

O'HANLON, MCCOLLOM & DEMERATH

ATTORNEYS AND COUNSELORS AT LAW

808 WEST AVENUE
AUSTIN, TEXAS 78701
TELEPHONE: (512) 494-9949
FACSIMILE: (512) 494-9919

KEVIN O'HANLON
CERTIFIED, CIVIL APPELLATE
CERTIFIED, CIVIL TRIAL

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

JUSTIN DEMERATH

August 16, 2015

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

RE: Application to the Ingleside Independent School District from The Chemours Company FC, LLC

(First Qualifying Year 2017; First Year of Value Limitation 2019)

To the Local Government Assistance & Economic Analysis Division:

By copy of this letter transmitting the application for review to the Comptroller's Office, the Ingleside Independent School District is notifying The Chemours Company FC, LLC of its intent to consider the application for appraised value limitation on qualified property should a positive certificate be issued by the Comptroller. The company has provided the schedules in both electronic format and paper copies. The electronic copy is identical to the hard copy that will be hand delivered. The Applicant has requested that the value limitation begin in 2017.

The Applicant submitted the Application to the school district on August 10, 2015. The Board voted to accept the application on August 10, 2015. The application has been determined complete as of August 13, 2015. Please prepare the economic impact report.

Letter to Local Government Assistance & Economic Analysis Division

August 16, 2015

Page 2 of 2

A copy of the application will be submitted to the San Patricio County Appraisal District.

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: San Patricio County Appraisal District

The Chemours Company FC, LLC

Ingleside Independent School District

The Chemours Company FC, LLC
Chapter 313 Application to Ingleside ISD
Cummings Westlake, LLC

TAB 1

Pages 1 through 9 of application.



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

Economic Development
and Analysis
Form 50-296-A

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

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

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

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

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

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

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

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

SECTION 1: School District Information

1. Authorized School District Representative

8/10/2015

Date Application Received by District

Troy

First Name

Mircovich

Last Name

Superintendent

Title

Ingleside Independent School District

School District Name

2664 San Angelo St. Ingleside, TX 78362-1313

Street Address

P O BOX 1320

Mailing Address

Ingleside

City

(361) 776-7631

Phone Number

TX

State

(361) 776-0267

Fax Number

78362-1313

ZIP

troy.mircovich@ingleside.org

Email Address

Mobile Number (optional)

2. Does the district authorize the consultant to provide and obtain information related to this application? Yes No

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

| | |
|------------------------------|----------------------|
| Daniel T. | Casey |
| First Name | Last Name |
| Partner | |
| Title | |
| Moak, Casey & Associates LLP | |
| Firm Name | |
| 512-485-7878 | 512-485-7888 |
| Phone Number | Fax Number |
| | dcasey@moakcasey.com |
| | Email Address |
| Mobile Number (optional) | |

4. On what date did the district determine this application complete? 8/16/15
5. Has the district determined that the electronic copy and hard copy are identical? Yes No

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

| | | |
|--------------------------------|------------------------------|-------|
| Karl J. | Boelter | |
| First Name | Last Name | |
| Global Operations Director | The Chemours Company FC, LLC | |
| Title | Organization | |
| 1007 Market Street (Rm – 5058) | | |
| Street Address | | |
| PO Box 2047 (Rm – 5058) | | |
| Mailing Address | | |
| Wilmington | DE | 19898 |
| City | State | ZIP |
| 302-773-1460 | | |
| Phone Number | Fax Number | |
| | Karl.j.boelter@chemours.com | |
| Mobile Number (optional) | Business Email Address | |

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

| | | |
|-------------------------------------|------------------------------|-------|
| Robert | Barger | |
| First Name | Last Name | |
| Plant Manager | The Chemours Company FC, LLC | |
| Title | Organization | |
| 4127 Highway 361, Gregory, TX 78359 | | |
| Street Address | | |
| PO Box JJ | | |
| Mailing Address | | |
| Gregory | TX | 78362 |
| City | State | ZIP |
| (361) 776-6600 | | |
| Phone Number | Fax Number | |
| | robert.l.barger@chemours.com | |
| Mobile Number (optional) | Business Email Address | |

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

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

Greg Maxim
 First Name Last Name
 Partner
 Title
 Cummings Westlake LLC
 Firm Name
 (713) 266-4456 (713) 266-2333
 Phone Number Fax Number
 gmaxim@cwlp.net
 Business Email Address

SECTION 3: Fees and Payments

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

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

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

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

2. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)? Yes No N/A

3. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)? Yes No N/A

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? The Chemours Company FC, LLC

2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32054480689

3. List the NAICS code 325120

4. Is the applicant a party to any other pending or active Chapter 313 agreements? Yes No

4a. If yes, please list application number, name of school district and year of agreement
N/A

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant (corporation, limited liability corporation, etc) Limited Liability Company

2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? Yes No

2a. If yes, attach in **Tab 3** a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.

3. Is the applicant current on all tax payments due to the State of Texas? Yes No

4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? Yes No N/A

5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (If necessary, attach explanation in **Tab 3**)

SECTION 6: Eligibility Under Tax Code Chapter 313.024

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

SECTION 7: Project Description

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

| | |
|---|---|
| <input type="checkbox"/> Land has no existing improvements | <input checked="" type="checkbox"/> Land has existing improvements (<i>complete Section 13</i>) |
| <input type="checkbox"/> Expansion of existing operation on the land (<i>complete Section 13</i>) | <input type="checkbox"/> Relocation within Texas |

SECTION 8: Limitation as Determining Factor

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

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

SECTION 9: Projected Timeline

- 1. Application approval by school board Feb 2016
- 2. Commencement of construction November 2016
- 3. Beginning of qualifying time period Feb 2016
- 4. First year of limitation 2019
- 5. Begin hiring new employees 2017
- 6. Commencement of commercial operations Q3 2018
- 7. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (date your application is finally determined to be complete)? Yes No
- Note:** Improvements made before that time may not be considered qualified property.
- 8. When do you anticipate the new buildings or improvements will be placed in service? Q3 2018

SECTION 10: The Property

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

| | |
|--|--|
| County: <u>San Patricio County, \$0.6592, 100%</u> <small>(Name, tax rate and percent of project)</small> | City: <u>N/A</u> <small>(Name, tax rate and percent of project)</small> |
| Hospital District: <u>N/A</u> <small>(Name, tax rate and percent of project)</small> | Water District: <u>N/A</u> <small>(Name, tax rate and percent of project)</small> |
| Other (describe): <u>Drainage District, \$0.06, 100%</u> <small>(Name, tax rate and percent of project)</small> | Other (describe): <u>N/A</u> <small>(Name, tax rate and percent of project)</small> |
- 5. Is the project located entirely within the ISD listed in Section 1? Yes No
 - 5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
- 6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? Yes No
 - 6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

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

- 1. At the time of application, what is the estimated minimum qualified investment required for this school district? 30,000,000.00
- 2. What is the amount of appraised value limitation for which you are applying? 30,000,000.00
- Note:** The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
- 3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? Yes No
- 4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
 - a. a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
 - b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
 - c. a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).
- 5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? Yes No

SECTION 12: Qualified Property

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

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

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

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

SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 0

2. What is the last complete calendar quarter before application review start date:
 First Quarter Second Quarter Third Quarter Fourth Quarter of 2015
 (year)

3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? 175

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

4. What is the number of new qualifying jobs you are committing to create? 25

5. What is the number of new non-qualifying jobs you are estimating you will create? 23

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

6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.

7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).

a. Average weekly wage for all jobs (all industries) in the county is 890.00

b. 110% of the average weekly wage for manufacturing jobs in the county is 1,712.00

c. 110% of the average weekly wage for manufacturing jobs in the region is 1,105.00

8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? §313.021(5)(A) or §313.021(5)(B)

9. What is the minimum required annual wage for each qualifying job based on the qualified property? 57,464.00

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 58,000.00

11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? Yes No

12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? Yes No

12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).

13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? Yes No

13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

1. Complete and attach Schedules A1, A2, B, C, and D in **Tab 14**. Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.

2. Attach an Economic Impact Analysis, if supplied by other than the Comptroller's Office, in **Tab 15**. (not required)

3. If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, attach a separate schedule showing the amount for each year affected, including an explanation, in **Tab 15**.

SECTION 16: Authorized Signatures and Applicant Certification

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

1. Authorized School District Representative Signature

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

print here -> Troy Mircovich
Print Name (Authorized School District Representative)

Superintendent
Title

sign here -> [Handwritten Signature]
Signature (Authorized School District Representative)

8-10-15
Date

2. Authorized Company Representative (Applicant) Signature and Notarization

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

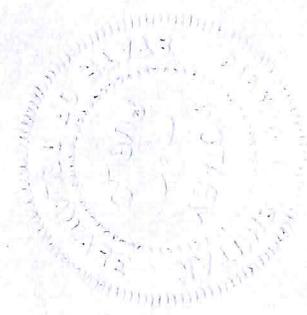
I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

print here -> Karl J. Boelter
Print Name (Authorized Company Representative (Applicant))

Global Operations Director
Title

sign here -> [Handwritten Signature]
Signature (Authorized Company Representative (Applicant))

8/7/15
Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

7 day of August, 2015

Dianna L. Shutsak
Notary Public in and for the State of Texas

My Commission expires: February 23, 2019

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

APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

| TAB | ATTACHMENT |
|-----|---|
| 1 | Pages 1 through 11 of Application |
| 2 | Proof of Payment of Application Fee |
| 3 | Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation <i>(if applicable)</i> |
| 4 | Detailed description of the project |
| 5 | Documentation to assist in determining if limitation is a determining factor |
| 6 | Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor <i>(if applicable)</i> |
| 7 | Description of Qualified Investment |
| 8 | Description of Qualified Property |
| 9 | Description of Land |
| 10 | Description of all property not eligible to become qualified property <i>(if applicable)</i> |
| 11 | <p>Maps that clearly show:</p> <ul style="list-style-type: none"> a) Project vicinity b) Qualified investment including location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period c) Qualified property including location of new buildings or new improvements d) Existing property e) Land location within vicinity map f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size <p>Note: Electronic maps should be high resolution files. Include map legends/markers.</p> |
| 12 | Request for Waiver of Job Creation Requirement and supporting information <i>(if applicable)</i> |
| 13 | Calculation of three possible wage requirements with TWC documentation |
| 14 | Schedules A1, A2, B, C and D completed and signed Economic Impact <i>(if applicable)</i> |
| 15 | Economic Impact Analysis, other payments made in the state or other economic information <i>(if applicable)</i> |
| 16 | <p>Description of Reinvestment or Enterprise Zone, including:</p> <ul style="list-style-type: none"> a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office b) legal description of reinvestment zone* c) order, resolution or ordinance establishing the reinvestment zone* d) guidelines and criteria for creating the zone* <p>* To be submitted with application or before date of final application approval by school board</p> |
| 17 | Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i> |

The Chemours Company FC, LLC
Chapter 313 Application to Ingleside ISD
Cummings Westlake, LLC

TAB 2

Proof of Payment of Application Fee

Please find on the attached page, copy of the check for the \$75,000 application fee to Ingleside Independent School District.

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)*

The Chemours Company FC, LLC
Chapter 313 Application to Ingleside ISD
Cummings Westlake, LLC

TAB 3

Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation (if applicable)

The Chemours Company, LLC commonly referred to as (“Chemours”), was formed on July 1, 2015 as spin-off the Performance Chemical Sector of E. I. du Pont de Nemours and Company. The applicant (The Chemours Company FC, LLC) is owned by The Chemours Company, LLC.

Chemours anticipates filing as a combined group on future Texas franchise tax returns, but it is unable to provide a list of the affiliated group at this time as no combined group exist and no returns have been filed at the time of this application.

The Chemours Company FC, LLC
Chapter 313 Application to Ingleside ISD
Cummings Westlake, LLC

TAB 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.

Project Description:

The Chemours Company FC, LLC is requesting an appraised value limitation from Ingleside ISD for a chemical manufacturing facility located on the western edge of the Ingleside ISD taxing jurisdiction. The new facility would be located in a vacant block of land (6.3 acres) inside of the existing Chemours facility (Tract I --142.62 acres) in San Patricio County. The proposed facility would produce Opteon® 1234yf, the replacement for refrigerant 134a which is currently used in mobile air conditioning units. The facility would service the global markets for mobile A/C units which is primarily for cars sold in the USA, Mexico and Europe. The use of Opteon® 1234yf is being mandated for use in new cars sold in many regions. The market is growing and the existing Chemours facility located in Changshu China will soon run out of capacity. Chemours plans to build a world scale facility. The proposed facility would have an estimated capital cost of \$178 million.

Proposed Investment:

The proposed investments include, but are not limited to, the following:

- Site preparation including grading, soil stabilization and storm water management.
- Laydown area improvements for receipt storage and handling of equipment.
- Manufacturing facilities:
 - A multistep chemical process that includes: reactors, distillation columns, pumps, process scrubbers
 - Storage tanks for raw materials, intermediates and finished product
- Support facilities such as pipe bridges, instrument and electrical control rooms, and refrigeration equipment.
- Unloading spots for raw materials.
- Loading facilities for filling railcars, tank trucks and ISO containers.
- Pollution control equipment to facilitate a clean, safe manufacturing environment.

