

**CHAPTER 312**  
**TAX ABATEMENT AGREEMENT**  
**BETWEEN**  
**THE CITY OF TEXAS CITY, TEXAS,**  
**GULF COAST AMMONIA LLC,**  
**EASTMAN CHEMICAL TEXAS CITY, INC,**  
**AND**  
**OILTANKING NORTH AMERICA, LLC**

STATE OF TEXAS	§	
	§	CITY OF TEXAS CITY, TEXAS
COUNTY OF GALVESTON	§	

This Chapter 312 Tax Abatement Agreement (“**Agreement**”) is made, entered, and executed by and among **EASTMAN CHEMICAL TEXAS CITY, INC.**, a Delaware corporation (“**Eastman**”); **OILTANKING NORTH AMERICA, LLC**, a Delaware limited liability company (“**Oiltanking**”), as the owners/lessors of parcels of the taxable real property located within the jurisdictional limits of the City of Texas City, Galveston County, Texas, and specifically located within the “Texas City Gulf Coast Reinvestment Zone No. 1” created pursuant to Ordinance No. 17-16 adopted on May 17, 2017, and as was subsequently amended by Ordinance No. 17-32 adopted on December 6, 2017 and Ordinance No. 19-23 adopted on August 7, 2019 (such reinvestment zone, the “**Reinvestment Zone**”, and such property specifically located within the Reinvestment Zone, the “**Property**”); **GULF COAST AMMONIA LLC**, a Delaware limited liability company (“**Company**”), which is the lessee of a portion of the Property and the owner of taxable property located within the Reinvestment Zone; and the **CITY OF TEXAS CITY, TEXAS**, a home rule municipality acting through its City Commission (“**City**”). The remaining portions of the Property not owned and leased to Company by Eastman and Oiltanking and located offshore are owned by the State of Texas.

The Company (a) leases a portion of the Property from Eastman pursuant to a Ground Lease dated November 27, 2017, and evidenced by a Memorandum of Lease

filed and recorded in the Official Public Records of Galveston County, Texas, with instrument number 2017073144, as amended (b) may subsequently elect to relinquish some of the Property leased from Eastman and enter into a ground lease with Oiltanking for additional Property and (c) will enter into leases with the State of Texas (acting by and through the Commissioner of the General Land Office, on behalf of the Permanent School Fund of the State of Texas) for the portions of the Property located offshore (the “**GLO Leases**”). Company and the City are sometimes jointly referred to herein as the “Parties” and sometimes individually referred to as a “Party.”

**AIR PRODUCTS AND CHEMICALS, INC.**, or its Affiliate (“**Air Products**”) may subsequently execute the Joinder attached to this Agreement as Exhibit G and join as a Party to this Agreement pursuant to Section 12.2.

Eastman and Oiltanking are executing this Agreement and are Parties to this Agreement solely in their capacity as owners/lessors of portions of the Property and for the sole purpose of acknowledging and agreeing to Company’s execution of this Agreement.

This Agreement is made and entered into between the Parties in conjunction with a Chapter 380 Economic Development Agreement executed pursuant to Chapter 380 of the Texas Local Government Code and for the purpose of encouraging the development of primary employment and attracting major economic investments to the City.

## I. **AUTHORIZATION**

1.1. This Agreement is authorized by the Texas Property Redevelopment and Tax Abatement Act, Texas Tax Code, (“**Tax Code**”) Chapter 312, V.T.C.A., as amended, and by authorization of the City for property located within a municipal Reinvestment Zone and constitutes the valid and binding obligation of the City from and after execution hereof by all Parties. Company’s execution and performance of this Agreement has been duly authorized and constitutes the valid and binding obligation of Company from and after execution hereof by all Parties. Eastman’s execution and performance of this Agreement has been duly authorized and constitutes the valid and binding obligation of Eastman from and after execution hereof by all Parties. Oiltanking’s execution and performance of

this Agreement has been duly authorized and constitutes the valid and binding obligation of Oiltanking from and after execution hereof by all Parties.

