulative)	Column D: Average annual wage rate for all new jobs.	Column E: Number of quali- fying jobs appli- cant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column F: Average annual wage of qualifying jobs		
		pre-year 1										
Tax Credit Period (with 50% cap on credit)	Complete tax years of qualify- ing time period	1										
		2										
		3										
	Value Limitation Period	4										
		5										
		6										
		7										
		8										
		9										
		10										
		Credit Settle-Up period	Continue to Maintain Viable Presence	11								
				12								
				13								
		Post-Settle-Up Period		14								
		Post-Settle-Up Period		15								

See Attachment 19

Notes: For job definitions see TAC §9.1051(14) and Tax Code §313.021(3).

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE \_\_\_\_\_

DATE \_\_\_\_\_



Schedule D: Other Tax Information (Revised January 2010)

Applicant Name \_\_\_\_\_

ISD Name \_\_\_\_\_

	Year	School Year (YYYY)	Tax/Calendar Year (YYYY)	Sales Tax Information		Franchise Tax	Other Property Tax Abatements Sought					
				Sales Taxable Expenditures	Column G: Estimate of total annual expenditures* subject to state 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)												
Complete tax years of qualifying time period	1											
	2											
Tax Credit Period (with 50% cap on credit)	Value Limitation Period	3										
		4										
		5										
		6										
		7										
		8										
		9										
		10										
Credit Settle-Up period	Continue to Maintain Viable Presence	11										
		12										
		13										
Post-Settle-Up Period	14											
Post-Settle-Up Period	15											

See Attachment 20

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

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE \_\_\_\_\_

DATE \_\_\_\_\_

**Air Liquide Large Industries U.S., LP**

Chapter 313 Application to Port Neches-Groves ISD

Cummings Westlake, LLC

**ATTACHMENT 2**

Proof of Payment of Application Fee

A copy of the check for payment of the \$75,000 application fee to Port Neches-Groves Independent School District is on the next page.

**ATTACHMENT TO APPLICATION FOR APPRAISED VALUE LIMITATION  
ON QUALIFIED PROPERTY BY AIR LIQUIDE LARGE INDUSTRIES U.S., LP  
TO PORT NECHES-GROVES ISD**

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)*

**Air Liquide Large Industries U.S., LP**

Chapter 313 Application to Port Neches-Groves ISD

Cummings Westlake, LLC

**ATTACHMENT 3**

See attached list of affiliates.

***ATTACHMENT TO APPLICATION FOR APPRAISED VALUE LIMITATION  
ON QUALIFIED PROPERTY BY AIR LIQUIDE LARGE INDUSTRIES U.S., LP  
TO PORT NECHES-GROVES ISD***

## Texas Franchise Tax Extension Affiliate List

Reporting entity taxpayer number

Report year

Reporting entity taxpayer name

32035542425

2013

Air Liquide Large Industries US LP

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. American Air Liquide, Inc.	510062176	<input checked="" type="checkbox"/>
2. American Air Liquide Holdings, Inc.	17531747479	<input type="checkbox"/>
3. AL America Holdings, Inc.	521549128	<input checked="" type="checkbox"/>
4. Air Liquide Healthcare America Corporation	15916551292	<input type="checkbox"/>
5. LURGI INC. (F.K.A.: LURGI PSI, INC.)	16209989322	<input type="checkbox"/>
6. Air Liquide Hellum America, Inc.	18106090279	<input type="checkbox"/>
7. Air Liquide Process & Construction, Inc.	17604877864	<input type="checkbox"/>
8. AL LIP Corporation	16805546591	<input type="checkbox"/>
9. GVP, Inc.	15103757710	<input checked="" type="checkbox"/>
10. OWC Corporation	17606823205	<input type="checkbox"/>
11. Lacona Holdings, Inc.	510186571	<input checked="" type="checkbox"/>
12. Air Liquide - Big Three, Inc.	720566469	<input checked="" type="checkbox"/>
13. DLo, Inc. (formerly The Dia-Log Company)	17417249756	<input type="checkbox"/>
14. Bowto, Inc-Delaware(formerly Bowen Tools -Delaware)	17600475424	<input checked="" type="checkbox"/>
15. U. S. D. Corporation	19519210371	<input checked="" type="checkbox"/>
16. American Cryogenics, Inc.	19429219538	<input checked="" type="checkbox"/>
17. CS LLC	15822638837	<input checked="" type="checkbox"/>
18. Big Three Industrial Gas, Inc.	17603627849	<input checked="" type="checkbox"/>
19. Big Three Welding Equipment, Inc.	17603331020	<input checked="" type="checkbox"/>
20. Cardax (dba Rice Welding Supply Co., Inc.)	16801272143	<input type="checkbox"/>
21. Dye Oxygen Company	19426665097	<input type="checkbox"/>

Note: To file an extension request for a reporting entity and its affiliates, Form 05-164 (Texas Franchise Tax Extension Request) must be submitted with this affiliate list. The filing of this list by itself does not constitute a properly filed Extension Request.

Do not file this form when requesting a second extension.

Texas Comptroller Official Use Only



VE/DE  PM



## Texas Franchise Tax Extension Affiliate List

Tcode 13298

Reporting entity taxpayer number

Report year

Reporting entity taxpayer name

32035542425

2013

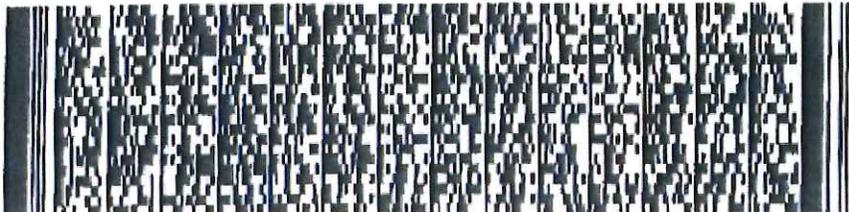
Air Liquide Large Industries US LP

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. Gulf Oxygen Company	17207107065	<input checked="" type="checkbox"/>
2. Hopper Gas & Welding Supplies Inc.	19528852643	<input checked="" type="checkbox"/>
3. Industrial Air Products Company	19305506214	<input checked="" type="checkbox"/>
4. Liquid Air Corporation	19427106562	<input checked="" type="checkbox"/>
5. Rice Welding Supply Inc.	17605350473	<input checked="" type="checkbox"/>
6. Vitakre - DO NOT USE	19429728850	<input checked="" type="checkbox"/>
7. Scott Specialty Gases Inc	17606249468	<input checked="" type="checkbox"/>
8. Air Liquide Industrial US LP	19001869460	<input type="checkbox"/>
9. Air Liquide Electronics US LP	15508841952	<input type="checkbox"/>
10. Air Liquide Electronics GP LLC	15508841838	<input type="checkbox"/>
11. Air Liquide Electronics LP LLC	15421607431	<input checked="" type="checkbox"/>
12. Air Liquide America LP	15809390592	<input type="checkbox"/>
13. ALA LP LLC	15937928198	<input checked="" type="checkbox"/>
14. ALA GP LLC	17316582356	<input type="checkbox"/>
15. Air Liquide Advanced Technologies US LLC	14216719980	<input type="checkbox"/>
16. Air Liquide USA LLC	17706512906	<input type="checkbox"/>
17. Air Liquide USA GP LLC	10438352600	<input checked="" type="checkbox"/>
18. Air Liquide USA LP LLC	12601337863	<input checked="" type="checkbox"/>
19. ALIG Acquisition LLC	12600918408	<input checked="" type="checkbox"/>
20. ALIG LLC	11328370017	<input type="checkbox"/>
21. Air Liquide LI GP LLC	13420042700	<input type="checkbox"/>

Note: To file an extension request for a reporting entity and its affiliates, Form 05-164 (Texas Franchise Tax Extension Request) must be submitted with this affiliate list. The filing of this list by itself does not constitute a properly filed Extension Request.

Do not file this form when requesting a second extension.

Texas Comptroller Online Use Only



VEIDE  FM



**Texas Franchise Tax Extension Affiliate List**

■ Tcode 13298

■ Reporting entity taxpayer number

■ Report year

Reporting entity taxpayer name

32035542425

2013

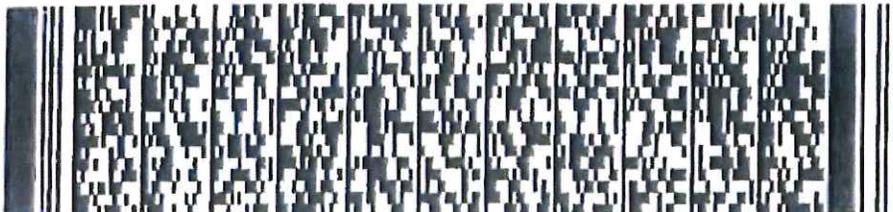
Air Liquide Large Industries US LP

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (if none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. Air Liquide America Specialty Gases LLC	13920637728	<input type="checkbox"/>
2. Air Liquide Technical Services LLC	32039100980	<input type="checkbox"/>
3. Air Liquide LI LP LLC	13420035712	<input checked="" type="checkbox"/>
4. Air Liquide IC GP LLC	13420042569	<input type="checkbox"/>
5. Air Liquide IC LP LLC	13420042668	<input checked="" type="checkbox"/>
6. Air Liquide Large Industries US LP	32035542425	<input type="checkbox"/>
7.		<input type="checkbox"/>
8.		<input type="checkbox"/>
9.		<input type="checkbox"/>
10.		<input type="checkbox"/>
11.		<input type="checkbox"/>
12.		<input type="checkbox"/>
13.		<input type="checkbox"/>
14.		<input type="checkbox"/>
15.		<input type="checkbox"/>
16.		<input type="checkbox"/>
17.		<input type="checkbox"/>
18.		<input type="checkbox"/>
19.		<input type="checkbox"/>
20.		<input type="checkbox"/>
21.		<input type="checkbox"/>

Note: To file an extension request for a reporting entity and its affiliates, Form 05-164 (Texas Franchise Tax Extension Request) must be submitted with this affiliate list. The filing of this list by itself does not constitute a properly filed Extension Request.

Do not file this form when requesting a second extension.