Major construction of the facility is forecasted to begin in November 2016 with commercial operations anticipated to commence in the third quarter of 2018.

The Chemours Company FC, LLC
Chapter 313 Application to Ingleside ISD
Cummings Westlake, LLC

TAB 5

Documentation to assist in determining if limitation is a determining factor.

The Chemours Company, commonly referred to as Chemours, is an American chemical company that was founded in July 2015 as a spin-off from DuPont. The Chemours Company FC, LLC is 100% owned by The Chemours Company, LLC.

Chemours is a leading global provider of performance chemicals through three reporting segments: Titanium Technologies, Fluoroproducts, and Chemical Solutions. Chemours has more than 8 thousand employees around the world and its businesses generated sales of approximately \$6 billion in 2014. Chemours is located in 12 countries and operates 37 production facilities of which there are 26 facilities in North America, 5 in Europe, the Middle East & Africa, 4 in Asia Pacific and 2 in South America. Additionally, Chemours is constructing a new production facility in Altamira, Mexico and that will be 85% complete by the end of 2015.

The proposed Project is still in an early evaluation stage; only very preliminary development activities have begun. No formal permit filings have been made as of the date of this application. No engineering, procurement or construction contracts have been negotiated or signed to support the proposed Project. No public announcements of a definitive intent to construct the proposed Project have been made – there is published corporate support for the construction of a production facility, however the location has not been finalized. Agreements pertaining to preliminary design and engineering work and the development of other technical studies and estimates have been entered into; however, this work is necessary for purposes of determining whether the proposed Project is technically viable and can be cost-competitive in the global marketplace.

The site selection for this Project has competitive global options. Final location for the proposed Project will, in part, depend on the ability to minimize the costs associated with the project. Chemours has narrowed the potential site selection down to either a site in San Patricio County or an existing Chemours Opteon production facility located in China. For this reason, Chemours is requesting economic development support through San Patricio County, the Ingleside Independent School District, and the State of Texas. Chemours intends to enter into a Chapter 312 Tax Abatement Agreement with San Patricio County before the end of the application year. See the attached site comparison of San Patricio County Texas vs. Changshu, China. This chart demonstrates that there are substantial economic benefits for the Changshu site with respect to construction and labor costs. This appraised value limitation is critical to the ability of the proposed Project to move forward as currently sited.

Chapter 313 Application to Ingleside ISD

| Siting Factors | San Patricio County, TX | Changshu, China |
|--|---|---|
| Labor Costs | Mid to High - Competing for resources with several large chemical plant expansion projects in the county. | Low - located in chemical industry zone, 60 miles from Shanghai, China |
| Construction Costs | Mid to High - Competing for resources with several large chemical plant expansion projects in the county. | Low - located in chemical industry zone, 60 miles from Shanghai, China. Existing Fluorochemicals plant complex, including the initial Chemours 1234YF production facility. Experience with requirements for proposed facility. The comparable 1234YF plant built in China would be substantially less cost. |
| Finished Product Transportation Costs | Low - Rail access, closer to US and Mexico markets. | Mid - initial market opportunities mostly outside of China. Higher FPDE costs for export. |
| Feedstock Supply | Barge access, supply of new feedstocks available from existing suppliers to the site. | Low cost supply readily available in the industrial zone |
| Inbound Pipeline Access | Potential for inbound pipeline access. Not in current project scope. | Yes |
| Outbound Pipeline Access | Not for proposed project | No |
| Water Access | Yes | Yes |
| Rail Access | Yes | No |
| Proximity of Product Market | Close to initial target markets in US and Mexico. Require export to Europe market. | Require export to initial target markets in US and Europe. |
| Site Preparation/Foundation Cost | Low - existing Chemours Fluorochemical complex. Space available. | Low - existing chemical plant complex. Space available. |
| Utilities | Capacity available - requires electricity, steam, cooling tower. Some investment required. | Capacity available - requires electricity, steam, cooling tower. Some investment required. |
| Environmental | Waste water treatment and thermal converter in place. Permits required. | Waste water treatment and thermal converter in place. Permits required. |
| Business Friendly Community | Yes | Yes - Chemical Industrial zone |
| Availability of Tax Incentives | Chapter 312/380/IDA tax abatement; Chapter 313 value limitation with school district and state approval | Yes on previous projects. |
| Project Resources | Chemours resources available | Available - recently installed similar project at the Changshu site. |

The Chemours Company FC, LLC
Chapter 313 Application to Ingleside ISD
Cummings Westlake, LLC

TAB 6

Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor (if applicable)

- | | |
|------------------------|--------|
| 1) San Patricio County | - 100% |
| 2) Drainage District | - 100% |
| 3) Ingleside ISD | - 100% |

TAB 7

Description of Qualified Investment

Project Description:

The Chemours Company FC, LLC is requesting an appraised value limitation from Ingleside ISD for a chemical manufacturing facility located on the western edge of the Ingleside ISD taxing jurisdiction. The new facility would be located in a vacant block of land (6.3 acres) inside of the existing Chemours facility (Tract I --142.62 acres) in San Patricio County. The proposed facility would produce Opteon® 1234yf, the replacement for refrigerant 134a which is currently used in mobile air conditioning units. The facility would service the global markets for mobile A/C units which is primarily for cars sold in the USA, Mexico and Europe. The use of Opteon® 1234yf is being mandated for use in new cars sold in many regions. The market is growing and the existing Chemours facility located in Changshu China will soon run out of capacity. Chemours plans to build a world scale facility. The proposed facility would have an estimated capital cost of \$178 million.

Proposed Investment:

The proposed investments include, but are not limited to, the following:

- Site preparation including grading, soil stabilization and storm water management.
- Laydown area improvements for receipt storage and handling of equipment.
- Manufacturing facilities:
 - A multistep chemical process that includes: reactors, distillation columns, pumps, process scrubbers
 - Storage tanks for raw materials, intermediates and finished product
- Support facilities such as pipe bridges, instrument and electrical control rooms, and refrigeration equipment.
- Unloading spots for raw materials.
- Loading facilities for filling railcars, tank trucks and ISO containers.
- Pollution control equipment to facilitate a clean, safe manufacturing environment.

Major construction of the facility is forecasted to begin in November 2016 with commercial operations anticipated to commence in the third quarter of 2018.

TAB 8

Description of Qualified Property

Project Description:

The Chemours Company FC, LLC is requesting an appraised value limitation from Ingleside ISD for a chemical manufacturing facility located on the western edge of the Ingleside ISD taxing jurisdiction. The new facility would be located in a vacant block of land (6.3 acres) inside of the existing Chemours facility (Tract I --142.62 acres) in San Patricio County. The proposed facility would produce Opteon® 1234yf, the replacement for refrigerant 134a which is currently used in mobile air conditioning units. The facility would service the global markets for mobile A/C units which is primarily for cars sold in the USA, Mexico and Europe. The use of Opteon® 1234yf is being mandated for use in new cars sold in many regions. The market is growing and the existing Chemours facility located in Changshu China will soon run out of capacity. Chemours plans to build a world scale facility. The proposed facility would have an estimated capital cost of \$178 million.

Proposed Investment:

The proposed investments include, but are not limited to, the following:

- Site preparation including grading, soil stabilization and storm water management.
- Laydown area improvements for receipt storage and handling of equipment.
- Manufacturing facilities:
 - A multistep chemical process that includes: reactors, distillation columns, pumps, process scrubbers
 - Storage tanks for raw materials, intermediates and finished product
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- Unloading spots for raw materials.
- Loading facilities for filling railcars, tank trucks and ISO containers.
- Pollution control equipment to facilitate a clean, safe manufacturing environment.

Major construction of the facility is forecasted to begin in November 2016 with commercial operations anticipated to commence in the third quarter of 2018.

The Chemours Company FC, LLC
Chapter 313 Application to Ingleside ISD
Cummings Westlake, LLC

TAB 9

Description of Land

The legal descriptions of land within the proposed reinvestment zone is attached.

Property Description
DuPont Petroleum

Beginning at a point based on DuPont Plant Coordinates of N 56 degrees 00 minutes and E 45 degrees 50 minutes, in the T. T. Williamson Abstract Number AB-293, 474.46 acre tract, San Patricio County, Texas, and running THENCE from said point of beginning:

THENCE going in an eastwardly direction 500.0 feet to a point with DuPont plant coordinates N 56 degrees 00 minutes and E 55 degrees 50 minutes marking the south most southeastern corner of said plot,

THENCE 550 feet in a northwardly direction to DuPont plant coordinates N 61 degrees 50 minutes and E 55 degrees 50 minutes marking the north most northeasterly corner of said plot,

THENCE in a westward direction 500 feet to a point with DuPont plant coordinates N 61 degrees 00 minutes and E 45 degrees 50 minutes marking the north most westerly corner of said plot,

THENCE South 550 feet to the point and place of beginning.

THENCE South 89 degrees 59 minutes 16 seconds West, a distance of 1508.60 feet;

THENCE North 00 degrees 00 minutes 45 seconds West, a distance of 1350.57 feet to the PLACE OF BEGINNING, containing 147.7736 acres.

REFERENCE is hereby made to the plat titled "MAP OF A 147.7736 ACRE TRACT" dated August 30, 2013.

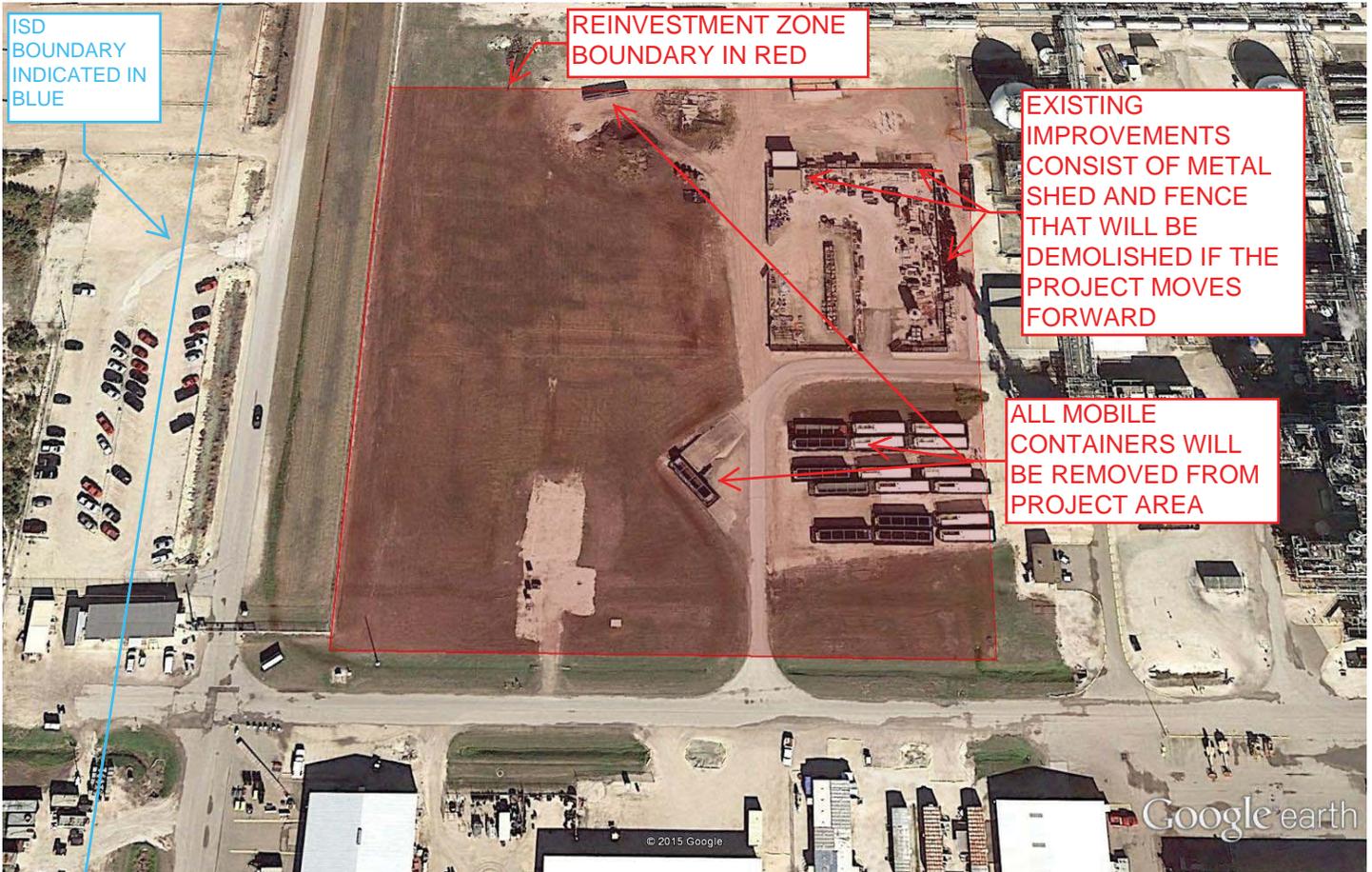
The Chemours Company FC, LLC
Chapter 313 Application to Ingleside ISD
Cummings Westlake, LLC

TAB 10

Description of all property not eligible to become qualified property (if applicable)

The existing improvements within the reinvestment zone consist of a metal shed and fence that will be demolished by the Applicant if the project moves forward. These existing improvements do not carry any associated value with the San Patricio County Appraisal District.