## II. CONDITIONS PRECEDENT

2.1. The City of Texas City properly complied with the notice and public hearing requirements for the designation of a reinvestment zone pursuant to Sec. 312.201 of the Texas Property Tax Code and did thereby designate the Texas City Gulf Coast Reinvestment Zone No. 1 (i.e. the Reinvestment Zone) by Ordinance No. 17-16 adopted on May 17, 2017, and as was subsequently amended by Ordinance No. 17-32 adopted on December 6, 2017 and Ordinance No. 19-23 adopted on August 7, 2019 (collectively the “**Reinvestment Zone Ordinances**”) attached hereto as Exhibit A. The City properly approved the Company’s Tax Abatement Application (“**Abatement Application**”) which is attached hereto as Exhibit B and authorized the City to enter into this Agreement with Company for the abatement of certain ad valorem taxes pursuant to Chapter 312 of the Tax Code, as provided in this Agreement as evidenced by Resolution No. 19-088 adopted on September 18, 2019 (“**Abatement Resolution**”), which is attached hereto as Exhibit C. The Parties agree that the recitations, findings, and representations contained in the Reinvestment Zone Ordinances, the Abatement Application, and the Abatement Resolution adopted by the City are true and correct and are hereby incorporated into this Agreement by reference. In the event of any conflict between the terms of this Agreement and the terms of the Abatement Application, the terms of this Agreement shall control and the terms of the Abatement Application shall be automatically amended to conform to the terms of this Agreement.

2.2 The execution of this Chapter 312 Agreement is contingent upon the execution of a Chapter 380 Economic Development Agreement between the City and Company contemporaneously herewith.

## III. DEFINITIONS, GUIDELINES & CRITERIA

3.1. As used in this Agreement, the following terms shall have the meanings set forth below:

- a. The “**2019 Certified Appraised Value**” means the January 1, 2019 value of all taxable property located within the Texas

City Gulf Coast Reinvestment Zone No. 1 as certified by the Galveston Central Appraisal District as of that date.

- b. **“Improvements”** means the buildings or portions thereof and other improvements, including fixed machinery, equipment and process units, used for commercial or industrial purposes that are constructed by Company or Air Products on the Property after January 1, 2020.
- c. **“Construction Phase”** means a material and substantial improvement of the Property which represents a separate and distinct construction operation undertaken for the purpose of constructing the Improvements. The period of Construction Phase ends when commercial production of “on-specification” product is achieved at or by the Improvements, as defined below.
- d. **“Abatement”** means the full or partial exemption from ad valorem taxes of all taxable property in the Reinvestment Zone designated for economic development purposes.
- e. **“Eligible Abatement Property”** means the buildings, structures, fixed machinery, equipment and process units and improvements necessary to the operation and administration of the Improvements constructed, installed or moved on the Property after the date of execution of this Agreement. A list of Eligible Abatement Property is set forth in the Abatement Application. During the Construction Phase of the Improvements, Company may make such change orders relating to the construction of such Improvements as are reasonably necessary to accomplish their intended use.
- f. **“Ineligible Abatement Property”** means land, inventories, supplies, tools, furnishings, and other forms of movable personal property, including but not limited to, vehicles, vessels, aircraft, housing, hotel accommodations, deferred maintenance investments, improvements for the generation or transmission of electrical energy not wholly consumed by a new facility or expansion, and any improvements including those to produce, store, or distribute natural gas, fluids or gases, which are not necessary to the operation of the Improvements and that has an economic life of less than fifteen (15) years.
- g. **“Affiliate”** of any person or entity identified in this Agreement means any other person or entity which, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under direct or indirect common control with such

specified person or entity. For purposes of this definition, the term “**control**” when used with respect to any person or entity in conjunction with the term “affiliate” means (i) the ownership, directly or indirectly, of fifty percent (50%) or more of the voting securities of such person or entity, or (ii) the right to direct the management or operations of such person or entity, directly or indirectly, whether through the ownership (directly or indirectly) of securities, by contract or otherwise, and the terms “controlling” and “controlled” have meanings correlative to the foregoing term “**control**” as herein defined.