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## **Air Liquide Large Industries U.S., LP**

Chapter 313 Application to Port Neches-Groves ISD

Cummings Westlake, LLC

### **ATTACHMENT 4**

#### **Detailed Description of the Project**

*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.*

Air Liquide Large Industries U.S., LP ("Air Liquide") is requesting an appraised value limitation from Port Neches-Grove Independent School District (ISD) for its Air Separation Unit ("ASU" or the "Project"). The proposed Project will be constructed within a reinvestment zone to be established by Jefferson County. A map showing the location of the project is included as Attachment 7.

The proposed Project is to build and install a new 2,400 tons per day of oxygen at high pressure ASU connected to Air Liquide's pipeline system that runs from Corpus Christi, Texas to Lake Charles, Louisiana. Qualified property includes, but is not limited to, air filtration equipment, heat exchangers, condensers, inter-stage coolers, distillation columns, cold box, air compressors, turbines, molecular sieves, expanders, pumps, motors, storage vessels, interplant piping, distributive control systems, electric switchyard, utility infrastructure improvements, pollution control equipment, and land improvements such as paving and parking areas.

Construction of the Project is anticipated to begin in the third quarter of 2014 with completion by December 31, 2015.

## **Air Liquide Large Industries U.S., LP**

Chapter 313 Application to Port Neches-Groves ISD

Cummings Westlake, LLC

### **ATTACHMENT 4A**

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

Air Liquide's Large Industries World Business Line (WBL) provides gases to customers in the refining, chemicals, energy and metallurgical industries. These gases are vital to the production processes of customers in such industries. The Group's gas and energy solutions enable businesses to reconcile optimal productivity with respect for the environment. Air Liquide is the undisputed world leader in this sector. The Large Industries WBL is representative both of Air Liquide's historic expertise and of the technologies of the future. The WBL has established its presence around the world through its design and installation of more than 400 air separation units (ASUs), some 100 hydrogen production plants (of which 38 are major units) and 18 cogeneration units.

This presence is strengthened by the Group's vast pipeline network, which allows Air Liquide to meet the air gas and hydrogen requirements of major customers in some of the world's largest industrial basins, in the United States, Europe and Asia. This project can be built and installed anywhere on the pipeline that runs from Corpus Christi, TX to Lake Charles, LA.

**Air Liquide Large Industries U.S., LP**

Chapter 313 Application to Port Neches-Groves ISD

Cummings Westlake, LLC

**ATTACHMENT 5**

List of taxing jurisdictions where the project is located

Jefferson County	100%
Port Neches-Grove Independent School District	100%
Sabine-Neches Navigation District	100%
Drainage District #7	100%

**ATTACHMENT TO APPLICATION FOR APPRAISED VALUE LIMITATION  
ON QUALIFIED PROPERTY BY AIR LIQUIDE LARGE INDUSTRIES U.S., LP  
TO PORT NECHES-GROVES ISD**

**Air Liquide Large Industries U.S., LP**

Chapter 313 Application to Port Neches-Groves ISD

Cummings Westlake, LLC

**ATTACHMENT 6**

**Description of Qualified Investment**

- 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 improvement 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 (Please see Attachment 7)*

Air Liquide Large Industries U.S., LP ("Air Liquide") is requesting an appraised value limitation from Port Neches-Grove Independent School District (ISD) for its Air Separation Unit ("ASU" and/or the Project"). The proposed Project will be constructed within a reinvestment zone to be established by Jefferson County. A map showing the location of the project is included as Attachment 7.

The proposed Project is to build and install a new 2,400 tons per day of oxygen at high pressure ASU connected to Air Liquide's pipeline system that runs from Corpus Christi, Texas to Lake Charles, Louisiana. Qualified property includes, but is not limited to, air filtration equipment, heat exchangers, condensers, inter-stage coolers, distillation columns, cold box, air compressors, turbines, molecular sieves, expanders, pumps, motors, storage vessels, interplant piping, distributive control systems, electric switchyard, utility infrastructure improvements, pollution control equipment, and land improvements such as paving and parking areas.

Construction of the Project is anticipated to begin in the third quarter of 2014 with completion by December 31, 2015.

**Air Liquide Large Industries U.S., LP**

Chapter 313 Application to Port Neches-Groves ISD

Cummings Westlake, LLC

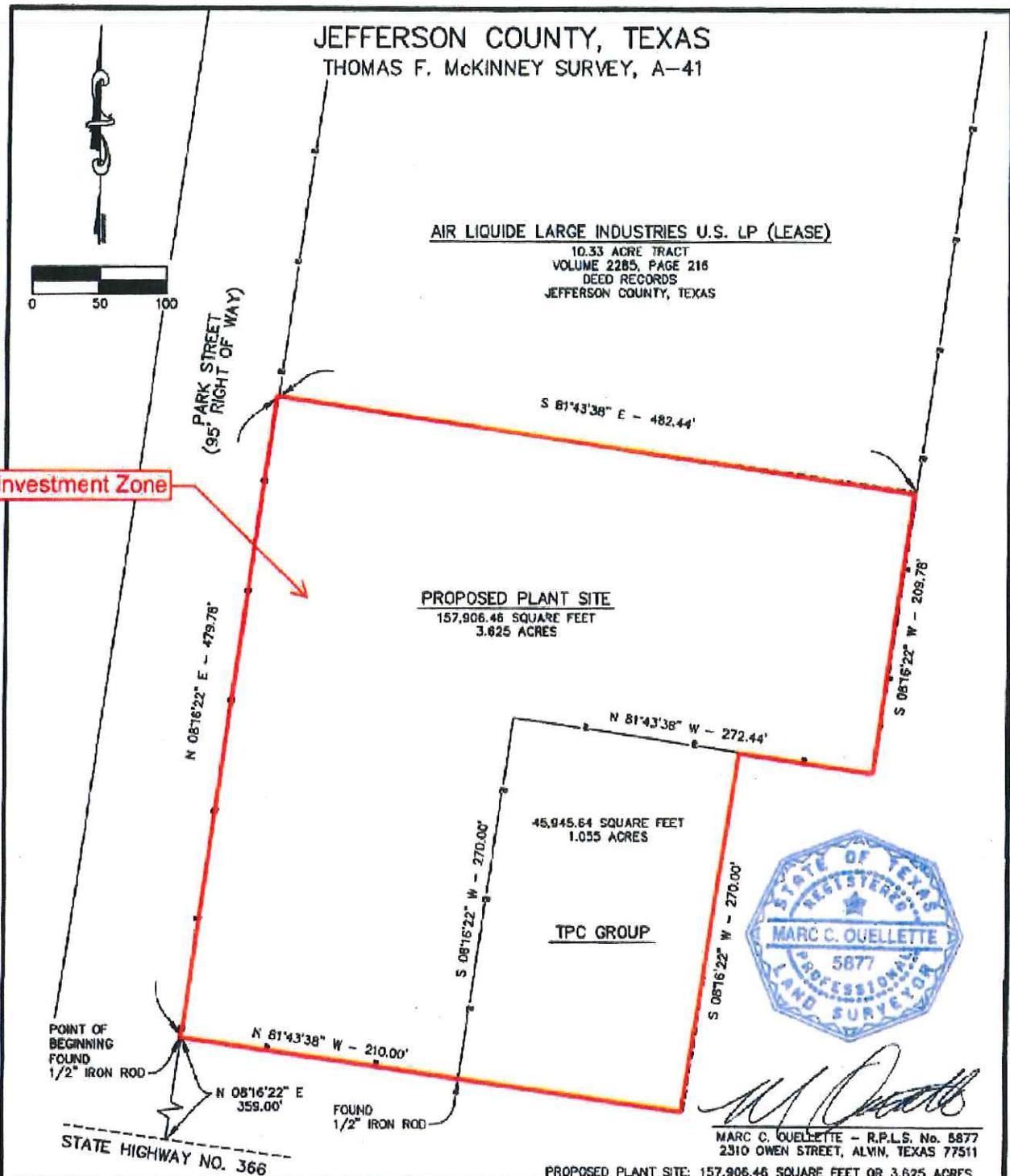
**ATTACHMENT 7**

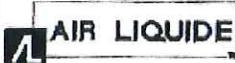
Attached are the following maps:

- Map of proposed Air Liquide reinvestment zone showing the location of qualified investment and qualified property
- Map of Port Neches-Groves ISD showing location of the Project
- Vicinity map showing boundary of Port Neches-Groves ISD and location of the Project

***ATTACHMENT TO APPLICATION FOR APPRAISED VALUE LIMITATION  
ON QUALIFIED PROPERTY BY AIR LIQUIDE LARGE INDUSTRIES U.S., LP  
TO PORT NECHES-GROVES ISD***