EXISTING IMPROVEMENT MAP
(11d)

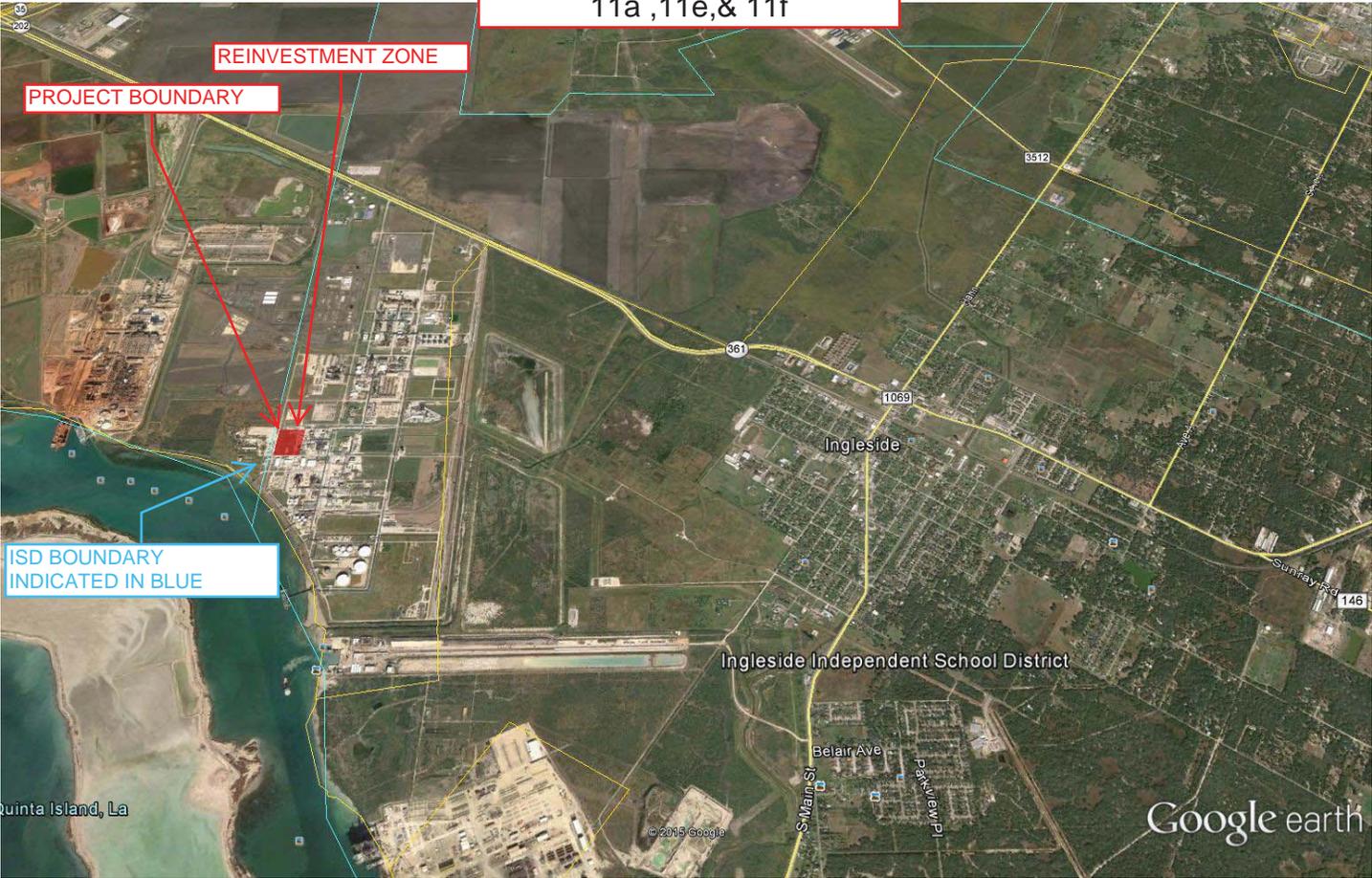


TAB 11

Maps that clearly show:

- a) Project vicinity
- b) Qualified investment including location of new building or new improvements
- c) Qualified property including location of new building or new improvements
- d) Existing property
- e) Land location within vicinity map
- f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size

VICINITY MAP
Showing Reinvestment Zone
11a ,11e,& 11f



ALL PROPOSED IMPROVEMENTS WILL BE LOCATED WHOLLY WITHIN THE REINVESTMENT ZONE

REINVESTMENT ZONE MAP (11b & 11c)

Matchline Sheet 5

Title Commitment Legend

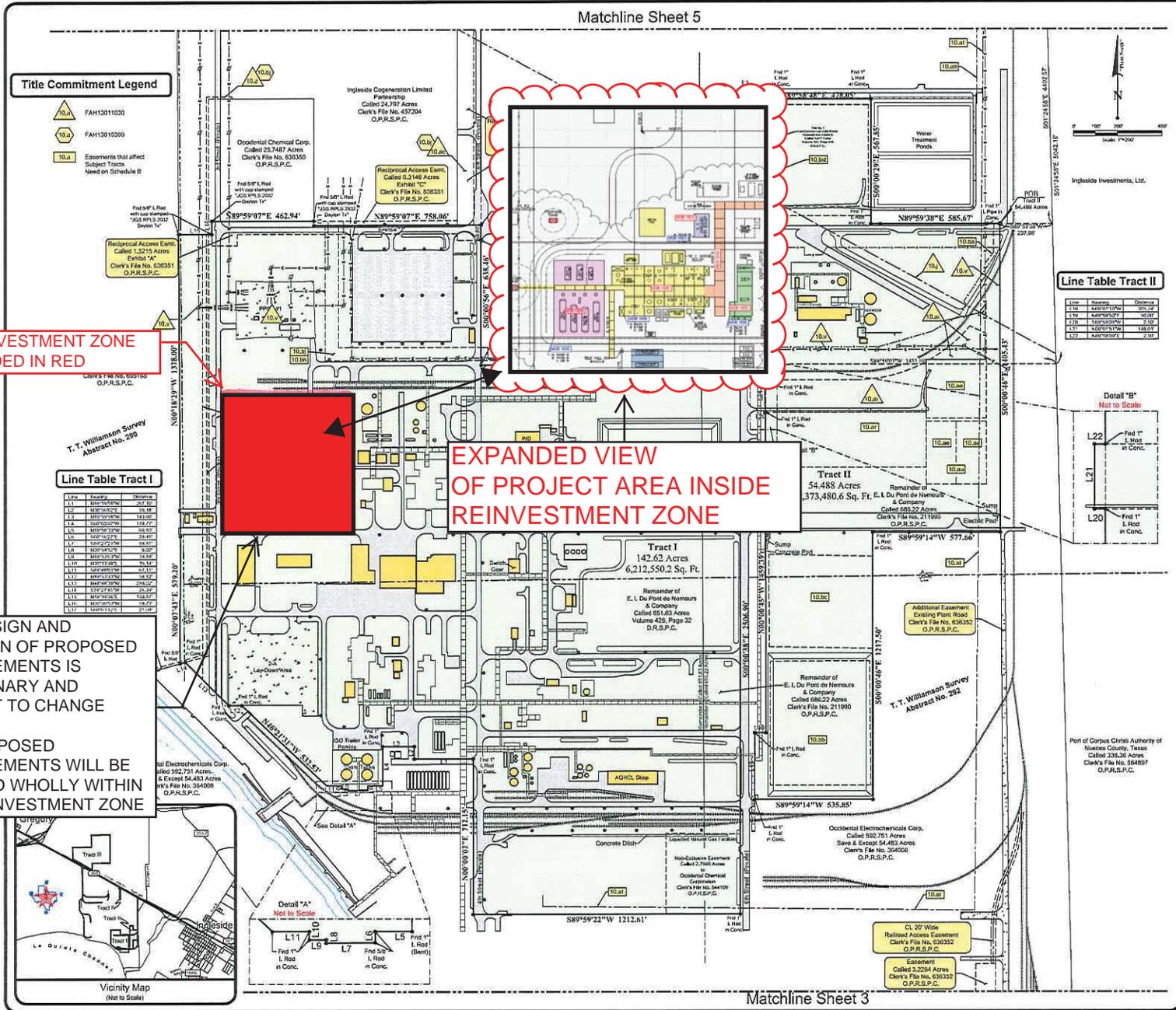
- FAH13011030
- FAH13013399
- Easements that affect Subject Tracts Need on Schedule B

REINVESTMENT ZONE SHADED IN RED

EXPANDED VIEW OF PROJECT AREA INSIDE REINVESTMENT ZONE

SITE DESIGN AND LOCATION OF PROPOSED IMPROVEMENTS IS PRELIMINARY AND SUBJECT TO CHANGE

ALL PROPOSED IMPROVEMENTS WILL BE LOCATED WHOLLY WITHIN THE REINVESTMENT ZONE



General Notes

- Scale of Bearings** - All bearings are based upon the Texas Coordinate System of 1983 (TCORS), South Zone 4203 (US Survey Foot). All distances and acreages are surface with a combined adjustment factor of 0.99956 applied.
- Title Record Research** - WORTECH Land Surveyors, Inc. has relied upon the Title Commitment and supporting documents provided by Fidelity National Title Insurance Company Commitment No. FAH1301039 and No. FAH1301030, dated July 20, 2014 with an effective date of July 14, 2014 in preparing this survey for all title references and assessments shown hereon.
- Flood Zone Classification** - In accordance with the Federal Emergency Management Agency, Flood Insurance Rate Maps below, portions of the property shown hereon lie in:
 - Zone C - areas of minimal flooding; (For FIRMS revised March 10, 1995)
 - Zone X (No Shading) - Areas determined to be outside the 0.2% annual chance floodplain. (For FIRMS revised August 4, 2004)
- Community No.** Parcel No. Effective Date Last Revised Date

| | | | |
|--------|--------|-------------------|----------------|
| 485506 | 0415 C | November 27, 1971 | March 18, 1985 |
| 485506 | 0526 C | November 27, 1971 | March 18, 1985 |
| 485506 | 0438 D | November 27, 1971 | August 4, 2004 |
| 485506 | 0440 D | November 27, 1971 | August 4, 2004 |
- Zones and their respective locations** determined by scale from FIRMS maps, WORTECH Land Surveyors, Inc. does not guarantee, warrant or subscribe to the accuracy or scale of said FIRMS maps.
- Construction Statement** - There is no evidence of construction activity on site as of the Survey April 26, 2014.
- Right-of-Way Statement** - Ingress and egress from subject tracts to the dedicated public right-of-way known as State Highway 361 is over publicly owned by E.I. Du Pont de Nemours and Company.
- Location of Utilities and Improvements** - No underground utilities were located during this survey. Rectified orthophotography and existing plant infrastructure drawings were used for showing the location of certain features (excluding boundaries) whose ground measurements were not otherwise necessary to locate these features to an appropriate and acceptable accuracy relative to a nearby boundary. This includes operating units, pipe racks, cooling towers and similar operating equipment, canals, ponds and roadways. The rectified orthophotography used for this survey is the 2012 NAIP of San Antonio County, Texas obtained from the Texas Natural Resources Information System, a part of the Texas Water Development Board. Plant infrastructure drawings were obtained from DuPont, dated April 27, 2011. Use of these drawings and orthophotography was supplemented by the physical on-the-ground survey and location of specific improvements relative to actual boundaries.
- Wetlands Classification** - Portions of the property shown hereon contain areas designated as Wetlands according to the National Wetland Inventory Map obtained from the U.S. Fish & Wildlife Service. Locations shown are scaled and derived from GIS datasets. WORTECH Land Surveyors, Inc. did not make any determination of physically locate any wetland areas and does not guarantee, warrant or subscribe to the accuracy or scale of said maps or the information contained therein. Should the actual presence and location of wetlands be of concern, the Client or Owner is advised to consult a qualified wetlands biologist.

ALTA/ACSM Land Title Survey

SURVEY PLAT
Showing
DuPont - Corpus Christi Plant Site
in the
Germaine Valdez Survey, Abstract No. 269
T.T. Williamson Survey, Abstract Nos. 143, 145, 290, 291, 292 & 293
San Antonio County, Texas

SURVEYORS CERTIFICATION
We, E. I. Du Pont de Nemours and Company, Fidelity National Title Insurance Company and their respective successors and assigns,
This is to certify that this map or plat and the survey on which it is based were made in accordance with the "2011 Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys" jointly established and adopted by ALTA and NSPS, and Items 1, 2, 3, 4, 11(a), 13, 15, 16, 17, 18, and 20 of Table A thereof. The field work was completed on April 24, 2014.