- h. “**Force Majeure**” means an event or occurrence caused by (i) provisions of law, or the operation or effect of rules, regulations or orders promulgated by any governmental authority having jurisdiction over Company or the Project; (ii) any demand or requisition, arrest, order, request, directive, restraint or requirement of any government or governmental agency whether federal, state, military, local or otherwise; (iii) the action, judgment or decree of any court having competent jurisdiction; (iv) floods, storms, hurricanes, evacuation due to threats of hurricanes, lightning, earthquakes, washouts, high water, fires, sinkholes, evacuation due to threats of sinkholes, acts of God or public enemies, wars (declared or undeclared), blockades, epidemics, riots or civil disturbances, insurrections, strikes, labor disputes (it being understood that nothing contained in this Agreement shall require Company to settle any such strike or labor dispute), explosions, breakdown or failure of plant, machinery, equipment, lines of pipe or electric power lines (or unplanned or forced outages or shutdowns of the foregoing for inspections, repairs or maintenance), inability to obtain, renew or extend (over which the Company has no reasonable control) franchises, licenses or permits, loss, interruption, curtailment, failure or inability to obtain (over which the Company has no reasonable control) electricity, gas, steam, water, wastewater disposal, waste disposal or other utilities or utility services, inability to obtain or failure of suppliers to deliver equipment, parts or material, or inability of Company to ship or failure of carriers to transport electricity from Company’s facilities; or (v) any other cause (except financial), whether similar or dissimilar, over which Company has no reasonable control and which forbids or prevents performance.

3.2. The tax abatement guidelines and criteria for granting tax abatements within the jurisdictional limits of the City, which the City adopted on June 19, 2019 by Resolution No. 19-056, which is attached hereto as Exhibit D and incorporated herein by reference

and made a part hereof, are applicable to this Agreement and are incorporated herein by reference, together with any applicable amendments (“**City Guidelines and Criteria**”). The City has determined that the terms of this Agreement and the Property subject to this Agreement meet or otherwise satisfy the applicable City Guidelines and Criteria for granting tax abatements and all other terms and conditions as established by the City.

**IV. SUBJECT PROPERTY**

4.1. The Texas City Gulf Coast Reinvestment Zone No. 1, as designated by the Reinvestment Zone Ordinances is an area within the jurisdictional limits of the City of Texas City, Galveston County, Texas, comprising approximately two hundred (200) acres of land, more or less, generally described in Exhibit A attached hereto and incorporated herein.

4.2. The 2019 Certified Appraised Values for the Land, Improvements and Tangible Personal Property located within the Reinvestment Zone that will be hereafter certified by the Galveston Central Appraisal District in accordance with applicable law are hereby incorporated in this Agreement by reference.

4.3. Company estimates the appraised values of Land, Improvements and Tangible Personal Property located on the Property within the Reinvestment Zone to be at least the following:

	<b>Personal Property</b>	<b>Improvements</b>	<b>Land</b>
Taxable Value as of January 1 <sup>st</sup> <i>Preceding</i> Tax Abatement Agreement	\$ 0	\$ 0	\$ 2,612,060
Estimated Taxable Value of Abated Properties <i>After</i> Abatement Expires	\$ 265,472,686	\$ 66,368,171	\$ 2,612,060
Taxable Value <i>Upon Completion</i> of Project (Personal Property and Project Improvements Not Subject to Abatement)	\$ 3,000,000	\$ 0	\$ 2,612,060

\*\* Estimated Value of Pollution Control Equipment to be exempt.

The above estimated appraised values may account for depreciation over time and may be subject to further change based on actual appraised values as may be established by the Galveston Central Appraisal District. Estimated figures relating to taxable value of abated properties after abatement expires are based on impact forecast given by Moak, Casey & Associates to Texas City Independent School District. Taxable value upon completion of the Project for personal property is based on cost of production for annual estimated inventory.

4.4. The Galveston Central Appraisal District will establish a separate account or accounts for the Eligible Abatement Property.

## **V. VALUE AND TERM OF AGREEMENT**

5.1. The Abatement provided for in this Agreement shall be effective on the January 1, 2022 valuation date as authorized by Sec. 312.007 of the Tax Code. In each year that this Agreement is in effect, the amount of abatement shall be an amount equal to the percentage as indicated in the Tax Abatement Schedule (“**Schedule**”) below. The appraised value, as defined in the Texas Property Tax Code, of Eligible Abatement Property shall be abated in accordance with the Schedule below:

### **TAX ABATEMENT SCHEDULE**

<u><b>Tax Year Abated</b></u>	<u><b>Percentage of Value Abated</b></u>
<b>2022</b>	<b>100%</b>
<b>2023</b>	<b>100%</b>
<b>2024</b>	<b>100%</b>
<b>2025</b>	<b>100%</b>
<b>2026</b>	<b>100%</b>
<b>2027</b>	<b>100%</b>
<b>2028</b>	<b>100%</b>
<b>2029</b>	<b>100%</b>
<b>2030</b>	<b>100%</b>
<b>2031</b>	<b>100%</b>

5.2. As part of the consideration for the City’s abatement as set forth above, Company agrees to tender Chapter 380 Payments according to the Chapter 380 Payment Schedule as provided in that Chapter 380 Economic Development Agreement (“**380 Agreement**”), as authorized by Resolution No. 19-089 (“**Chapter 380 Resolution**”) and

executed contemporaneously herewith for the purpose of encouraging the development of primary employment and attracting major economic investments to the City. The 380 Agreement and the Chapter 380 Resolution are attached hereto as Exhibits E and F, respectively, and incorporated herein by reference and made a part hereof.

## VI. TAXABLE VALUE

- 6.1. During the period that this tax abatement is effective (“**Abatement Period**”):
- a. The appraised value of Ineligible Abatement Property shall be fully taxable; and
  - b. The appraised value, as defined in the Texas Property Tax Code, of Eligible Abatement Property shall be abated as set forth above under Article V entitled “VALUE AND TERM OF AGREEMENT”; and
  - c. The Company shall not contest or protest an appraised value for the Project of eight hundred million dollars (\$800,000,000.00) or less. However, to the extent the Project’s appraised value exceeds eight hundred million dollars (\$800,000,000.00) in any given tax year during the term of this Agreement, the Company shall not contest or protest the Project’s appraised value for any amount less than eight hundred million dollars (\$800,000,000.00)

## VII. CONTEMPLATED IMPROVEMENTS

7.1. As set forth in Company’s Application dated May 23, 2019 (as supplemented on July 1, 2019), which is incorporated herein for all purposes, Company represents that it will construct the Improvements, with a guaranteed minimum value of **\$450,000,000** (all such Improvements, the “**Project**”) within five years of the effective date of this Agreement. During the Construction Phase, Company may make such change orders relating to the construction of the Eligible Abatement Property as are reasonably necessary to accomplish its intended use but in no event shall that mean a reduction in the guaranteed minimum value of the Project. All Improvements shall be completed in accordance with all applicable laws, ordinances, rules, or regulations.

## VIII. LIABILITY

8.1. No Assumption by the Parties: By executing and performing in accordance with this Agreement, Company assumes no obligation, duty or other responsibility with regard to any governmental function or service for which the City is responsible that is not otherwise addressed by this Agreement. In addition, Company assumes no legal liability for the actions of the City through Company's execution of and performance under this Agreement. Likewise, the City assumes no obligation, duty or other responsibility with regard to any duty, right, obligation or responsibility associated with the Improvements for which Company is responsible that is not otherwise addressed by this Agreement. In addition, the City assumes no legal liability for the actions of Company or its successors or assigns by virtue of the City's execution of this Agreement.

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

## IX. EVENTS OF DEFAULT / TERMINATION

9.1. Events of Default: Following the Parties' execution of this Agreement, the City may declare Company in default hereunder if Company:

- a. fails to commence construction of the Improvements within two (2) years from the effective date of this Agreement is, or
- b. fails to complete construction or place the Improvements in service by December 31, 2024; or
- c. fails to comply with any of the terms of the Chapter 380 Economic Development and Performance Agreement executed in conjunction herewith; or
- . breaches in any material respect any representation given in this Agreement including but not limited to the guaranteed minimum value threshold of \$450,000,000.00 within five (5) years of the effective date of this Agreement.

9.2. Notice and Right to Cure Events of Default: If the City declares that Company is in default under this Agreement, the City must notify Company in writing. If Company's default is not cured within sixty (60) days from the date of such notice ("**Cure Period**"), then, as the sole and exclusive remedy of the City for such default, the City may terminate this Agreement and the 380 Agreement by providing further written notice thereof to Company. If Company's default cannot with due diligence be cured within the Cure Period, then subject to the provisions of Section 9.2(a) below, the Cure Period shall be automatically extended for so long as Company is using commercially reasonable efforts to continue to cure Company's default if Company (i) notifies the City of Company's intention to institute steps reasonably necessary to cure Company's default, (ii) institutes steps to cure Company's default and uses commercially reasonable efforts to pursue the remedy of Company's default, and (iii) if applicable, submits a proposed schedule for the completion of the Improvements, a reasonable explanation concerning the reason for the delay, and a reasonable estimate of the overall percent of the Improvements that is completed as of the date of the City's notice of default.