# REINVESTMENT ZONE MAP

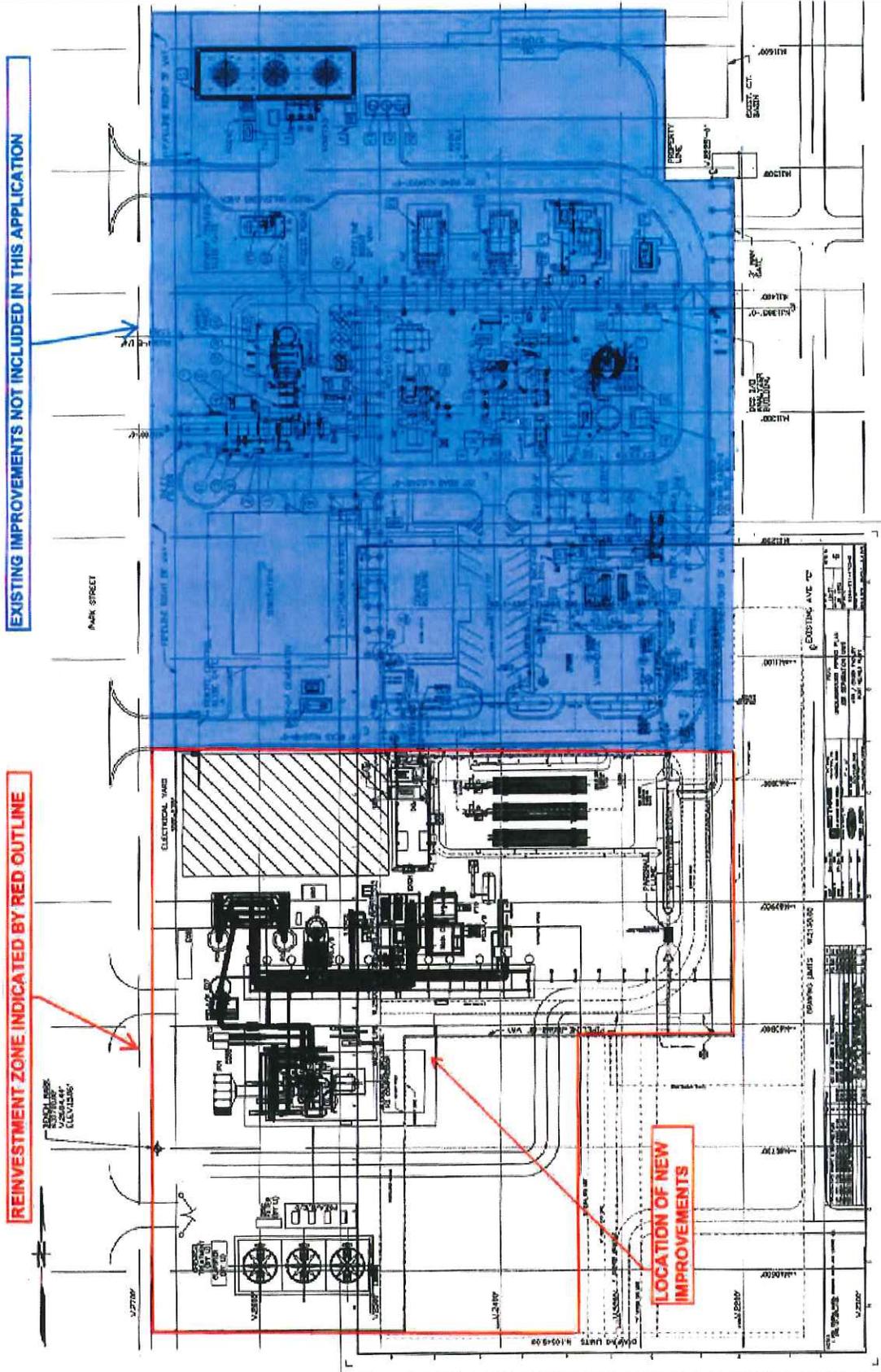


REVISION			DATE		AIR LIQUIDE LARGE INDUSTRIES U.S. LP HOUSTON, TEXAS	FILE & DISK
NO.	DATE	BY	11-05-2013			SCALE 1" = 100'
1.			DRAWN BY	PROPOSED PLANT SITE AIR LIQUIDE LARGE INDUSTRIES U.S. LP JEFFERSON COUNTY, TEXAS		JOB NO.
2.			MCC-2M			DWG. NO.
3.			CHECKED			AL PLANT SITE
4.			APP'D			

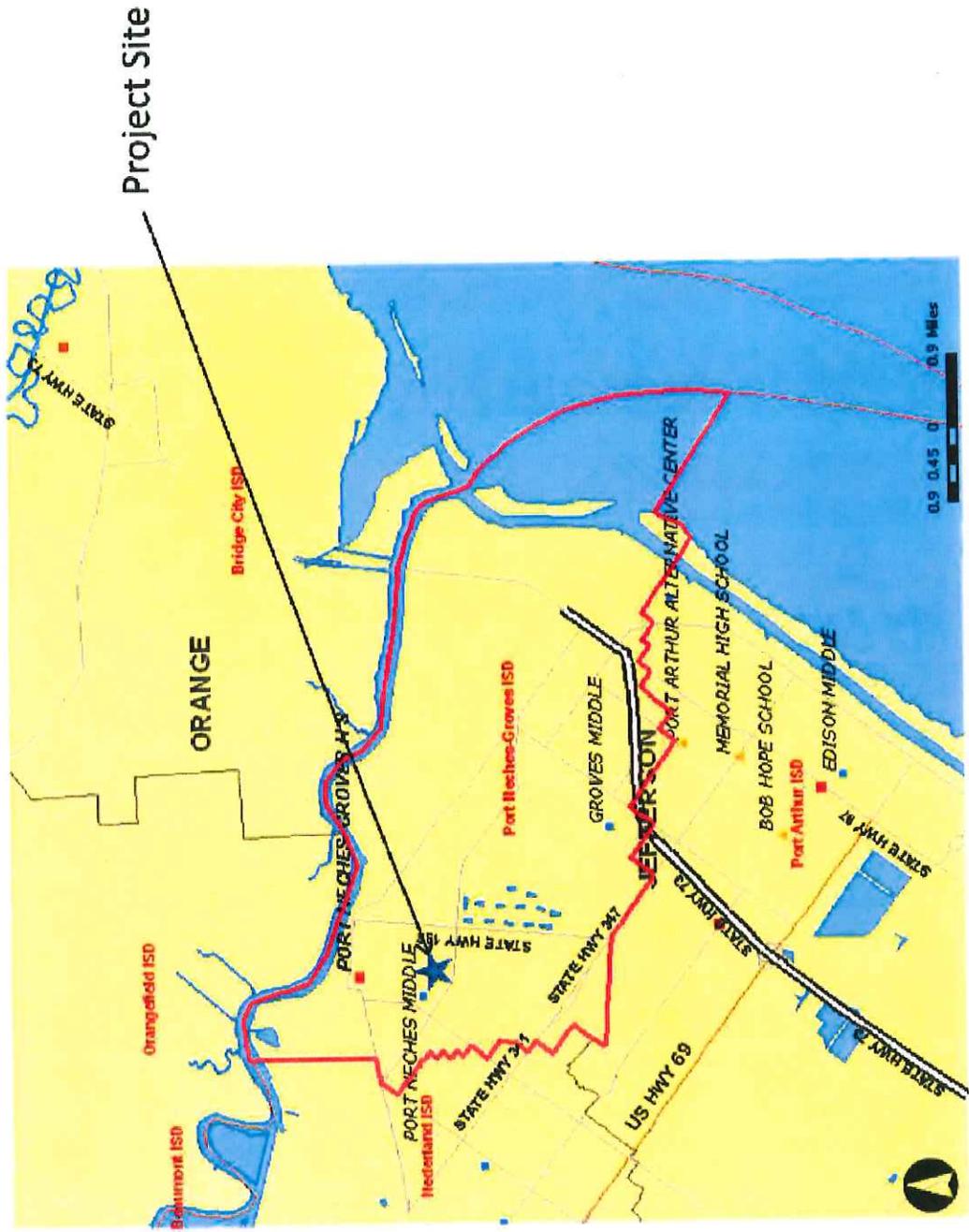
PROPOSED PLANT SITE: 157,906.46 SQUARE FEET OR 3.625 ACRES

MARC C. OUELLETTE - R.P.L.S. No. 5877  
 2310 OWEN STREET, ALVIN, TEXAS 77511

# Project Layout Map



# Port Neches-Groves ISD Map



# Air Liquide Vicinity Map



Project Site

## **Air Liquide Large Industries U.S., LP**

Chapter 313 Application to Port Neches-Groves ISD

Cummings Westlake, LLC

### **ATTACHMENT 8**

#### **Description of Qualified Property**

- 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 (Please see Attachment 7)*

Air Liquide Large Industries U.S., LP ("Air Liquide") is requesting an appraised value limitation from Port Neches-Grove Independent School District (ISD) for its Air Separation Unit ("ASU" and/or the Project"). The proposed Project will be constructed within a reinvestment zone to be established by Jefferson County. A map showing the location of the project is included as Attachment 7.

The proposed Project is to build and install a new 2,400 tons per day of oxygen at high pressure ASU connected to Air Liquide's pipeline system that runs from Corpus Christi, Texas to Lake Charles, Louisiana. Qualified property includes, but is not limited to, air filtration equipment, heat exchangers, condensers, inter-stage coolers, distillation columns, cold box, air compressors, turbines, molecular sieves, expanders, pumps, motors, storage vessels, interplant piping, distributive control systems, electric switchyard, utility infrastructure improvements, pollution control equipment, and land improvements such as paving and parking areas.

Construction of the Project is anticipated to begin in the third quarter of 2014 with completion by December 31, 2015.

**Air Liquide Large Industries U.S., LP**

Chapter 313 Application to Port Neches-Groves ISD

Cummings Westlake, LLC

**ATTACHMENT 9**

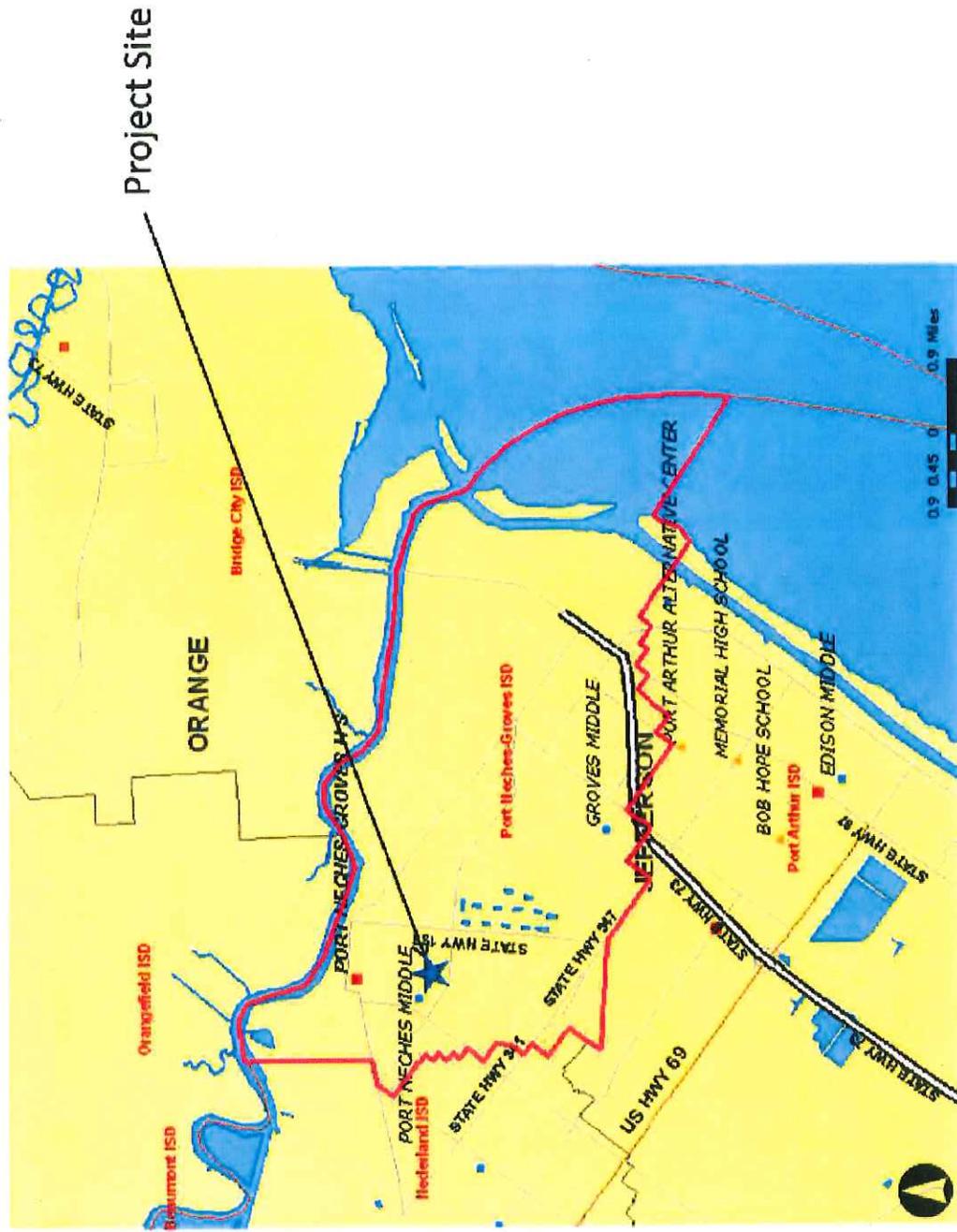
Attached are the following maps:

- Map of proposed Air Liquide reinvestment zone showing the location of qualified investment and qualified property
- Map of Port Neches-Groves ISD showing location of the Project
- Vicinity map showing boundary of Port Neches-Groves ISD and location of the Project

*ATTACHMENT TO APPLICATION FOR APPRAISED VALUE LIMITATION  
ON QUALIFIED PROPERTY BY AIR LIQUIDE LARGE INDUSTRIES U.S., LP  
TO PORT NECHES-GROVES ISD*



# Port Neches-Groves ISD Map



# Air Liquide Vicinity Map



**Project Site**

**Air Liquide Large Industries U.S., LP**

Chapter 313 Application to Port Neches-Groves ISD

Cummings Westlake, LLC

**ATTACHMENT 10**

The description of the land is attached.

*ATTACHMENT TO APPLICATION FOR APPRAISED VALUE LIMITATION  
ON QUALIFIED PROPERTY BY AIR LIQUIDE LARGE INDUSTRIES U.S., LP  
TO PORT NECHES-GROVES ISD*

**METES AND BOUNDS  
PROPOSED PLANT SITE  
JEFFERSON COUNTY, TEXAS**

Being a metes and bounds description of a proposed plant site being a part of Texaco Chemical Company's Parcel 8A and being the same tract of land purchased from B. F. Goodrich Company as recorded in Volume 2285, Page 216 of the Deed Records of Jefferson County, Texas, and also being situated in the Thomas F. McKinney Survey, Abstract 41, Jefferson County, Texas, said proposed plant site being more particularly described as follows:

All bearings are referenced to the west line of said tract recorded in Volume 2285, Page 216 of the deed records.

COMMENCING at the intersection of the north right-of-way line of State Highway No. 366 and the east right-of-way line of Park Street, Thence N 08°16'22" E, along the east right-of-way of Park Street, a distance of 359.00 feet to the Point of Beginning of the herein described proposed plant site, said point being a ½" iron rod found marking the southwest corner of said tract and the southwest corner of the proposed plant site;

THENCE N 08°16'22" E, along the east right-of-way line of Park Street, a distance of 479.78 feet to a point;

THENCE S 81°43'38" E, a distance of 482.44 feet to a point;

THENCE S 08°16'22" W, a distance of 209.78 feet to a point;

THENCE N 81°43'38" W, a distance of 102.27 feet to a point;

THENCE S 08°16'22" W, a distance of 270.00 feet to a point;

THENCE N 81°43'38" W, a distance of 380.17 feet to a the POINT OF BEGINNING;

Proposed plant site containing 203,852.10 square feet or 4.680 acres.

November 5, 2013



Marc C. Ouellette – R.P.L.S. No. 5877  
2310 Owen Street, Alvin, Texas 77511



**Air Liquide Large Industries U.S., LP**

Chapter 313 Application to Port Neches-Groves ISD

Cummings Westlake, LLC

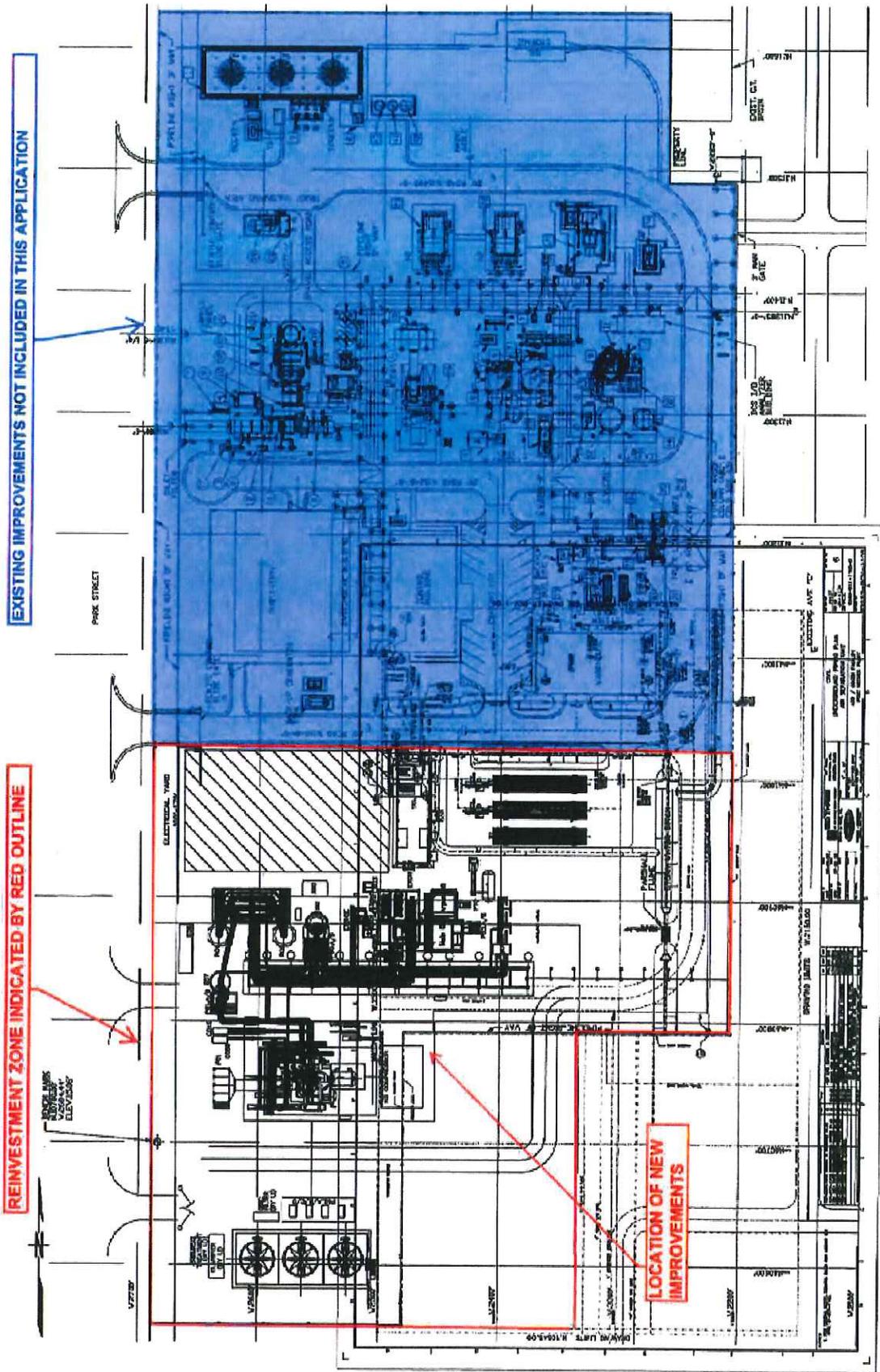
**ATTACHMENT 11**

Attached are the following maps:

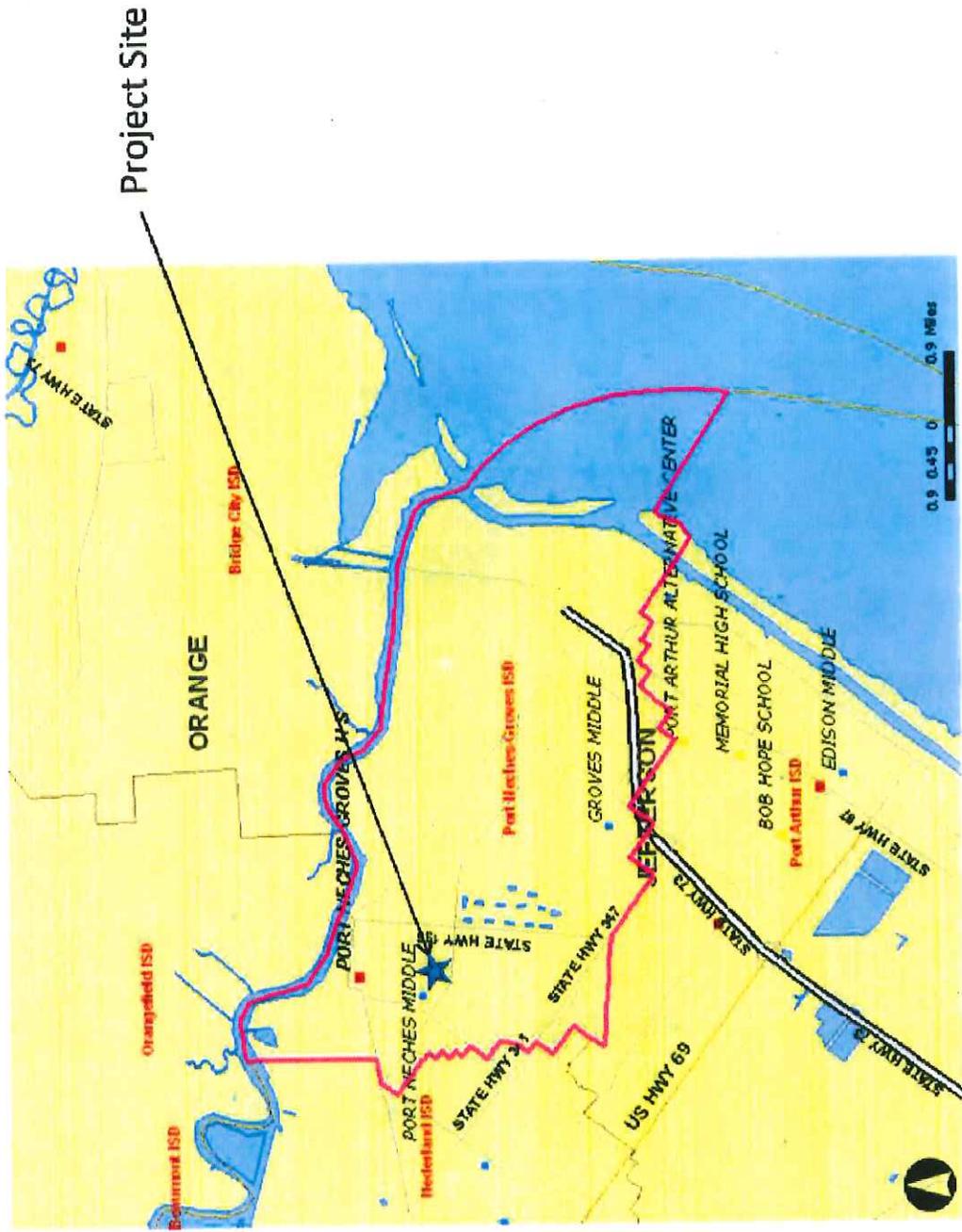
- Map of proposed Air Liquide reinvestment zone showing the location of qualified investment and qualified property
- Map of Port Neches-Groves ISD showing location of the Project
- Vicinity map showing boundary of Port Neches-Groves ISD and location of the Project

*ATTACHMENT TO APPLICATION FOR APPRAISED VALUE LIMITATION  
ON QUALIFIED PROPERTY BY AIR LIQUIDE LARGE INDUSTRIES U.S., LP  
TO PORT NECHES-GROVES ISD*

# Project Layout Map



# Port Neches-Groves ISD Map



# Air Liquide Vicinity Map



Project Site

**Air Liquide Large Industries U.S., LP**

Chapter 313 Application to Port Neches-Groves ISD

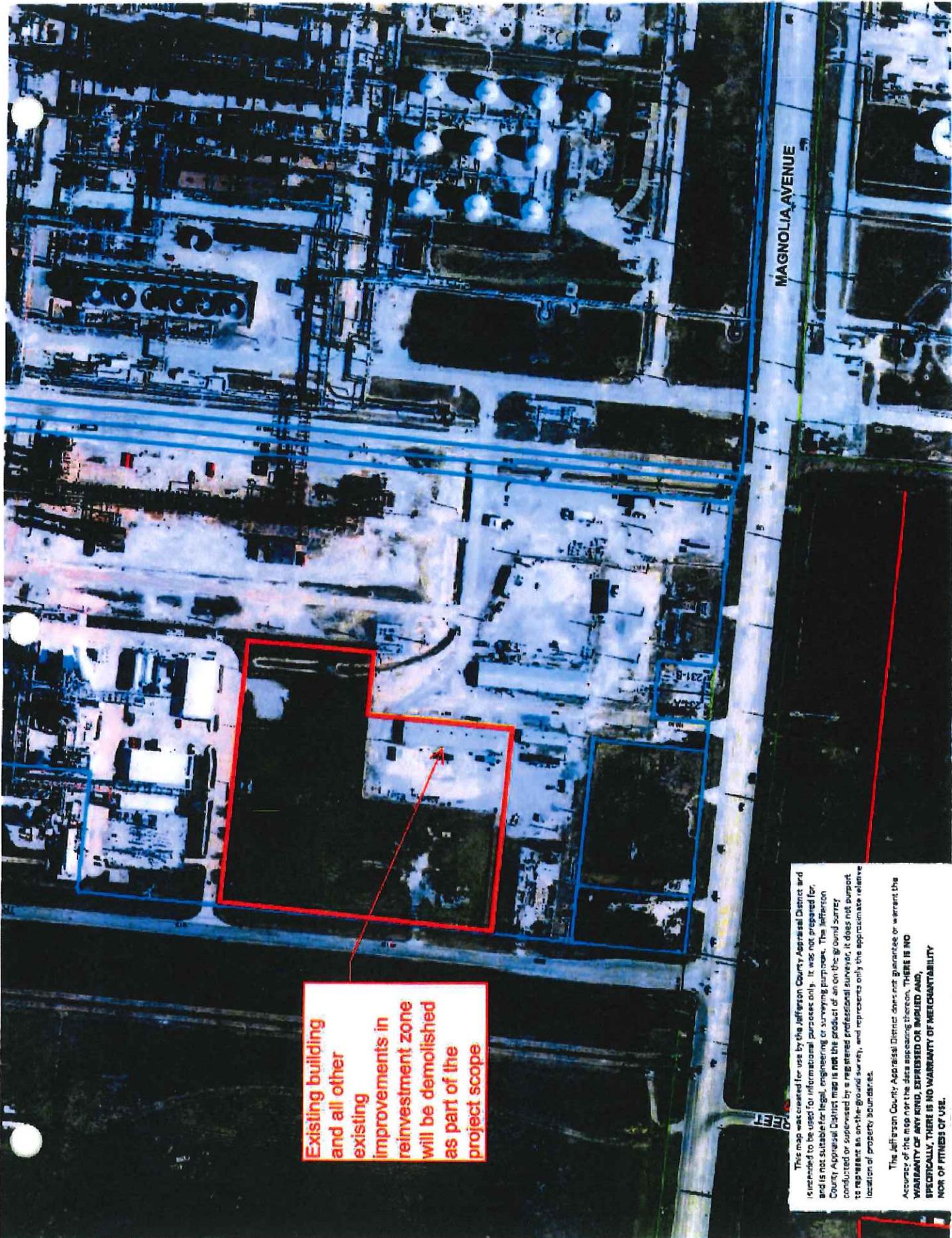
Cummings Westlake, LLC

**ATTACHMENT 12**

*Description of all existing (if any) improvements*

There are some existing improvements at this site including a metal building. All existing improvements will be demolished as part of the project scope.

Air Liquide's existing assets, which are not part of this application, are appraised by Jefferson County Appraisal District on property ID 144019. This property ID contains improvements only for Air Liquide's property on leased land.



MAGNOLIA AVENUE

Existing building and all other existing improvements in reinvestment zone will be demolished as part of the project scope

This map was created for use by the Jefferson County Appraisal District and is intended to be used for informational purposes only. It was not prepared for, and is not suitable for, legal, engineering or surveying purposes. The Jefferson County Appraisal District map is not the product of an on-the-ground survey conducted or supervised by a registered professional surveyor. It does not purport to represent an on-the-ground survey, and represents only the approximate relative location of property boundaries.

The Jefferson County Appraisal District does not guarantee or warrant the accuracy of the map or the data appearing thereon. THERE IS NO WARRANTY OF ANY KIND, EXPRESSED OR IMPLIED AND, SPECIFICALLY, THERE IS NO WARRANTY OF MERCHANTABILITY NOR OF FITNESS OF USE.

Jefferson CAD

Property Search Results > 144019 AIR LIQUIDE LARGE INDUSTRIES for Year 2013

Property

<b>Account</b>		Legal Description: PROCESS IMPROVEMENTS - PT NECHES ASU AIR SEPARATION & COGEN UNITS PORT NECHES (ILNTSMAN) 502800-000-0001	
Property ID:	144019	Agent Code:	
Geographic ID:	502800-000-0001-4-0000-0	Type:	Real
Property Use Code:	FD	Property Use Code:	FD
Property Use Description: INDUSTRIAL APPR BY CAPITAL			
<b>Location</b>			
Address:	TX	Mapsect:	
Neighborhood:		Map ID:	0
Neighborhood CD:			
<b>Owner</b>			
Name:	AIR LIQUIDE LARGE INDUSTRIES	Owner ID:	480720
Mailing Address:	PROPERTY TAX DEPARTMENT PO BOX 480149 HOUSTON, TX 77050-9149	% Ownership:	100.0000000000%
Exemptions:			

Values

(+) Improvement Homestead Value:	+	\$0	
(+) Improvement Non-Homestead Value:	+	\$37,072,800	
(+) Land Homestead Value:	+	\$0	
(+) Land Non-Homestead Value:	+	\$0	Ag Timber Use Value
(+) Agricultural Market Valuation:	+	\$0	50
(+) Timber Market Valuation:	+	\$0	50
<hr/>			
(=) Market Value:	=	\$37,072,800	
(-) Ag or Timber Use Value Reduction:	-	\$0	
<hr/>			
(=) Appraised Value:	=	\$37,072,800	
(-) HS Cap:	-	\$0	
<hr/>			
(=) Assessed Value:	=	\$37,072,800	

Taxing Jurisdiction

Owner: AIR LIQUIDE LARGE INDUSTRIES  
% Ownership: 100.0000000000%  
Total Value: \$37,072,800

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax
111	PORT NECHES / GROVES INDEPENDENT GCI-ODL DIST	1.434000	\$37,072,800	\$37,072,800	\$531,623.65
755	SABINE-NECHES NAVIGATION DIST	0.029374	\$37,072,800	\$37,072,800	\$10,869.78
851	DRAINAGE DISTRICT #7	0.146917	\$37,072,800	\$37,072,800	\$55,678.43
901	JEFFERSON COUNTY	0.266000	\$37,072,800	\$37,072,800	\$135,315.72
CAD	JEFFERSON CO APPRAISAL DISTRICT	0.000000	\$37,072,800	\$37,072,800	\$0.00
<b>Total Tax Rate:</b>		<b>1.878291</b>			
					Taxes w/Current Exemptions: \$733,407.66
					Taxes w/o Exemptions: \$733,407.67

Improvement / Building

Improvement #1: Residential State Code: FD Living Area: sqft Value: \$37,072,800

Land

No land segments exist for this property.

Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2014	N/A	N/A	N/A	N/A	N/A	N/A
2013	\$37,072,800	\$0	0	37,072,800	\$0	\$37,072,800
2012	\$39,462,700	\$0	0	39,462,700	\$0	\$39,462,700
2011	\$48,927,600	\$0	0	48,927,600	\$0	\$48,927,600
2010	\$47,456,800	\$0	0	47,456,800	\$0	\$47,456,800
2009	\$50,461,800	\$0	0	50,461,800	\$0	\$50,461,800
2008	\$49,935,800	\$0	0	49,935,800	\$0	\$49,935,800
2007	\$49,042,500	\$0	0	49,042,500	\$0	\$49,042,500
2006	\$47,444,100	\$0	0	47,444,100	\$0	\$47,444,100
2005	\$51,319,500	\$0	0	51,319,500	\$0	\$51,319,500
2004	\$47,771,300	\$0	0	47,771,300	\$0	\$47,771,300

Deed History - (Last 3 Deed Transactions)

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Deed Number
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Questions Please Call (409) 840-9944

**Air Liquide Large Industries U.S., LP**

Chapter 313 Application to Port Neches-Groves ISD

Cummings Westlake, LLC

**ATTACHMENT 13**

The request for the waiver of the job creation requirement is attached.

*ATTACHMENT TO APPLICATION FOR APPRAISED VALUE LIMITATION  
ON QUALIFIED PROPERTY BY AIR LIQUIDE LARGE INDUSTRIES U.S., LP  
TO PORT NECHES-GROVES ISD*

## CUMMINGS WESTLAKE LLC

12837 Louetta Road, Suite 201 Cypress, Texas 77429-5611 713-266-4456 713-266-2333 (Fax)

November 11, 2013

Dr. Rodney Cavness, Superintendent  
Port Neches-Grove Independent School District  
620 Avenue C  
Port Neches, TX 77651

**Re: Chapter 313 Job Waiver Request**

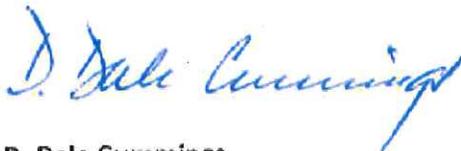
Dear Dr. Cavness,

Air Liquide Large Industries U.S., LP ("Air Liquide") requests that the Port Neches-Groves Independent School District's Board of Trustees waive the job requirement provision as allowed by Section 313.025(f-1) of the Property Tax Code. This waiver would be based on the school district's board findings that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility of the property owner that is described in the application.

Air Liquide requests that the Port Neches-Groves ISD make such a finding and waive the job creation requirement of 10 permanent jobs. In line with industry standards for job requirements, Air Liquide has committed to create eight total jobs for the project, of which seven will be qualifying jobs.

Air Liquide has designed and installed over 400 air separation units worldwide and is an industry leader in the design, construction, operation and staffing of these plants. As an industry leader, Air Liquide firmly believes that eight permanent jobs is the optimum staffing level for the new air separation unit.

Sincerely,



D. Dale Cummings

**Air Liquide Large Industries U.S., LP**

Chapter 313 Application to Port Neches-Groves ISD

Cummings Westlake, LLC

**ATTACHMENT 14**

*Calculation of three possible wage requirements with TWC documentation*

- Jefferson County average weekly wage for all jobs (all industries)
- Jefferson County average weekly wage for all jobs (manufacturing)
- See attached Council of Governments Regional Wage Calculation and Documentation

**AIR LIQUIDE LARGE INDUSTRIES US, LP**

**PORT NECHES-GROVES ISD - JEFFERSON COUNTY  
CHAPTER 313 WAGE CALCULATION - ALL JOBS - ALL INDUSTRIES**

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
THIRD	2012	\$ 917	\$ 47,684
FOURTH	2012	\$ 1,034	\$ 53,768
FIRST	2013	\$ 1,000	\$ 52,000
SECOND	2013	\$ 934	\$ 48,568
AVERAGE		\$ 971	\$ 50,505
		X 110%	110%
		\$ 1,068	\$ 55,556

**PORT NECHES-GROVES ISD - JEFFERSON COUNTY  
CHAPTER 313 WAGE CALCULATION - MANUFACTURING JOBS**

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
THIRD	2012	\$ 1,583	\$ 82,316
FOURTH	2012	\$ 1,785	\$ 92,820
FIRST	2013	\$ 1,999	\$ 103,948
SECOND	2013	\$ 1,659	\$ 86,268
AVERAGE		\$ 1,757	\$ 91,338
		X 110%	110%
		\$ 1,932	\$ 100,472

**CHAPTER 313 WAGE CALCULATION - REGIONAL WAGE RATE\*\***

COG	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
South East Texas	2012	\$ 1,175	\$ 61,118
		X 110%	110%
		\$ 1,293	\$ 67,230

\* SEE ATTACHED TWC DOCUMENTATION

\*\* Air Liquide Large Industries US, LP chooses the Regional Wage Rate

# Quarterly Employment and Wages (QCEW)

[Back](#)

## D.PERIODYEAR

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2013	1st Qtr	Jefferson County	Private	00	0	10	Total, All Industries	\$1,000
2013	2nd Qtr	Jefferson County	Private	00	0	10	Total, All Industries	\$934
2012	3rd Qtr	Jefferson County	Private	00	0	10	Total, All Industries	\$917
2012	4th Qtr	Jefferson County	Private	00	0	10	Total, All Industries	\$1,034

# Quarterly Employment and Wages (QCEW)

[Back](#)

## D.PERIODYEAR

Page 1 of 1 (40 results/page)

 Year	 Period	 Area	 Ownership	 Division	 Level	 Ind Code	 Industry	 Avg Weekly Wage
2013	1st Qtr	Jefferson County	Private	31	2	31-33	Manufacturing	\$1,999
2013	2nd Qtr	Jefferson County	Private	31	2	31-33	Manufacturing	\$1,659
2012	3rd Qtr	Jefferson County	Private	31	2	31-33	Manufacturing	\$1,583
2012	4th Qtr	Jefferson County	Private	31	2	31-33	Manufacturing	\$1,785

**2012 Manufacturing Wages by Council of Government Region  
Wages for All Occupations**

COG	Wages	
	Hourly	Annual
<b>Texas</b>	<b>\$23.56</b>	<b>\$48,996</b>
<u>1. Panhandle Regional Planning Commission</u>	\$20.12	\$41,850
<u>2. South Plains Association of Governments</u>	\$16.18	\$33,662
<u>3. NORTEX Regional Planning Commission</u>	\$17.83	\$37,076
<u>4. North Central Texas Council of Governments</u>	\$24.68	\$51,333
<u>5. Ark-Tex Council of Governments</u>	\$16.84	\$35,032
<u>6. East Texas Council of Governments</u>	\$19.61	\$40,797
<u>7. West Central Texas Council of Governments</u>	\$18.24	\$37,941
<u>8. Rio Grande Council of Governments</u>	\$16.17	\$33,631
<u>9. Permian Basin Regional Planning Commission</u>	\$21.93	\$45,624
<u>10. Concho Valley Council of Governments</u>	\$16.33	\$33,956
<u>11. Heart of Texas Council of Governments</u>	\$19.07	\$39,670
<u>12. Capital Area Council of Governments</u>	\$26.03	\$54,146
<u>13. Brazos Valley Council of Governments</u>	\$16.55	\$34,424
<u>14. Deep East Texas Council of Governments</u>	\$16.20	\$33,698
<b>15. South East Texas Regional Planning Commission</b>	<b>\$29.38</b>	<b>\$61,118</b>
<u>16. Houston-Galveston Area Council</u>	\$26.59	\$55,317
<u>17. Golden Crescent Regional Planning Commission</u>	\$21.03	\$43,742
<u>18. Alamo Area Council of Governments</u>	\$18.40	\$38,280
<u>19. South Texas Development Council</u>	\$13.54	\$28,170
<u>20. Coastal Bend Council of Governments</u>	\$22.97	\$47,786
<u>21. Lower Rio Grande Valley Development Council</u>	\$16.33	\$33,961
<u>22. Texoma Council of Governments</u>	\$22.57	\$46,949
<u>23. Central Texas Council of Governments</u>	\$17.16	\$35,689
<u>24. Middle Rio Grande Development Council</u>	\$18.93	\$39,380

110% x \$61,118  
= \$67,230

Source: Texas Occupational Employment and Wages  
Data published: July 2013  
Data published annually, next update will be July 31, 2014

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.

**Air Liquide Large Industries U.S., LP**

Chapter 313 Application to Port Neches-Groves ISD

Cummings Westlake, LLC

**ATTACHMENT 15**

*Description of Benefits*

At least 80% of employees of the Project will be employed in qualifying jobs pursuant to Texas Tax Code 313.024(d). Qualifying jobs will meet the definition of Texas Tax Code Section 313.051(b). Employees will be offered a group health benefit plan for which the operator of the Project will pay at least 80% of the premiums or other charges assessed for employee-only coverage under the plan or as necessary to be in compliance with the Affordable Care Act. In addition, each qualifying employee will receive a competitive 401(k) Retirement Savings Plan, vacation time, sick leave, and skills training.

**Air Liquide Large Industries U.S., LP**

Chapter 313 Application to Port Neches-Groves ISD

Cummings Westlake, LLC

**ATTACHMENT 16**

The Economic Impact Study will be performed by the Comptroller at a future date.