PRELIMINARY
This document shall not be recorded for any purpose.
Surveyor: Richard L. Worthey
TX Reg. No. 48854
Release Date: August 12, 2014

Registered Professional Land Surveyor
Date of Survey April 24, 2014
Date of Last Revision August 12, 2014

This document is valid without original and signature of parties entering.

| Sheet 1 | Site Plan | Sheet No. |
|---------|---|-----------|
| Sheet 2 | Schedule B Easements of Convenience | 4 |
| Sheet 3 | Redeveloped Yarn Equipment & 20' Wide Railroad Access Treatment | |
| Sheet 4 | Tracts I, B | |
| Sheet 5 | Tract IV and Reciprocal Access Easements | |
| Sheet 6 | Tract IV | |
| Sheet 7 | Tract III | |
| Sheet 8 | Tract II | |

Job No: 2014420 Field Book: 201403016 Cr. By: SLK Date: 08/12/14

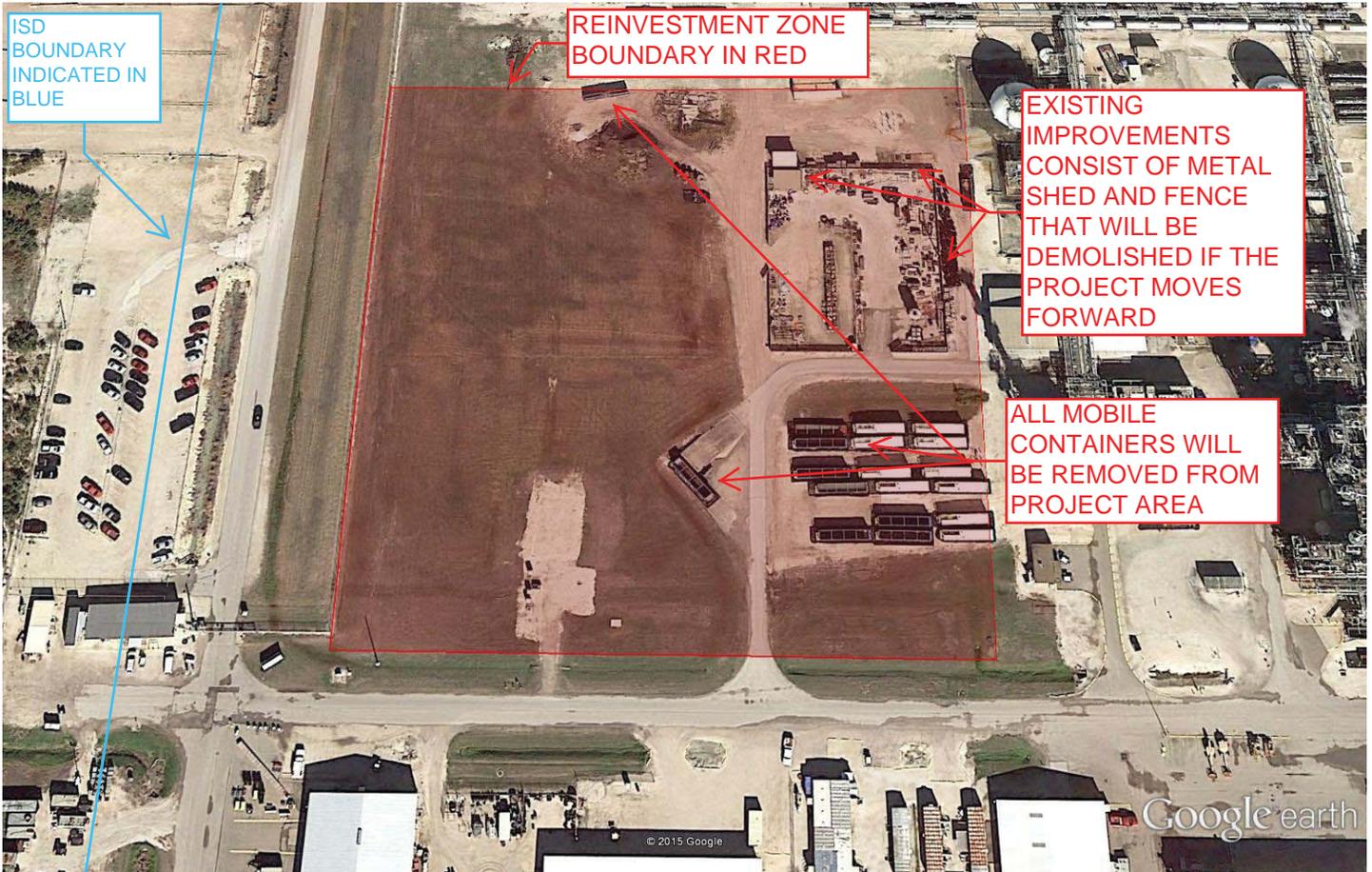
A. Employment Issue for release May 29, 2014
B. Professional Issue for release August 12, 2014

Has. No. B

WORTECH LAND SURVEYORS, INC.
Texas Title Registration No. 132,075(08)
1450 Eastman Avenue, Suite 7720
Dallas, Texas 75246
Tel: (214) 556-9748 Fax: (214) 556-9475
www.wortechland.com

Matchline Sheet 3

EXISTING IMPROVEMENT MAP
(11d)



The Chemours Company FC, LLC
Chapter 313 Application to Ingleside ISD
Cummings Westlake, LLC

TAB 12

Request for Waiver of Job Creation Requirement and supporting information (if applicable)

Not applicable. There is no job waiver request.

The Chemours Company FC, LLC
Chapter 313 Application to Ingleside ISD
Cummings Westlake, LLC

TAB 13

Calculation of three possible wage requirements with TWC documentation

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

**THE CHEMOURS COMPANY
TAB 13 TO CHAPTER 313 APPLICATION**

**INGLESIDE ISD - SAN PATRICIO COUNTY
CHAPTER 313 WAGE CALCULATION - ALL JOBS - ALL INDUSTRIES**

| QUARTER | YEAR | AVG WEEKLY WAGES* | ANNUALIZED |
|---------|------|-------------------|------------|
| FIRST | 2015 | \$ 934 | \$ 48,568 |
| SECOND | 2014 | \$ 852 | \$ 44,304 |
| THIRD | 2014 | \$ 852 | \$ 44,304 |
| FOURTH | 2014 | \$ 921 | \$ 47,892 |
| AVERAGE | | \$ 890 | \$ 46,267 |

**INGLESIDE ISD - SAN PATRICIO COUNTY
CHAPTER 313 WAGE CALCULATION - MANUFACTURING JOBS**

| QUARTER | YEAR | AVG WEEKLY WAGES* | ANNUALIZED |
|---------|------|-------------------|------------|
| FIRST | 2015 | \$ 1,760 | \$ 91,520 |
| SECOND | 2014 | \$ 1,437 | \$ 74,724 |
| THIRD | 2014 | \$ 1,460 | \$ 75,920 |
| FOURTH | 2014 | \$ 1,568 | \$ 81,536 |
| AVERAGE | | \$ 1,556 | \$ 80,925 |
| X | | 110% | 110% |
| | | \$ 1,712 | \$ 89,018 |

CHAPTER 313 WAGE CALCULATION - REGIONAL WAGE RATE

| | YEAR | AVG WEEKLY WAGES* | ANNUALIZED |
|--------------|------|-------------------|------------|
| Coastal Bend | 2014 | \$ 1,005 | \$ 52,240 |
| X | | 110% | 110% |
| | | \$ 1,105 | \$ 57,464 |

* SEE ATTACHED TWC DOCUMENTATION

Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

|  Year |  Period |  Area |  Ownership |  Division |  Level |  Ind Code |  Industry |  Avg Weekly Wages |
|--|--|--|---|--|---|--|--|--|
| 2015 | 1st Qtr | San Patricio County | Private | 00 | 0 | 10 | Total, All Industries | \$934 |
| 2014 | 2nd Qtr | San Patricio County | Private | 00 | 0 | 10 | Total, All Industries | \$852 |
| 2014 | 3rd Qtr | San Patricio County | Private | 00 | 0 | 10 | Total, All Industries | \$852 |
| 2014 | 4th Qtr | San Patricio County | Private | 00 | 0 | 10 | Total, All Industries | \$921 |

Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

|  Year |  Period |  Area |  Ownership |  Division |  Level |  Ind Code |  Industry |  Avg Weekly Wages |
|--|--|--|---|--|---|--|--|--|
| 2015 | 1st Qtr | San Patricio County | Private | 31 | 2 | 31-33 | Manufacturing | \$1,760 |
| 2014 | 2nd Qtr | San Patricio County | Private | 31 | 2 | 31-33 | Manufacturing | \$1,437 |
| 2014 | 3rd Qtr | San Patricio County | Private | 31 | 2 | 31-33 | Manufacturing | \$1,460 |
| 2014 | 4th Qtr | San Patricio County | Private | 31 | 2 | 31-33 | Manufacturing | \$1,568 |

**2014 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations**

| COG | Wages | |
|---|----------------|-----------------|
| | Hourly | Annual |
| Texas | \$24.18 | \$50,305 |
| 1. Panhandle Regional Planning Commission | \$21.07 | \$43,821 |
| 2. South Plains Association of Governments | \$16.75 | \$34,834 |
| 3. NORTEX Regional Planning Commission | \$20.23 | \$42,077 |
| 4. North Central Texas Council of Governments | \$25.32 | \$52,672 |
| 5. Ark-Tex Council of Governments | \$17.80 | \$37,017 |
| 6. East Texas Council of Governments | \$19.87 | \$41,332 |
| 7. West Central Texas Council of Governments | \$19.41 | \$40,365 |
| 8. Rio Grande Council of Governments | \$17.82 | \$37,063 |
| 9. Permian Basin Regional Planning Commission | \$23.65 | \$49,196 |
| 10. Concho Valley Council of Governments | \$18.70 | \$38,886 |
| 11. Heart of Texas Council of Governments | \$20.98 | \$43,636 |
| 12. Capital Area Council of Governments | \$28.34 | \$58,937 |
| 13. Brazos Valley Council of Governments | \$17.57 | \$36,547 |
| 14. Deep East Texas Council of Governments | \$17.76 | \$36,939 |
| 15. South East Texas Regional Planning Commission | \$29.21 | \$60,754 |
| 16. Houston-Galveston Area Council | \$26.21 | \$54,524 |
| 17. Golden Crescent Regional Planning Commission | \$23.31 | \$48,487 |
| 18. Alamo Area Council of Governments | \$19.46 | \$40,477 |
| 19. South Texas Development Council | \$13.91 | \$28,923 |
| 20. Coastal Bend Council of Governments | \$25.12 | \$52,240 |
| 21. Lower Rio Grande Valley Development Council | \$16.25 | \$33,808 |
| 22. Texoma Council of Governments | \$20.51 | \$42,668 |
| 23. Central Texas Council of Governments | \$18.02 | \$37,486 |
| 24. Middle Rio Grande Development Council | \$20.02 | \$41,646 |

Source: Texas Occupational Employment and Wages

Data published: July 2015

Data published annually, next update will be July 31, 2016

$$110\% \times \$52,240 = \$57,464$$

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.

The Chemours Company FC, LLC
Chapter 313 Application to Ingleside ISD
Cummings Westlake, LLC

TAB 14

Schedules A1, A2, B, C and D completed and signed Economic Impact (if applicable)

See attached Schedules A1, A2, B, C and D

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

Date: 8/6/2015
Applicant Name: The Chemours Company FC, LLC
ISD Name: Ingleside ISD

| PROPERTY INVESTMENT AMOUNTS | | | | | | | |
|--|-------------------------|---|---|---|---|---|---|
| (Estimated investment in each year. Do not put cumulative totals.) | | | | | | | |
| Year | School Year (YYYY-YYYY) | Tax Year (Fill in actual tax year below) YYYY | Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property | Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property | Column C Other new investment made during this year that will not become Qualified Property [SEE NOTE] | Column D Other new investment made during this year that may become Qualified Property [SEE NOTE] | Column E Total Investment (Sum of Columns A+B+C+D) |
| Investment made before filing complete application with district | | | Not eligible to become Qualified Property | | | [The only other investment made before filing complete application with district that may become Qualified Property is land.] | 0 |
| Investment made after filing complete application with district, but before final board approval of application | - | 2016 | 0 | 0 | | | 0 |
| Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period | | | 16,000,000 | 4,000,000 | 0 | | 20,000,000 |
| Complete tax years of qualifying time period | QTP1 | 2017 | 81,000,000 | 18,000,000 | 0 | | 99,000,000 |
| | QTP2 | 2018 | 46,000,000 | 10,000,000 | 0 | | 56,000,000 |
| Total Investment through Qualifying Time Period [ENTER this row in Schedule A2] | | | 143,000,000 | 32,000,000 | 0 | 0 | 175,000,000 |
| Total Qualified Investment (sum of green cells) | | | 175,000,000 | Enter amounts from TOTAL row above in Schedule A2 | | | |

For All Columns: List amount invested each year, not cumulative totals.
 Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
 Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.
 Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.02(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.
 Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.
 Total Investment: Add together each cell in a column and enter the sum in the blue total investment row. Enter the data from this row into the first row in Schedule A2.
 Qualified Investment: For the green qualified investment cell, enter the sum of all the green-shaded cells.

PROPERTY INVESTMENT AMOUNTS

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

| Year | School Year (YYYY-YYYY) | Tax Year (Fill in actual tax year below) YYYY | Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property | Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property | Column C Other investment made during this year that will not become Qualified Property (SEE NOTE) | Column D Other investment made during this year that will become Qualified Property (SEE NOTE) | Column E Total Investment (A+B+C+D) |
|---|--------------------------------|---|---|---|---|---|--|
| | | | | | | | |
| -- | TOTALS FROM SCHEDULE A1 | | | | | | |
| | | | 143,000,000 | 32,000,000 | 0 | 0 | 175,000,000 |
| Total Investment from Schedule A1* | | | | | | | |
| 0 | 2017-2018 | 2017 | 0 | 0 | 0 | 0 | 0 |
| 0 | 2018-2019 | 2018 | 0 | 0 | 0 | 0 | 0 |
| 1 | 2019-2020 | 2019 | 2,000,000 | 1,000,000 | 0 | 0 | 3,000,000 |
| 2 | 2020-2021 | 2020 | 0 | 0 | 0 | 0 | 0 |
| 3 | 2021-2022 | 2021 | 0 | 0 | 0 | 0 | 0 |
| 4 | 2022-2023 | 2022 | 0 | 0 | 0 | 0 | 0 |
| 5 | 2023-2024 | 2023 | 0 | 0 | 0 | 0 | 0 |
| 6 | 2024-2025 | 2024 | 0 | 0 | 0 | 0 | 0 |
| 7 | 2025-2026 | 2025 | 0 | 0 | 0 | 0 | 0 |
| 8 | 2026-2027 | 2026 | 0 | 0 | 0 | 0 | 0 |
| 9 | 2027-2028 | 2027 | 0 | 0 | 0 | 0 | 0 |
| 10 | 2028-2029 | 2028 | 0 | 0 | 0 | 0 | 0 |
| Total Investment made through limitation | | | 145,000,000 | 33,000,000 | 0 | 0 | 178,000,000 |
| 11 | 2029-2030 | 2029 | | | | | 0 |
| 12 | 2030-2031 | 2030 | | | | | 0 |
| 13 | 2031-2032 | 2031 | | | | | 0 |
| 14 | 2032-2033 | 2032 | | | | | 0 |
| 15 | 2033-2034 | 2033 | | | | | 0 |
| 16 | 2034-2035 | 2034 | | | | | 0 |
| 17 | 2035-2036 | 2035 | | | | | 0 |
| 18 | 2036-2037 | 2036 | | | | | 0 |
| 19 | 2037-2038 | 2037 | | | | | 0 |
| 20 | 2038-2039 | 2038 | | | | | 0 |
| 21 | 2039-2040 | 2039 | | | | | 0 |
| 22 | 2040-2041 | 2040 | | | | | 0 |
| 23 | 2041-2042 | 2041 | | | | | 0 |
| 24 | 2042-2043 | 2042 | | | | | 0 |
| 25 | 2043-2044 | 2043 | | | | | 0 |
| Continue to maintain viable presence | | | | | | | |
| Additional years for 25 year economic impact as required by 313.026(c)(1) | | | | | | | |

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

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

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

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

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

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

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

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

Date

Applicant Name

ISD Name

8/6/2015

The Chemours Company FC, LLC

Ingleside ISD

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

Form 50-296A

Revised May 2014

| | Year | School Year (YYYY-YYYY) | Tax Year (Fill in actual tax year) YYYY | Qualified Property | | | Estimated Taxable Value | | | |
|---|------|----------------------------|---|--------------------------------|---|--|--|---|---|-------------|
| | | | | Estimated Market Value of Land | Estimated Total Market Value of new buildings or other new improvements | Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements" | Market Value less any exemptions (such as pollution control) and before limitation | Final taxable value for I&S after all reductions | Final taxable value for M&O after all reductions | |
| Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i> | 0 | 2016-2017 | 2016 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | 2017-2018 | 2017 | 0 | 2,000,000 | 8,000,000 | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |
| | | 2018-2019 | 2018 | 0 | 11,000,000 | 48,500,000 | 54,650,000 | 54,650,000 | 54,650,000 | 54,650,000 |
| Value Limitation Period | 1 | 2019-2020 | 2019 | 0 | 31,360,000 | 140,140,000 | 157,486,000 | 157,486,000 | 157,486,000 | 30,000,000 |
| | 2 | 2020-2021 | 2020 | 0 | 32,175,000 | 138,475,000 | 156,802,500 | 156,802,500 | 156,802,500 | 30,000,000 |
| | 3 | 2021-2022 | 2021 | 0 | 31,370,600 | 132,244,000 | 150,390,200 | 150,390,200 | 150,390,200 | 30,000,000 |
| | 4 | 2022-2023 | 2022 | 0 | 30,586,300 | 126,293,000 | 144,250,000 | 144,250,000 | 144,250,000 | 30,000,000 |
| | 5 | 2023-2024 | 2023 | 0 | 29,821,600 | 120,610,000 | 138,370,600 | 138,370,600 | 138,370,600 | 30,000,000 |
| | 6 | 2024-2025 | 2024 | 0 | 29,076,100 | 115,183,000 | 132,740,800 | 132,740,800 | 132,740,800 | 30,000,000 |
| | 7 | 2025-2026 | 2025 | 0 | 28,349,200 | 110,000,000 | 127,349,200 | 127,349,200 | 127,349,200 | 30,000,000 |
| | 8 | 2026-2027 | 2026 | 0 | 27,640,500 | 105,050,000 | 122,185,500 | 122,185,500 | 122,185,500 | 30,000,000 |
| | 9 | 2027-2028 | 2027 | 0 | 26,949,500 | 100,323,000 | 117,240,200 | 117,240,200 | 117,240,200 | 30,000,000 |
| | 10 | 2028-2029 | 2028 | 0 | 26,275,800 | 95,808,000 | 112,503,000 | 112,503,000 | 112,503,000 | 30,000,000 |
| Continue to maintain viable presence | 11 | 2029-2030 | 2029 | 0 | 25,618,900 | 91,497,000 | 107,966,200 | 107,966,200 | 107,966,200 | 107,966,200 |
| | 12 | 2030-2031 | 2030 | 0 | 24,978,400 | 87,380,000 | 103,620,400 | 103,620,400 | 103,620,400 | 103,620,400 |
| | 13 | 2031-2032 | 2031 | 0 | 24,353,900 | 83,448,000 | 99,457,100 | 99,457,100 | 99,457,100 | 99,457,100 |
| | 14 | 2032-2033 | 2032 | 0 | 23,745,100 | 79,693,000 | 95,468,800 | 95,468,800 | 95,468,800 | 95,468,800 |
| | 15 | 2033-2034 | 2033 | 0 | 23,151,500 | 76,107,000 | 91,647,800 | 91,647,800 | 91,647,800 | 91,647,800 |
| Additional years for 25 year economic impact as required by 313.026(c)(1) | 16 | 2034-2035 | 2034 | 0 | 22,572,700 | 72,682,000 | 87,986,500 | 87,986,500 | 87,986,500 | 87,986,500 |
| | 17 | 2035-2036 | 2035 | 0 | 22,008,400 | 69,411,000 | 84,478,300 | 84,478,300 | 84,478,300 | 84,478,300 |
| | 18 | 2036-2037 | 2036 | 0 | 21,458,200 | 66,288,000 | 81,117,400 | 81,117,400 | 81,117,400 | 81,117,400 |
| | 19 | 2037-2038 | 2037 | 0 | 20,921,700 | 63,305,000 | 77,896,200 | 77,896,200 | 77,896,200 | 77,896,200 |
| | 20 | 2038-2039 | 2038 | 0 | 20,398,700 | 60,456,000 | 74,809,100 | 74,809,100 | 74,809,100 | 74,809,100 |
| | 21 | 2039-2040 | 2039 | 0 | 19,888,700 | 57,735,000 | 71,850,200 | 71,850,200 | 71,850,200 | 71,850,200 |
| | 22 | 2040-2041 | 2040 | 0 | 19,391,500 | 55,137,000 | 69,014,800 | 69,014,800 | 69,014,800 | 69,014,800 |
| | 23 | 2041-2042 | 2041 | 0 | 18,906,700 | 52,656,000 | 66,297,100 | 66,297,100 | 66,297,100 | 66,297,100 |
| | 24 | 2042-2043 | 2042 | 0 | 18,434,000 | 50,286,000 | 63,691,400 | 63,691,400 | 63,691,400 | 63,691,400 |
| | 25 | 2043-2044 | 2043 | 0 | 17,973,200 | 48,023,000 | 61,193,900 | 61,193,900 | 61,193,900 | 61,193,900 |

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

Only include market value for eligible property on this schedule.

Schedule C: Employment Information

8/6/2015

Date
Applicant Name
ISD Name

The Chemours Company FC, LLC
Ingleside ISD

Form 50-296A
Revised May 2014

| | Year | School Year (YYYY-YYYY) | Tax Year (Actual tax year) YYYY | Construction | | Non-Qualifying 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 non-qualifying jobs applicant estimates it will create (cumulative) | Column D Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative) | Column E Average annual wage of new qualifying jobs | |
| Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i> | | 2016-2017 | 2016 | 56 FTE | 62,400 | 0 | 0 | 0 | 0 |
| | 0 | 2017-2018 | 2017 | 260 FTE | 62,400 | 0 | 10 | 58,000 | |
| | | 2018-2019 | 2018 | 30 FTE | 62,400 | 0 | 25 | 58,000 | |
| Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i> | 1 | 2019-2020 | 2019 | N/A | N/A | 23 | 25 | 58,000 | |
| | 2 | 2020-2021 | 2020 | N/A | N/A | 23 | 25 | 58,000 | |
| | 3 | 2021-2022 | 2021 | N/A | N/A | 23 | 25 | 58,000 | |
| | 4 | 2022-2023 | 2022 | N/A | N/A | 23 | 25 | 58,000 | |
| | 5 | 2023-2024 | 2023 | N/A | N/A | 23 | 25 | 58,000 | |
| | 6 | 2024-2025 | 2024 | N/A | N/A | 23 | 25 | 58,000 | |
| | 7 | 2025-2026 | 2025 | N/A | N/A | 23 | 25 | 58,000 | |
| | 8 | 2026-2027 | 2026 | N/A | N/A | 23 | 25 | 58,000 | |
| | 9 | 2027-2028 | 2027 | N/A | N/A | 23 | 25 | 58,000 | |
| | 10 | 2028-2029 | 2028 | N/A | N/A | 23 | 25 | 58,000 | |
| Years Following Value Limitation Period | 11 through 25 | 2029-2044 | 2029-2043 | N/A | N/A | 23 | 25 | 58,000 | |

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

C1. Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute?
 (25) Yes No

If yes, answer the following two questions:

C1a. Will the applicant request a job waiver, as provided under 313.025(f-1)? Yes No

C1b. Will the applicant avail itself of the provision in 313.021(3)(F)? Yes No

Schedule D: Other Incentives (Estimated)

Date: 8/6/2015
 Applicant Name: The Chemours Company FC, LLC
 ISD Name: Ingleside ISD

| State and Local Incentives for which the Applicant intends to apply (Estimated) | | | | | | |
|---|--|---------------------------|---------------------|-----------------------------------|------------------|--------------------------|
| Incentive Description | Taxing Entity (as applicable) | Beginning Year of Benefit | Duration of Benefit | Annual Tax Levy without Incentive | Annual Incentive | Annual Net Tax Levy |
| Tax Code Chapter 311 | County: N/A City: N/A Other: N/A | | | N/A | N/A | N/A |
| Tax Code Chapter 312 | County: San Patricio County City: N/A Other: N/A | 2017 | 10 Years | Annual Avg. of \$689,000 | see detail below | Annual Avg. of \$344,000 |
| Local Government Code Chapters 380/381 | County: N/A City: N/A Other: N/A | | | N/A | N/A | N/A |
| Freoport Exemptions | N/A | | | N/A | N/A | N/A |
| Non-Annexation Agreements | N/A | | | N/A | N/A | N/A |
| Enterprise Zone/Project | N/A | | | N/A | N/A | N/A |
| Economic Development Corporation | N/A | | | N/A | N/A | N/A |
| Texas Enterprise Fund | N/A | | | N/A | N/A | N/A |
| Employee Recruitment | N/A | | | N/A | N/A | N/A |
| Skills Development Fund | N/A | | | N/A | N/A | N/A |
| Training Facility Space and Equipment | N/A | | | N/A | N/A | N/A |
| Infrastructure Incentives | N/A | | | N/A | N/A | N/A |
| Permitting Assistance | N/A | | | N/A | N/A | N/A |
| Other: | N/A | | | N/A | N/A | N/A |
| Other: | N/A | | | N/A | N/A | N/A |
| Other: | N/A | | | N/A | N/A | N/A |
| Other: | N/A | | | N/A | N/A | N/A |
| TOTAL | | | | 689,000 | | 344,000 |