**Air Liquide Large Industries U.S., LP**  
Chapter 313 Application to Port Neches-Groves ISD  
Cummings Westlake, LLC

**ATTACHMENT 17**

See attached Schedule A

**ATTACHMENT TO APPLICATION FOR APPRAISED VALUE LIMITATION  
ON QUALIFIED PROPERTY BY AIR LIQUIDE LARGE INDUSTRIES US, LP  
TO PORT NECHES-GROVES ISD**

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

Year	School Year (YYYY-YYYY)	Tax Year (File in school tax year below)	Column A: Tangible Personal Property (The amount of new investment (original cost) placed in service during this year)	Column B: Building or permanent nonremovable component of building (annual amount only)	Column C: Sum of A and B Qualifying investment (during the qualifying time period)	Column D: Other investment that is not qualified investment but investment affording 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)  Investment made before filing complete application with district (neither qualified property nor eligible to become qualified investment)  Investment made after filing complete application with district, but before final board approval of application (eligible to become qualified property)  Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period (qualified investment and eligible to become qualified property)  Complete tax years of qualifying time period  Value Limitation Period  Continuous to Maintain Viable Presence  Post-Settle-Up Period  Post-Settle-Up Period	1	2015-2016	\$ 55,000,000	\$ -	\$ 55,000,000	\$ -	\$ 55,000,000
	2	2016-2017	\$ 62,000,000	\$ -	\$ 62,000,000	\$ -	\$ 62,000,000
	3	2017-2018	\$ -	\$ -	\$ -	\$ -	\$ -
	4	2018-2019	\$ -	\$ -	\$ -	\$ -	\$ -
	5	2019-2020	\$ -	\$ -	\$ -	\$ -	\$ -
	6	2020-2021	\$ -	\$ -	\$ -	\$ -	\$ -
	7	2021-2022	\$ -	\$ -	\$ -	\$ -	\$ -
	8	2022-2023	\$ -	\$ -	\$ -	\$ -	\$ -
	9	2023-2024	\$ -	\$ -	\$ -	\$ -	\$ -
	10	2024-2025	\$ -	\$ -	\$ -	\$ -	\$ -
	11	2025-2026	\$ -	\$ -	\$ -	\$ -	\$ -
	12	2026-2027	\$ -	\$ -	\$ -	\$ -	\$ -
	13	2027-2028	\$ -	\$ -	\$ -	\$ -	\$ -
	14	2028-2029	\$ -	\$ -	\$ -	\$ -	\$ -
	15	2029-2030	\$ -	\$ -	\$ -	\$ -	\$ -

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: Include estimates of investment for "replacement" property that is part of original agreement but scheduled for probable replacement during limitation period.  
 The total dollar amount of planned investment each year in buildings of nonremovable component of buildings that the applicant considers qualified investment under Tax Code §313.021(1)(E).  
 Column D: 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, replaces 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.

74 A  
11-08-13

**Air Liquide Large Industries U.S., LP**

Chapter 313 Application to Port Neches-Groves ISD

Cummings Westlake, LLC

**ATTACHMENT 18**

See attached Schedule B

**Schedule B (Rev. January 2013): Estimated Market And Taxable Value**  
**AIR LIQUIDE LARGE INDUSTRIES U.S., LP**

PORT NECHES-GROVES ISD

Form 50-296

Applicant Name ISD Name	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Reductions from Market Value	Estimated Taxable Value	Final taxable value for M&O - after all reductions	Final taxable value for M&O - after all reductions
				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"				
	pre-year 1	2014-2015	2014	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Complete tax years of qualifying time period	1	2015-2016	2015	\$ -	\$ -	\$ 27,500,000	\$ -	\$ 27,500,000	\$ 27,500,000	
	2	2016-2017	2016	\$ -	\$ -	\$ 117,000,000	\$ -	\$ 117,000,000	\$ 117,000,000	
	3	2017-2018	2017	\$ -	\$ -	\$ 113,490,000	\$ -	\$ 113,490,000	\$ 113,490,000	
	4	2018-2019	2018	\$ -	\$ -	\$ 110,085,000	\$ -	\$ 110,085,000	\$ 110,085,000	
	5	2019-2020	2019	\$ -	\$ -	\$ 106,782,000	\$ -	\$ 106,782,000	\$ 106,782,000	
Tax Credit Period (with 50% cap on credit)	6	2020-2021	2020	\$ -	\$ -	\$ 103,579,000	\$ -	\$ 103,579,000	\$ 103,579,000	
	7	2021-2022	2021	\$ -	\$ -	\$ 100,472,000	\$ -	\$ 100,472,000	\$ 100,472,000	
	8	2022-2023	2022	\$ -	\$ -	\$ 97,458,000	\$ -	\$ 97,458,000	\$ 97,458,000	
	9	2023-2024	2023	\$ -	\$ -	\$ 94,534,000	\$ -	\$ 94,534,000	\$ 94,534,000	
	10	2024-2025	2024	\$ -	\$ -	\$ 91,698,000	\$ -	\$ 91,698,000	\$ 91,698,000	
Credit Settle-Up Period	11	2025-2026	2025	\$ -	\$ -	\$ 88,947,000	\$ -	\$ 88,947,000	\$ 88,947,000	
	12	2026-2027	2026	\$ -	\$ -	\$ 86,279,000	\$ -	\$ 86,279,000	\$ 86,279,000	
	13	2027-2028	2027	\$ -	\$ -	\$ 83,691,000	\$ -	\$ 83,691,000	\$ 83,691,000	
Post- Settle-Up Period	14	2028-2029	2028	\$ -	\$ -	\$ 81,180,000	\$ -	\$ 81,180,000	\$ 81,180,000	
	15	2029-2030	2029	\$ -	\$ -	\$ 78,745,000	\$ -	\$ 78,745,000	\$ 78,745,000	

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

*[Handwritten Signature]*

11-28-13

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE \_\_\_\_\_ DATE \_\_\_\_\_

**Air Liquide Large Industries U.S., LP**

Chapter 313 Application to Port Neches-Groves ISD

Cummings Westlake, LLC

**ATTACHMENT 19**

See attached Schedule C

**ATTACHMENT TO APPLICATION FOR APPRAISED VALUE LIMITATION  
ON QUALIFIED PROPERTY BY AIR LIQUIDE LARGE INDUSTRIES US, LP  
TO PORT NECHES-GROVES ISD**



**Air Liquide Large Industries U.S., LP**  
Chapter 313 Application to Port Neches-Groves ISD  
Cummings Westlake, LLC

**ATTACHMENT 20**

See attached Schedule D

**ATTACHMENT TO APPLICATION FOR APPRAISED VALUE LIMITATION  
ON QUALIFIED PROPERTY BY AIR LIQUIDE LARGE INDUSTRIES US, LP  
TO PORT NECHES-GROVES ISD**

Applicant Name

AIR LIQUIDE LARGE INDUSTRIES U.S., LP

ISD Name

PORT NECHES-GROVES ISD

Form 50-296

	Year	School Year (YYYY-YYYY)	Tax/Calendar Year YYYY	Sales Tax Information		Franchise Tax	Other Property Tax Abatements Sought			
				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		County	City	Hospital	Other (Nav & DD7)
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)		2014-2015	2014	\$ 38,500,000	\$ 16,500,000	Column H: Estimate of Franchise tax due from (or attributable to) the applicant	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement
Tax Credit Period (with 50% cap on credit)	1	2015-2016	2015	\$ 49,400,000	\$ 18,600,000	\$ -	100%	n/a	n/a	100%
	2	2016-2017	2016	\$ -	\$ -	\$ -	100%	n/a	n/a	100%
	3	2017-2018	2017	\$ -	\$ -	\$ -	90%	n/a	n/a	90%
	4	2018-2019	2018	\$ -	\$ -	\$ -	90%	n/a	n/a	90%
	5	2019-2020	2019	\$ -	\$ -	\$ -	90%	n/a	n/a	90%
	6	2020-2021	2020	\$ -	\$ -	\$ -	69%	n/a	n/a	69%
	7	2021-2022	2021	\$ -	\$ -	\$ -	0%	n/a	n/a	0%
	8	2022-2023	2022	\$ -	\$ -	\$ -	0%	n/a	n/a	0%
	9	2023-2024	2023	\$ -	\$ -	\$ -	0%	n/a	n/a	0%
	10	2024-2025	2024	\$ -	\$ -	\$ -	0%	n/a	n/a	0%
	11	2025-2026	2025	\$ -	\$ -	\$ -	0%	n/a	n/a	0%
	12	2026-2027	2026	\$ -	\$ -	\$ -	0%	n/a	n/a	0%
	13	2027-2028	2027	\$ -	\$ -	\$ -	0%	n/a	n/a	0%
	14	2028-2029	2028	\$ -	\$ -	\$ -	0%	n/a	n/a	0%
	15	2029-2030	2029	\$ -	\$ -	\$ -	0%	n/a	n/a	0%

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

*RA*

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

11-08-13

DATE

**Air Liquide Large Industries U.S., LP**

Chapter 313 Application to Port Neches-Groves ISD

Cummings Westlake, LLC

**ATTACHMENT 21**

See attached map of the proposed reinvestment zone

# REINVESTMENT ZONE MAP

JEFFERSON COUNTY, TEXAS  
 THOMAS F. MCKINNEY SURVEY, A-41

AIR LIQUIDE LARGE INDUSTRIES U.S. LP (LEASE)

10.33 ACRE TRACT  
 VOLUME 2285, PAGE 216  
 DEED RECORDS  
 JEFFERSON COUNTY, TEXAS



PARK STREET  
 (95° RIGHT OF WAY)

Reinvestment Zone

S 81°43'38" E - 482.44'

PROPOSED PLANT SITE

157,906.46 SQUARE FEET  
 3.625 ACRES

N 08°16'22" E - 479.78'

S 08°16'22" W - 208.78'

45,045.64 SQUARE FEET  
 1.055 ACRES

TPC GROUP

N 81°43'38" W - 272.44'

S 08°16'22" W - 270.00'



POINT OF BEGINNING FOUND  
 1/2" IRON ROD

N 08°16'22" E  
 359.00'

FOUND 1/2" IRON ROD

N 81°43'38" W - 210.00'

STATE HIGHWAY NO. 366

MARC C. OUELLETTE - R.P.L.S. No. 5877  
 2310 OWEN STREET, ALVIN, TEXAS 77511

PROPOSED PLANT SITE: 157,906.46 SQUARE FEET OR 3.625 ACRES

REVISION			DATE	AIR LIQUIDE LARGE INDUSTRIES U.S. LP HOUSTON, TEXAS	FILE & DISK
NO.	DATE	BY	11-05-2013		PROPOSED PLANT SITE AIR LIQUIDE LARGE INDUSTRIES U.S. LP JEFFERSON COUNTY, TEXAS
1.			DRAWN BY MCO-2M	JOB NO.	
2.			CHECKED	DWG. NO.	
3.			APP'D	AL PLANT SITE	
4.					