Additional information on incentives for this project:

County Terms: The Chemours Company FC, LLC has applied for an abatement structured as follows: 2017-2018=100%, 2019=80%, 2020=70%, 2021=60%, 2022=50%, 2023=40%, 2024=30%, 2025=20%, 2026=10%

The Chemours Company FC, LLC
Chapter 313 Application to Ingleside ISD
Cummings Westlake, LLC

TAB 15

Economic Impact Analysis, other payments made in the state or other economic information (if applicable)

None

The Chemours Company FC, LLC
Chapter 313 Application to Ingleside ISD
Cummings Westlake, LLC

TAB 16

Description of Reinvestment Zone or Enterprise Zone, including:

- a) Evidence that the area qualifies as a enterprise zone as defined by the Governor's office*
- b) Legal description of reinvestment zone**
- c) Order, resolution, or ordinance established the reinvestment zone**
- d) Guidelines and criteria for creating the zone**

Attached

Property Description
DuPont Petroleum

Beginning at a point based on DuPont Plant Coordinates of N 56 degrees 00 minutes and E 45 degrees 50 minutes, in the T. T. Williamson Abstract Number AB-293, 474.46 acre tract, San Patricio County, Texas, and running THENCE from said point of beginning:

THENCE going in an eastwardly direction 500.0 feet to a point with DuPont plant coordinates N 56 degrees 00 minutes and E 55 degrees 50 minutes marking the south most southeastern corner of said plot,

THENCE 550 feet in a northwardly direction to DuPont plant coordinates N 61 degrees 50 minutes and E 55 degrees 50 minutes marking the north most northeasterly corner of said plot,

THENCE in a westward direction 500 feet to a point with DuPont plant coordinates N 61 degrees 00 minutes and E 45 degrees 50 minutes marking the north most westerly corner of said plot,

THENCE South 550 feet to the point and place of beginning.

THENCE South 89 degrees 59 minutes 16 seconds West, a distance of 1508.60 feet;

THENCE North 00 degrees 00 minutes 45 seconds West, a distance of 1350.57 feet to the PLACE OF BEGINNING, containing 147.7736 acres.

REFERENCE is hereby made to the plat titled "MAP OF A 147.7736 ACRE TRACT" dated August 30, 2013.

THE STATE OF TEXAS

COMMISSIONERS' COURT

COUNTY OF SAN PATRICIO

RESOLUTION
ORDER FOR DESIGNATION OF REINVESTMENT ZONE

WHEREAS, the San Patricio County Commissioner's Court has determined that the economic well being of San Patricio County is of primary concern to the Commissioners' Court, and;

WHEREAS, Chapter 312 Texas Tax Code, known as the Texas Property redevelopment and Tax Abatement Act Provides that San Patricio County has the authority to create reinvestment zones within the County for the purpose of economic development, and;

WHEREAS, DuPont has requested the designation of a reinvestment zone for purposes of tax abatement of real property for the purposes of economic development as defined under the Texas Property Redevelopment and Tax Abatement Act, and;

WHEREAS, on the 30th day of January, 2014, proper notice was published, stating that a public hearing would be conducted by the San Patricio County Commissioners' Court on the 10th day of February 2014, to consider the request by DuPont to have property herein described in Exhibit A designated as a reinvestment zone, and;

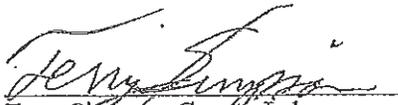
WHEREAS, it is the finding of the Commissioners' Court of San Patricio County that the creation of a reinvestment zone for the above stated property would be a benefit to the said property and the development anticipated to occur in the proposed zone would contribute to the economic development of San Patricio County, and;

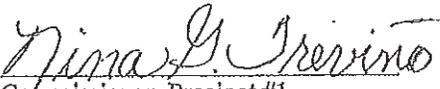
WHEREAS, it is the finding of the Commissioners' Court of San Patricio County that the designation of the reinvestment zone would contribute to the retention or expansion of primary employment within San Patricio County, and;

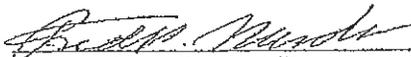
WHEREAS, it is the finding of the Commissioners' Court of San Patricio County that the designation of the reinvestment zone would attract major investment in the zone, and;

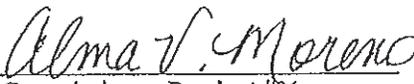
WHEREAS, the above stated property is not in the taxing jurisdiction of an incorporated municipality;

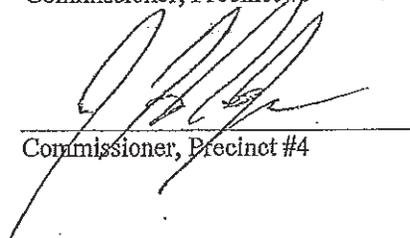
BE IT THEREFORE ORDERED that the Commissioners' Court of San Patricio County designates as a reinvestment zone, property herein described in Exhibit "A" pursuant to the authority contained in Section 312.401 of the Texas Property Redevelopment and Tax Abatement Act.


Terry Simpson, County Judge
San Patricio County, Texas


Commissioner, Precinct #1


Commissioner, Precinct #2


Commissioner, Precinct #3


Commissioner, Precinct #4

GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENT

WHEREAS, the attraction of long-term investment and the establishment of new jobs in the area would enhance the economic base of area taxing entities; and

WHEREAS, San Patricio County must compete with other counties across the nation currently offering tax inducements to attract new plant and modernization projects, and studies have shown that a favorable local tax climate and start-up tax concessions rank second on the list of priorities for new plant installations or expansions; and

WHEREAS, tax abatement is one of the principal means by which the public sector and the private sector can forge a partnership to promote real economic growth within a community; and

WHEREAS, any tax incentives offered must be strictly limited in application to those new and existing industries that bring new wealth to the community in order to avoid reducing the needed tax revenues of area taxing entities; and

WHEREAS, the Property Redevelopment and Tax Abatement Act (The "Act"), Chapter 312 of the Texas Tax Code authorizes counties, cities and school districts to provide property tax abatement for limited periods of time as an inducement for the development or redevelopment of a property; and

WHEREAS, the Act requires eligible taxing jurisdictions to establish Guidelines and Criteria as to eligibility for tax abatement agreements prior to granting any future tax abatement, said Guidelines and Criteria to be unchanged for a two-year period unless amended by a three-fourths vote; and

WHEREAS, to assure a common, coordinated effort to promote economic development, these Guidelines and Criteria have been circulated among San Patricio County and other governmental entities for consideration as a common policy for all jurisdictions which choose to participate in tax abatement agreements;

NOW, THEREFORE, BE IT RESOLVED by the County of San Patricio that these Guidelines and Criteria for granting tax abatement be adopted:

Section 1. **Definitions.**

(a) "Abatement" means the temporary, full or partial exemption from ad valorem taxes of certain added value to real and personal property in a zone designed for economic development purposes pursuant to the Act. It does not however include any portion of the Property Tax collected for the County Special Road and Bridge Tax Fund.

(b) "Added Value" means the increase in the assessed value of an eligible property as a result of "expansion" or "modernization" of an existing facility or construction of a "new facility." It does not mean or include "deferred maintenance."

(c) "Agreement" means a contract between a property owner and/or lessee and an Eligible jurisdiction for the purposes of temporary tax abatement.

(d) "Base Year Value" means the assessed value of eligible property as of the January 1 preceding the execution of an Agreement plus the agreed upon value of eligible property improvements made after January 1 but before the execution of the Agreement.

(e) "Basic Industrial, Manufacturing or Service Facility" means buildings and structures, including fixed machinery and equipment not elsewhere described, used or to be used for the production of products or services which derive a majority of revenue from points beyond a 50-mile radius of San Patricio County.

(f) "Deferred Maintenance" means improvements necessary for continued operations which do not improve productivity or alter the process technology.

(g) "Economic Life" means the number of years a property improvement is expected to be in service in a Facility.

(h) "Eligible Jurisdiction" means San Patricio County and any municipality or school district, the majority of which is located in San Patricio County, that levies ad valorem taxes upon and provides services to property located within the proposed or existing zone designated pursuant to the Act.

(i) "Expansion" means the addition of buildings, structures, fixed machinery or equipment for the purposes of increasing capacity.

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

(k) "Modernization" means the replacement and upgrading of existing facilities which increase the productive input or output, updates the technology or substantially lowers the unit cost of the operation, and extends the economic life of the facilities. Modernization may result from the construction, alteration or installation of buildings, structures, fixed machinery or equipment. It shall not be for the purpose of reconditioning, refurbishing, repairing or completion of deferred maintenance.

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

(m) "Owner" means the owner of a Facility subject to abatement. If the Facility is constructed on a leased property, the owner shall be the party which owns the property subject to tax abatement. The other party to the lease shall join in the execution of Agreement but shall not be obligated to assure performance of the party receiving abatement.

Section 2. Abatement Authorized.

(a) Authorized Facilities. A Facility may be eligible for abatement if it is a Basic Industrial, Manufacturing or Service Facility. Abatement may be granted for new facilities and

improvements to existing facilities for the purpose of Modernization or Expansion.

(b) Tangible Personal Property. Equipment and/or tools used, or brought or leased for use, in the operations of the business applying for tax abatement, other than that which was located on the real property at any time before the period covered by the tax abatement agreement, and other than inventory, supplies, and/or office equipment.

(c) Creation of New Value. Abatement may only be granted for the additional value of eligible property improvements made subject to and listed in an abatement Agreement between the Eligible jurisdiction and the property owner and lessee (if required), subject to such limitations as said jurisdiction may require. The economic life of the improvements must exceed the term of the abatement Agreement.

(d) Eligible Property. Abatement may be extended to the value of the improvements to real property, including buildings, structures, fixed machinery and equipment, and site improvements, plus that office space and related fixed improvements necessary to the operation and administration of the Facility. Abatements may also extend to tangible personal property that is located within the zone.

(e) Period of Abatement. Abatement shall be granted effective with the January 1 valuation date immediately following the date of execution of the Agreement. Abatement shall be allowed for a period up to five (5) years.

(f) Abatement Percentage. Temporary property tax abatement shall be authorized for the development of a Facility or the addition of tangible personal property that meets either a qualification criteria of capital investment or a qualification criteria based upon a combination of the number of new jobs created plus salary.

(g) County Special Road and Bridge Tax Fund. It is not the intent of the Commissioners Court to grant an abatement of any portion of the Property Tax collected for County Special Road and Bridge Tax Fund. Thus any abatement of Property Tax granted by the Commissioners Court shall not include County Special Road and Bridge Tax.

(h) Wage Requirement. In order to count as a permanent full-time job under this tax abatement program, the job should provide a wage for the employee that is at least equal to the County average for that NAICS for the principal job duties. The County has the right to adjust the wage target under these Guidelines and insert a specific target in each property Agreement to govern the abatement offered under that Agreement.

(1) The capital investment qualification criteria is as follows and includes the "Wage Requirement" as defined above:

| Capital Investment | Abatement Level |
|--------------------------------|-----------------|
| \$50,000,001 to \$150,000,000 | Level 1 |
| \$150,000,001 to \$500,000,000 | Level 2 |

| | |
|--------------------|---------|
| Over \$500,000,000 | Level 3 |
|--------------------|---------|

(2) The combination of new jobs and salary criteria is as follows:

| | Salary \$35,000 to \$50,000 | Salary \$50,001 to \$70,000 | Salary Over \$70,000 |
|----------------------|--------------------------------|--------------------------------|-------------------------|
| 20 to 99 New Jobs | Level 1 | Level 2 | Level 3 |
| 100 to 199 New Jobs | Level 1 | Level 2 | Level 3 |
| 200 or more New Jobs | Level 1 | Level 2 | Level 3 |

(3) Upon compliance with the above criteria, the percentage of tax abated shall be in accordance with the following schedule:

| Year | Level 1 | Level 2 | Level 3 |
|--------|---------|---------|---------|
| Year 1 | 60% | 80% | 100% |
| Year 2 | 50% | 70% | 90% |
| Year 3 | 40% | 60% | 80% |
| Year 4 | 30% | 50% | 70% |
| Year 5 | 20% | 40% | 60% |

(4) In order to be counted as a permanent job under these Guidelines, the job must be a full-time position providing regular work schedules of at least 35 hours per week; the employer must cover 100% of the employee's health insurance costs and minimally pay the Wage Requirement. Any jobs not paying the Wage Requirement, or filled by H1B and H2B workers or filled by workers whose health insurance cost is not 100% covered by their employer, will be excluded as permanent jobs. The percentage of abatement provided each year under the Agreement shall be based upon the employment information as of January 1 of such year. As a result, the actual amount of abatement may vary from year to year based upon employment levels and property valuations.