**Air Liquide Large Industries U.S., LP**

Chapter 313 Application to Port Neches-Groves ISD

Cummings Westlake, LLC

**ATTACHMENT 22**

Jefferson County Commissioners Court is expected to create the reinvestment zone on or before December 30, 2013. The order or resolution establishing the reinvestment zone will be furnished at a later date.

**Air Liquide Large Industries U.S., LP**

Chapter 313 Application to Port Neches-Groves ISD

Cummings Westlake, LLC

**ATTACHMENT 23**

See the attached legal description of the reinvestment zone.

**METES AND BOUNDS  
PROPOSED PLANT SITE  
JEFFERSON COUNTY, TEXAS**

Being a metes and bounds description of a proposed plant site being a part of Texaco Chemical Company's Parcel 8A and being the same tract of land purchased from B. F. Goodrich Company as recorded in Volume 2285, Page 216 of the Deed Records of Jefferson County, Texas, and also being situated in the Thomas F. McKinney Survey, Abstract 41, Jefferson County, Texas, said proposed plant site being more particularly described as follows:

All bearings are referenced to the west line of said tract recorded in Volume 2285, Page 216 of the deed records.

COMMENCING at the intersection of the north right-of-way line of State Highway No. 366 and the east right-of-way line of Park Street, Thence N 08°16'22" E, along the east right-of-way of Park Street, a distance of 359.00 feet to the Point of Beginning of the herein described proposed plant site, said point being a ½" iron rod found marking the southwest corner of said tract and the southwest corner of the proposed plant site;

THENCE N 08°16'22" E, along the east right-of-way line of Park Street, a distance of 479.78 feet to a point;

THENCE S 81°43'38" E, a distance of 482.44 feet to a point;

THENCE S 08°16'22" W, a distance of 209.78 feet to a point;

THENCE N 81°43'38" W, a distance of 102.27 feet to a point;

THENCE S 08°16'22" W, a distance of 270.00 feet to a point;

THENCE N 81°43'38" W, a distance of 380.17 feet to a the POINT OF BEGINNING;

Proposed plant site containing 203,852.10 square feet or 4.680 acres.

November 5, 2013

  
\_\_\_\_\_  
Marc C. Ouellette – R.P.L.S. No. 5877  
2310 Owen Street, Alvin, Texas 77511



**Air Liquide Large Industries U.S., LP**

Chapter 313 Application to Port Neches-Groves ISD

Cummings Westlake, LLC

**ATTACHMENT 24**

The Tax Abatement Guidelines and Criteria for Jefferson County are attached.

## JEFFERSON COUNTY UNIFORM TAX ABATEMENT POLICY-2012

### ADMONITORY PROVISIONS

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

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

### STATEMENT OF PURPOSE

#### SECTION I

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

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

#### DEFINITIONS SECTION II

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

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

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

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

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

(f) "**Distribution Center**" means buildings and structures, including fixed machinery and equipment, used or to be used primarily to receive, store, service or distribute goods or materials owned by the Facility operator where a majority of the goods or services are distributed to points beyond Jefferson County.

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

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

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

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

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

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

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

**WHEN ABATEMENT AUTHORIZED  
SECTION III**

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

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

(c) **New and Existing Facilities.** Abatement may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion.

(d) **Eligible Property.** Abatement may be extended to the value of buildings, structures, fixed machinery and equipment, site improvements, and related fixed improvements necessary to the operation and administration of the facility.

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

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

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

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

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

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

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

## **Factors Considered By County In Considering Abatement Requests**

### **Section IV**

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

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

- (17) The attraction of other new businesses to the area as a result of the project;
- (18) The overall compatibility with the zoning ordinances and comprehensive plan for the area;
- (19) Whether the project is environmentally compatible with no negative impact on quality of life perceptions;
- Each application for tax abatement shall be reviewed on its merits utilizing the factors provided above. After such review, abatement may be denied entirely or may be granted to the extent deemed appropriate after full evaluation.

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

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

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

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

1. A Historically Underutilized Business (HUB) is a business owned or controlled by Socially and Economically Disadvantaged Individuals as defined by all applicable federal or state laws and local policies, including Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Asian-Indian Americans, women and individuals with disabilities. A HUB is one that is at least 51 percent owned or controlled by one or more women or Socially and Economically Disadvantaged Individuals who actively participate in the conduct of the business or, in the case of a publicly owned business, one in which at least 51 percent of the stock is controlled by one or more women or Socially and Economically Disadvantaged Individuals. A business that has been certified as a HUB/DBE by an agency of the federal government or the State of Texas is presumed to be a HUB/DBE for purposes of this policy.

Only a HUB/DBE with its principal office in Jefferson, Hardin, and Orange, County will be recognized as a HUB/DBE for purposes of this policy. Jefferson County will supply a Minority Business Directory to each applicant.

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

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

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

(f) **"Taxability"** From the execution of the abatement agreement to the end of the agreement period, taxes shall be payable as follows:

- (1) The value of ineligible property as provided in Section II(e) shall be fully taxable; and
- (2) The base year value of existing eligible property as determined each year shall be fully taxable.

## **APPLICATION PROCESS SECTION V**

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

(b) The application shall consist of a completed application form which shall provide detailed information on the items described in Section III(h) hereof; a map and property description with specific metes and bounds; a time schedule for undertaking and completing the planned improvements. In the case of modernization, a statement of the assessed value of the facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application. The application form may require such financial and other information as may be deemed appropriate for evaluating the financial capacity and other factors of the applicant. The County shall also require a non-refundable application fee in the amount of \$1,000.00 to be submitted with the application.

(c) Prior to the adoption of an ordinance order designating a reinvestment or application by the County for designation of an enterprise zone, the County shall: (1) give written notice to the presiding officer of the governing body of each taxing unit in which the property to be subject to the agreement is located not later than seventh (7<sup>th</sup>) day before the public hearing; and (2) publish notice of a public hearing in a newspaper of general circulation within such taxing jurisdiction not later than the seventh (7<sup>th</sup>) day before the public hearing. Before acting upon the application, the County shall, through public hearing, afford the applicant and the designated representative of any governing body referenced hereinabove opportunity to show cause why the abatement should or should not be granted.

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

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

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

#### **AGREEMENT SECTION VI**

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

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

- (1) Estimated value to be abated and the base year value;
- (2) Percent of value to be abated each year as provided in Section III(g);
- (3) The commencement date and the termination date of abatement;
- (4) The proposed use of the facility, nature of construction, time schedule, map, property description and improvement list as provided in application, Section IV(b);
- (5) Contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, or assignment;
- (6) Provision for access to and authorization for inspection of the property by County employees to ensure that the improvements or repairs are made according to the specifications and conditions of the agreement;
- (7) Limitations on the uses of the property consistent with the general purpose of encouraging development or redevelopment of the zone during the period that property tax exemptions are in effect;

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

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

#### **RECAPTURE SECTION VII**

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

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

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

#### **ADMINISTRATION SECTION VIII**

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

(b) The abatement agreement shall stipulate that employees and/or designated representatives of the County will have access to the facility during the term of the abatement to inspect the

facility to determine if the terms and conditions of the agreement are being met. Inspections will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the facility. All inspections will be made with one or more representative of the company or individual and in accordance with its safety standards.

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

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

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

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

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

#### **AGREEMENT SECTION IX**

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

#### **SUNSET PROVISION SECTION X**

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

**DISCRETION OF THE COUNTY  
SECTION XI**

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

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

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

**General:**

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

**Opening Paragraph:**

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

**Economic Impact Analysis:**

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

**Maps and Plats**

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

**Questions to be Answered**

- (1) Is your project within a city limit? \_\_\_\_\_. Name of City
- (2) Is your project within an ETJ? . Name of City ETJ

(3) Is your project within an Enterprise or Reinvestment Zone? Which?

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

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

OWNER:

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

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

Number of Acres: \_\_\_\_\_ or Square Feet: \_\_\_\_\_

(6) Type and value of proposed improvements: \_\_\_\_\_

Type of construction:

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

Value of Construction:

Value of Equipment:

Value of Personal Property:

**Value of Pollution Control Devices:** It is understood and agreed that Applicant will not seek a tax exemption for any equipment or portion of the facility which merely reduces the pollution characteristics of the finished product produced by the facility and that an exemption will only be sought for equipment and technology utilized to reduce pollution at or around the facility.

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

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

(9) Number and types of new jobs to be created by proposed improvements: \_\_\_\_\_  
Include in this answer the number of Jefferson County residents that will be employed.

(10) Amount of Annual local payroll to be created: \_\_\_\_\_.

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

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

During term of abatement: \_\_\_\_\_

After term of abatement: \_\_\_\_\_

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

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

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

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

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

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

\_\_\_\_\_  
\_\_\_\_\_

-

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

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

\_\_\_\_\_

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

\_\_\_\_\_

(Are there possibilities for local businesses to become suppliers? Any new retail opportunities? If you have previously conducted business within Jefferson County, please provide a list of any and all local/non-local HUB/DBE companies with whom you have worked and the extent of that work relationship)

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

\_\_\_\_\_

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

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

\_\_\_\_\_  
\_\_\_\_\_

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

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

## **EXHIBIT "A"**

### **JEFFERSON COUNTY APPRAISAL DISTRICT PROCEDURE FOR CALCULATING ABATEMENTS**

#### **Purpose**

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

#### **Calculation of "Current Market Value"**

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

#### **Calculation Base Year Value"**

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

#### **Calculation of "Taxable Value"**

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

#### **Calculation of Value Potentially Eligible for Abatement**

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

1. The project base value, if applicable, is subtracted from the current year project value, and the percentage of abatement to be granted is then applied to the net amount determine the project value subject to abatement.

2. The Base Year Value is subtracted from the current Market Value. If the difference is greater than zero (0), then the remaining value is the value potentially eligible for abatement to the extent that it does not exceed the project value subject to abatement.

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

#### Calculation of Abated Value

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

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

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

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