(5) During the period of construction of the Facility, the Owner shall receive an abatement percentage based upon the criteria set forth in the Owner's application for abatement as approved by the governing body of the Eligible jurisdiction. The construction period may last up to 180 days after the date the Abatement is approved by the Commissioners Court.

(6) An example of a Level 2 Abatement: Company A has an abatement Agreement entered 12/1/2014 and projects to create 250 permanent jobs at a \$50,000 to \$55,000 salary average. If the actual experience of Company A involves fluctuating job and salary levels, the actual abatement under the Agreement could follow the following pattern:

| <u>Year</u> | <u>New Jobs</u> | <u>Salary Level</u> | <u>Abatement Percentage</u> | <u>Abatement Level</u> |
|-------------|-----------------|---------------------|-----------------------------|------------------------|
| 1/1/15* | 75 | \$50,500 | 80% | Level 2 |
| 1/1/16 | 100 | \$53,000 | 70% | Level 2 |
| 1/1/17 | 150 | \$55,000 | 60% | Level 2 |
| 1/1/18 | 200 | \$60,000 | 50% | Level 2 |
| 1/1/19 | 250 | \$65,000 | 40% | Level 2 |

*Construction Underway

(g) Properties in Industrial Districts. For eligible property to be constructed in an area which is covered by an executed industrial district agreement with San Patricio County, the method of calculating payments in lieu of property taxes for such eligible property shall be as set forth in the industrial district agreement. As an alternative to an industrial district agreement, an eligible property may be covered by a tax abatement agreement, but such shall constitute an election by the Owner that the land and improvements shall not be included within the type of industrial district arrangement following the expiration of the tax abatement agreement.

(h) Economic Qualification. In order to be eligible for tax abatement, the planned improvement:

- (1) must create no later than the January 1 following the completion of construction and maintain throughout the remainder of the term of the Agreement the minimum number of 20 permanent jobs in San Patricio County;
- (2) must not adversely affect competition in the local market with established local businesses.

(i) Taxability. From the execution of the Agreement to the end of the abatement period, taxes shall be payable as follows:

- (1) The value of any property other than Eligible Property shall be fully taxable (except for personal property added in connection with a Rehabilitation Project);
- (2) The Base Year Value of existing Eligible Property as determined each year shall be fully taxable; and
- (3) The Added Value of new Eligible Property shall be taxable in the manner described in Section 2(f) above.

Section 3. Application

(a) Written Application. Any present or potential owner of taxable property may request tax abatement by filing a written application with: (i) the City Manager of the City, if such property is within the city limits, or (ii) the County Judge of San Patricio County, if such property is in the unincorporated areas of San Patricio County.

(b) Contents of Application. The application shall consist of a completed application form accompanied by: a general description of the new improvements to be undertaken; a descriptive list of the improvements for which abatement is requested; a list of the kind, number and location of all proposed improvements of the property; a map and property description; and a time schedule for undertaking and completing the proposed improvements. In the case of a Modernization or Expansion project, a statement of the assessed value of the Facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application. The application form may require such financial and other information as the County or other Eligible jurisdiction, as applicable, deems appropriate for evaluating the financial capacity and other relevant factors of the applicant.

(c) Written Notification to Governing Bodies. Upon receipt of a completed application, the City Manager or County Judge, as the case may be, shall forward a copy of the application to the presiding officer of the governing body of each Eligible jurisdiction having jurisdiction of the property covered by the application.

(d) Feasibility. After receipt of an application for abatement, the City or the County, as applicable, shall consider the feasibility and the impact of the proposed tax abatement. The study of feasibility shall include, but not be limited to, an estimate of the economic effect of the abatement of taxes and the benefit to the Eligible jurisdiction and the property to be covered by such abatement.

(e) No Abatement if Construction has Commenced. No tax abatement Agreement shall be approved if the application for the abatement was filed after the commencement of construction, alteration or installation of improvements related to the proposed Modernization, Expansion or New Facility.

(f) Variance. Requests for variance from the provisions of Section 2 may be made in written form, provided, however, that no variance may extend the term of abatement beyond ten years after completion of construction. Such requests shall include a complete description of the circumstances explaining why the applicant should be granted a variance. Approval of a request for variance requires a three-fourths (3/4) vote of the governing body of each Eligible jurisdiction providing abatement.

Section 4. **Public Hearing and Approval.**

(a) Designation of Zone. A resolution designating a zone for tax abatement under the Act may not be adopted by the City or the County until a public hearing has been held at which interested persons are entitled to speak and present evidence for or against the designation. Notice of the hearing shall be provided to each Eligible jurisdiction and to the public in the manner required by the Act.

(b) Required Findings. In order to enter into a tax abatement Agreement, the County, the City and any school district must find that the terms of the proposed Agreement meet these Guidelines and Criteria.

(c) Reservation of Rights. Nothing herein shall be construed to limit the authority of the City, the County or any other jurisdiction to examine each application for tax abatement before it on a case-by-case basis and determine in its sole and absolute discretion whether or not the proposed project should be granted temporary tax abatement and whether or not it complies with these Guidelines and Criteria, is feasible, and whether or not the proposed temporary abatement of taxes will inure to the long-term benefit of such Eligible jurisdiction.

Section 5. Agreement.

- (a) Contents of Tax Abatement Agreement. The tax abatement Agreement with the Owner of the Facility shall include:
- (1) the estimated value to be subject to abatement and the Base Year Value;
 - (2) the percentage of value to be abated each year as provided in Section 2(f);
 - (3) the commencement date and termination date of abatement;
 - (4) a provision that the term of the Agreement shall extend until five (5) years after the expiration of the period of tax abatement;
 - (5) the proposed use of the Facility, nature of construction, time schedule, map, property description and improvements list as provided in the application as required;
 - (6) the contractual obligations in the event of default, delinquent taxes, recapture, administration and assignment as provided in these Guidelines or other provisions that may be required for uniformity or by state law; and
 - (7) the amount of Added Value and required number of permanent jobs.
- (b) Time of Execution. The tax abatement Agreement shall normally be executed within 60 days after the applicant has provided all necessary information and documentation.
- (c) Attorney's Fees. In the event any attorney's fees are incurred by the Eligible jurisdiction in the preparation of a tax abatement Agreement, said fees shall be paid by the applicant upon execution of the Agreement.

Section 6. Recapture.

- (a) Failure to Commence Operations During Term of Agreement. In the event that the Facility is not completed and does not begin operation with the minimum number of 20 permanent jobs by the January 1 following the completion of construction, no abatement shall be given for that tax year, and the full amount of taxes assessed against the property shall be due and payable for that tax year. In the event that the Owner of such a Facility fails to begin operation with the minimum number of 20 permanent jobs by the next January 1, then the abatement Agreement shall terminate and all abated taxes during the period of construction shall be recaptured and paid within 60 days of such termination.
- (b) Discontinuance of Operations During Term of Agreement. In the event the Facility is completed and begins operation with the required minimum number of 20 permanent jobs but subsequently discontinues operations and the minimum number of 20 permanent jobs is not

maintained during any four (4) consecutive weeks during the term of the Agreement after the completion of construction, for any reason except on a temporary basis due to fire, explosion or other casualty or accident or natural disaster, the Agreement may be terminated by the Eligible jurisdiction providing abatement, and all taxes previously abated by virtue of the Agreement shall be recaptured and paid within 60 days of such termination.

- (c) Delinquent Taxes. In the event that the Owner allows its ad valorem taxes to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest, the Agreement shall terminate and so shall the abatement of the taxes for the tax year of the delinquency. The total taxes assessed without abatement, for that tax year shall be paid within 60 days from the date of termination.
- (d) Notice of Default. Should the Eligible jurisdiction providing abatement determine that the Owner is in default according to the terms and conditions of its Agreement, it shall notify the Owner in writing at the address stated in the Agreement that if such is not cured within 60 days from the date of such notice (the "Cure Period"), then the Agreement may be terminated. In the event the Owner fails to cure said default during the Cure Period, the Agreement may be terminated and the taxes abated by virtue of the Agreement will be recaptured and paid as provided herein.
- (e) Actual Capital Investment. Should the Eligible jurisdiction providing abatement determine that the total level of capital investment in eligible property is lower than provided in the Agreement, the difference between the tax abated and the tax which should have been abated based upon the actual capital investment as determined shall be paid to the taxing agencies within 60 days of notification to the Owner of such determination.
- (f) Reduction in Rollback Tax Rate. If during any year of the period of abatement with respect to any property any portion of the abated value which is added to the current total value of the Eligible jurisdiction but is not treated as "new property value" (as defined in Section 26.012 (17) of the Texas Tax Code) for the purpose of establishing the "effective maintenance rate" in calculating the "rollback tax rate" in accord with Section 26.04(c)(2) of the Texas Tax Code and if the Eligible jurisdiction's budget calculations indicate that a tax rate in excess of the "rollback tax rate" is required to fund the operations of the Eligible jurisdiction for the succeeding year, then the Eligible jurisdiction shall recapture from the taxpayer a tax in an amount equal to the lesser of the following:
 - (1) The amount of the taxes abated for that year by the Eligible jurisdiction with respect to such taxpayer.
 - (2) The amount obtained by subtracting the rollback tax rate computed without the abated property value being treated as new property value from the rollback tax rate computed with the abated property value being treated as new property value and multiplying the difference by the total assessed value of the Eligible jurisdiction.

If the Eligible jurisdiction has granted an abatement of taxes to more than one taxpayer, then the amount of the recapture calculated in accord with subparagraph (2) above shall be prorated on the basis of the amount of the abatement with respect to each taxpayer.

All recaptured taxes must be paid within thirty (30) days after notice thereof has been given to the affected taxpayer. Penalty and interest shall not begin to accrue upon such sum until the first day of the month following such thirty (30) day notice, at which time penalty and interest shall accrue in accord with the laws of the State of Texas.

- (g) Continuation of Tax Lien. The amount of tax abated each year under the terms of these Guidelines and the Agreement shall be secured by a first and prior tax lien which shall continue in existence from year to year throughout the entire term of the Agreement or until all taxes, whether assessed or recaptured, are paid in full.
- (h) Automatic Termination. The Agreement shall automatically terminate on and as of the date any of the following events occur: the filing of a petition in bankruptcy by Owner; or the making by the Owner of an assignment for the benefit of creditors; or if any involuntary petition in bankruptcy or petition for an arrangement pursuant to the federal bankruptcy code is filed against the Owner; or if a receiver is appointed for the business of the Owner. In the event of automatic termination for any of the above reasons, the prior notice of default provisions in subsection (d) above shall not apply.

Section 7. Administration.

- (a) Annual Assessment. The San Patricio County Appraisal District shall annually determine an assessment of the real and personal property subject to an Agreement. Each year, the Owner shall furnish the Appraisal District with such information as may be necessary for the abatement. Once value has been established, the Appraisal District shall notify the affected jurisdictions which levy taxes of the amount of the assessment and the abatement.
- (b) Access to Facility. The Agreement shall stipulate that employees and/or designated representatives of the Eligible jurisdiction will have access to the Facility during the term of the Agreement to inspect the Facility to determine if the terms and conditions of the Agreement are being met. All inspections will be made only after giving 24 hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the Facility. All inspections will be made with one or more representatives of the Owner and in accordance with its safety standards.
- (c) Annual Evaluation. Upon completion of construction, the Eligible jurisdiction individually or in conjunction with other affected jurisdictions, shall annually evaluate each Facility receiving abatement to ensure compliance with the Agreement and report possible violations of the Agreement.
- (d) Annual Reports. The Owner shall certify to the governing body of the Eligible Jurisdiction on or before April 1 each year that the Owner is in compliance with each applicable term of the

agreement. Additionally, during the initial four years of the term of property tax abatement, the Owner shall provide to the Eligible Jurisdiction approving the abatement an annual report covering those items listed on Schedule 1 in order to document its efforts to acquire goods and services on a local basis. Such annual report shall be prepared on a calendar year basis and shall be submitted to the Eligible jurisdiction no later than ninety (90) days following the end of each such calendar year. The annual report shall be accompanied by an audit letter prepared by an independent accounting firm which has reviewed the report.

- (e) “Buy Local” Provisions. Each recipient of property tax abatement shall additionally agree to give preference and priority to local manufacturers, suppliers, contractors and labor, except where not reasonably possible to do so without 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 such recipient shall further acknowledge that it is a legal and moral obligation of persons receiving property tax abatements to favor local manufacturers, suppliers, contractors and labor, all other factors being equal. For the purposes of this provision, the term “local” as used to describe manufacturers, suppliers, contractors and labor shall include firms, businesses, and persons who reside in or maintain an office in either San Patricio County, Aransas County or Nueces County. In the event of a breach of the buy-local provision, the percentage of abatement shall be proportionately reduced equal to the amount the disqualified contract bears to the total construction cost for the project.
- (f) Right to Modify or Cancel. Notwithstanding anything herein or in any agreement to the contrary, the governing body of the Eligible Jurisdiction may cancel or modify the agreement if the Owner fails to comply with the Agreement.

SCHEDULE 1

“Buy Local” Annual Reports

The following information shall be reported to the Governmental Unit on a calendar-year basis during the first four years of the tax abatement program:

1. Dollar amount spent for materials* (local).
2. Dollar amount spent for materials* (total).
3. Dollar amount spent for labor** (local).
4. Dollar amount spent for labor** (total).
5. Number of jobs created in the construction project (local).
6. Number of jobs created in the construction project (total).
7. Number of jobs created on a permanent basis (local).
8. Number of jobs created on a permanent basis (total).

* “Materials” is defined to include all materials used in excavation, site improvement, demolition, concrete, structural steel, fire proofing, piping, electrical, instruments, paintings and scaffolding, insulation, temporary construction facilities, supplies, equipment rental in construction, small tools and consumables. This term does not include major items of machinery and equipment not readily-available locally.

** “Labor” is defined to include all labor in connection with the excavation, site improvement, demolition, concrete construction, structural steel, fire proofing, equipment placement, piping, electrical, instruments, painting and scaffolding, insulation, construction services, craft benefits, payroll burdens, and related labor expenses. This term does not include engineering services in connection with the project design.

The term “local” as used to describe manufacturers, suppliers, contractors and labor shall include firms, businesses, and persons who reside in or maintain an office in either San Patricio County, Aransas County, or Nueces County.

APPLICATION FOR TAX ABATEMENT IN SAN PATRICIO COUNTY

INSTRUCTIONS:

Applicants and projects must meet the requirements established by the San Patricio County Guidelines and Criteria in order to receive positive consideration. Section 2 of the Guidelines sets out regulations governing eligible facilities, eligible and ineligible improvements, terms, and economic qualifications. Conformance with all applicable sections is required for eligibility.

APPLICANTS INFORMATION:

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

PROJECT INFORMATION:

Only facilities listed in Section 2(a) of the Guidelines may receive abatement without applying for a variance. Check guideline definitions in Section 1 to see if the project qualifies. If the project is a Regional Entertainment Facility or other Basic Industry, the application should include market studies, business plans, agreements or other materials demonstrating that the facility is intended to serve a market the majority of which is substantially outside of the San Patricio County region.

ECONOMIC INFORMATION

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

Estimated appraised Value 'on Site.' The value January 1 preceding abatement should be the value established by the San Patricio County Appraisal District. If the applicant must estimate value because the taxable value is not known or is combined with other properties under a single tax account, please so state. To qualify, the abated properties must be expected to result in an addition to the tax base of at least two million dollars after the period of abatement expires. Projections of value should be a "best estimate" based on taxability in Texas. The projection of project values not abated should include personal property and ineligible project-related improvements such as office space in excess of that used for plan administration, housing, etc.

Applications for Tax Abatement in San Patricio County Fill-in Instructions

This application should be filed at least THIRTY (30) DAYS prior to the beginning of construction or the installation of equipment. This application will become a part of any later agreement or contract and known false representations thereon will be grounds for the voiding of any later agreement or contract .

ORIGINAL COPY OF THIS APPLICATION AND ATTACHMENTS SHOULD BE SUBMITTED

To: San Patricio County Judge-- 400 W. Sinton Street, Room 109, Sinton, TX 78387

APPLICANT INFORMATION

Submittal Date

Company Name

Company Address

Company Phone

Contact of this Project

Number employed

Annual Sales Per Year

Annual Report Submitted? Yes _____ No _____ (See instructions)

Type of Structure: Corporation () Partnership () Proprietorship ()

PROJECT INFORMATION

Type of Facility to be abated: Manufacturing () Regional Distribution () Regional Service ()
Regional Entertainment Center () Research () Other ()
Basic Industry () Multi-family housing ()

Proposed Facility Address and Legal Description:
Attach map showing site

School District _____

Other District(s) ___ drainage

City _____

Describe product or service to be provided
This application is for new construction () expansion () Modernization ()

Project Description:

Please attach a statement fully explaining the project: describing the site and existing improvements; describing all proposed improvements; providing a list of improvements and fixed equipment for which abatement is requested. Equipment list attached.

ECONOMIC AND IMPACT INFORMATION

Permanent Employment Estimates

If any existing Facility, please present a report indicating the total number of permanent employees at the Facility on the first day of each month for the past twelve months.

Estimated Number of Plant Jobs Retained () Created () at Start

Estimated Operational Date and or opening of improvements

Construction and employment estimated

Construction Start (month/year) _____

Construction Completion (month/year) _____

Number of Construction jobs start _____ peak _____ finish _____

Number of Construction jobs per year _____

School District Impact Estimates

Number of families transferred to area _____

Number of children added to ISD _____

City Impact Estimates

Volume of treated water required from city _____

Volume of effluent to be treated by city _____

Estimated Appraised Value on Site

Land

Personal Property

Improvements

Valuations January 1

Preceding abatement \$ _____ \$ _____ \$ _____

Value, upon completion of project, of personal property and improvements not subject to abatements:

\$ _____ \$ _____ \$ _____

Estimated value of eligible improvements after abatement agreement expires: \$ _____

Variance:

Is a variance being sought under Section 3 (f) of the Guidelines?

_____ Yes _____ No

If "yes" attach any supplementary information required. Letter attached asking for variance

Other Agreement Applications

Has the company made application for abatement of this project to other taxing jurisdictions within the San Patricio County?

_____ Yes _____ No

To other taxing jurisdictions or counties?

_____ Yes _____ No

If "yes," please provide dates of application; hearing dates; names of jurisdiction(s) and contact; and any letters of intent to abate.

COUNTY TAX ABATEMENTS

Property Redevelopment and Tax Abatement Act, Chapter 312 of the Texas Tax Code 312.001, *et seq.*

Procedure

- Adopt Guidelines and Criteria
- Pass Resolution declaring itself to be eligible to participate in abatements
- Establish Reinvestment Zone only after: (a) seven days advance notice published in local newspaper; (b) delivery of notice to presiding officer of governing bodies of taxing units within proposed reinvestment zone
- Finding by San Patricio County that: (a) improvements are feasible, practical and would benefit land within zone after expiration of agreement; and (b) reasonably likely to contribute to retention or expansion of primary employment or to attract major investment
- At least seven days prior to signing, give notice of intent to enter into agreement

The Abatement Agreement

- Contain a list of the kind, number and location of all proposed improvements;
- Provide access to and authorize inspection to ensure that the improvements are made according to the agreement;
- Limit the uses of the property consistent with encouraging development within the reinvestment zone;
- Provide for recapture of tax revenue lost if the owner fails to make the improvements;
- Contain each term agreed to by the owner;
- Require an annual certification by the owner to the governing body that owner is in compliance; and
- Provide that the governing body may cancel or modify the agreement if the owner fails to comply with the agreement.

Job Creation

Company agrees to create at least 20 permanent full time jobs at the Project and make reasonable efforts to employ persons who are residents of San Patricio County, Texas in such jobs; provided, however, that Company shall not be required to employ San Patricio County residents who are not (i) equally or more qualified than nonresident applicants; (ii) available for employment on terms and/or salaries comparable to those required by nonresident applicants or (iii) able to become qualified with 72 hours of training. In the event a San Patricio County resident could become qualified with a maximum of 72 hours of training, Company shall provide for such training. Each of the persons employed in such jobs shall perform a portion of their work in San Patricio County, Texas

Local Goods and Services

Company and its authorized vendors intend to make reasonable effort to purchase services and supplies from San Patricio County individuals and businesses during the construction of the Facility in San Patricio County, provided that such materials and supplies are of the same quality as those available from non-San Patricio County individuals or businesses and are available at comparable terms. Comparable terms shall mean a price that is less than or equal to 105% of the price of non-San Patricio County individual or businesses. Company will take reasonable steps to employ or have employed residents of San Patricio County, provided that such residents have the required skills and experience and are available at a competitive wage or salary, as applicable. In furtherance of that goal, the following provisions, or a reasonable derivation thereof, will be followed by Company.

Local Coordinator

Company or its construction contractor, if any, shall designate a coordinator of local services who will act as a liaison between any individuals, businesses and contractors residing or doing business in San Patricio County who are interested in obtaining information about providing goods or services related to the construction of the Project. Additionally, Company or its construction contractor, if any, shall advertise in local newspapers in San Patricio County for local contractors to perform work on the construction of the Project.

Protection of Roads

During construction of the Improvements, Company shall use commercially reasonable efforts to minimize the disruption to all public and San Patricio County roads caused by the construction of the Improvements and shall repair any damages caused to San Patricio County roads by the construction. The repairs shall be completed by Company in accordance with the published standards and specifications for road maintenance for other San Patricio County roads. Upon the completion of the construction, Company shall leave such public and San Patricio County roads in as close to the condition as they were prior to construction as is practicable, excepting normal wear and tear.

AG-0600

San Patricio County and Owner acknowledge that Texas Attorney General Opinion GA-0600, dated January 29, 2008, arguably may be interpreted to hold that certain provisions of Section 312 of the Texas Tax Code may not authorize a commissioners court to execute a tax abatement agreement for leasehold interests in or improvements on taxable real property, and that said opinion is currently under review and subject to challenge by interested parties. If, during the Term of this Agreement, should this Agreement, as a tax abatement agreement under Section 312 of the Texas Tax Code, or a similar tax abatement agreement wherein San Patricio County granted a tax abatement to the owner/operator of a renewable energy project using wind turbines be declared invalid or unenforceable under Texas law in a non-appealable judicial decision, then to the extent that taxes then previously abated hereunder shall be required by law to be repaid to San Patricio County, all taxes abated hereunder shall be due and payable within ninety (90) days of receipt of written notice/demand.

Maintain Viable Presence

Company agrees that it will maintain a Viable Presence within the Reinvestment Zone for a period of twenty (20) years from the date that the portion of the Facility located in San Patricio County has commenced commercial operations.

Viable Presence means (i) the operation of the Facility, as the same may from time to time be expanded, upgraded, improved, modified, and changed, remodeled, repaired, restored, reconstructed, reconfigured, and/or reengineered, over the term of this Agreement, and (ii) the retention over the term of this Agreement of not fewer than twenty (20) Qualifying Jobs to be located and performed within Company's entire project, which includes, but is not limited to, Company's Qualified Property, as set forth in the Application, with the minimum salaries required by Texas Tax Code 313.021 (3)(E). As its sole and exclusive remedy for Company's failure to Maintain a Viable Presence, San Patricio County shall be entitled to cancel this Agreement pursuant to the provisions hereof and to recapture property tax revenue abated as a result of this Agreement, subject to the provisions hereof regarding notice and Company's right to cure.

1.4 CITIZENS TO BE HEARD

No citizens to be heard present

1.5 CONSENT ITEMS

Commissioner Price made the motion seconded by Commissioner Moreno to accept, approve and record the following:

- a. Bond for District Clerk Laura Miller
- b. Tax Collector's activity report for the month of January 31, 2015
- c. Inter-local agreement between SPC Road & Bridge Pct. #3 and City of Lakeside for fiscal year 2015 (continue with same amount of \$10,000.00)
- d. Inter-local agreement between SPC Road & Bridge Pct. #3 and City of Odem for fiscal year 2015 (continue with same amount of \$10,000.00)
- e. Resolution approving the submission of the Juvenile Justice Alternative Grant to the Criminal Justice Division of the Governor's Office.

Supplemental Agenda

- f. Amendment to the San Patricio County Abatement Guidelines that were renewed and approved by Commissioner Court on December 9, 2013 (As provided to County judge's Office on February 12, 2015)

Motions Carried 5-0 See Commissioners' Court Exhibits Vol. 220 Pages 240-280

1.6 HEALTH DEPARTMENT

No reports this week

1.7 APPOINTMENTS TO THE COASTAL BEND COG/COUNCIL OF AGING

The Court appointed troy Nebalek as one of the three appointees to the Coastal Bend COG/Council of Aging. The Commissioner agreed to continue to find two more persons that maybe interested in serving on this board.

1.8 COURTHOUSE SNACKBAR

Commissioner Price made the motion seconded by Commissioner Trevino to authorize the County Auditor to work with the County Judge and advertise for proposals for the County Snack bar. Motion Carried 5-0

1.9 PURCHASE OFFER MADE TO SAN PATRICIO COUNTY FOR PRPOERTY LOCATED ON 1212 WEST WHEELER STREET ARANSAS PASS

This item will be taken up in closed session

1.10 GRANTING EMERGENCY EXCEPTION TO ALLOW APPLICATION OF DICAMBA (REGULAR HERBICIDE) AT GREATER THAN 20 PSI FOR RESEARCH PURPOSES AFTER MARCH 1 BUT BEFORE APRIL 1

Commissioner Price made the motion seconded by Commissioner Moreno to grant emergency exception to allow application of Dicamba (regular herbicide) at greater than 20 PSI for research purposes after March 1 but before April 1. Motion Carried 5-0

The Chemours Company FC, LLC
Chapter 313 Application to Ingleside ISD
Cummings Westlake, LLC

TAB 17

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