- a. If after extending the Cure Period in accordance with this Section 9.2., Company has not cured its default within two hundred forty (240) days from the date the City delivered its written notice to Company and the City and Company mutually agree that the continued use of commercially reasonable efforts to cure such default will not be successful, then there shall be no Abatement, as provided for herein, for the year in which the Company's default first occurred.
- b. In no event shall this Section 9.2 supersede Sections 9.3 through 9.6 below.

9.3. Grounds for Termination: In the event Company (i) allows its ad valorem taxes on the Improvements or Ineligible Abatement Property to become delinquent or fails to timely and properly follow the legal procedures for the protest and appeal of the ad valorem taxes on the Improvements or Ineligible Abatement Property in accordance with this Agreement or (ii) defaults under this Agreement and fails to cure as provided by Section 9.2, then the City may terminate this Agreement and the 380 Agreement.

9.4. City Recapture of Taxes for Default: In the event the City terminates this Agreement and the 380 Agreement pursuant to the provisions of this Article IX as a result of an event of default set forth in Section 9.1(a), 9.1(b), 9.1(c), or 9.1(d), the City shall be entitled to recapture all taxes previously abated pursuant to this Agreement. The recaptured taxes shall be the amount equal to (i) the amount of taxes that would have been due for the tax year in which the Company's default occurred and for all prior tax years with respect to Eligible Abatement Property if such taxes had not been abated by virtue of this Agreement that exceeds (ii) the Chapter 380 Payments made for such tax year and for all prior tax years pursuant to the 380 Agreement, which amount shall be paid by Company to the City within sixty (60) days of the termination, together with all penalties and interest as required by the Texas Property Tax Code.

9.5. City Recapture of Taxes for Termination: In the event the City terminates this Agreement and the 380 Agreement pursuant to the provisions of this Article IX as a result of any event of default set forth in Section 9.1 or for the reasons set forth in clause "(i)" of the first sentence of Section 9.3 hereof, the City shall be entitled to recapture taxes previously abated pursuant to this Agreement in an amount equal to (i) the amount of taxes that would have been due for the tax year in which the ground for termination occurred and for the immediate prior tax year with respect to Eligible Abatement Property if such taxes had not been abated by virtue of this Agreement that exceeds (ii) the Chapter 380 Payments made for such tax year and for the immediately prior tax year pursuant to the 380 Agreement, which amount shall be paid by Company within sixty (60) days of the termination, together with all penalties and interest as required by the Texas Property Tax Code.

9.6. Discontinuation of Production: In the event the Improvements are completed and Company begins producing product or services, but subsequently discontinues producing product or services for any reason (excepting fire, explosion, or other casualty, accident, or natural disaster or governmental mandate or declaration of force majeure under any agreement entered into by Company) for a period of two (2) years during the Abatement Period, then the City shall have the right to terminate this Agreement by providing thirty (30) days prior written notice to Company; *provided*, that if Company resumes producing product or services prior to the end of such thirty (30) day

period, neither this Agreement nor the 380 Agreement shall terminate. In the event of termination pursuant to the provisions of this Section 9.6, the abatement of the taxes for the calendar year during which the Company no longer produces product or services shall terminate. The taxes not otherwise previously abated in accordance with this Agreement shall be paid to the City prior to the delinquency date for such year. In no event shall Company be required to pay such taxes within less than sixty (60) days of the date of any such termination pursuant to this Section 9.6.

## **X.     EQUITABLE RELIEF**

10.1. The City's sole right of equitable relief under this Agreement shall be its right to terminate this Agreement.

## **XI.    ADMINISTRATION**

11.1. Administration by City Mayor: This Agreement shall be administered on behalf of the City by its Mayor or his/her designee pursuant to the City's direction or by such other representative designated by City. Upon completion of the Improvements, the City shall annually evaluate the Improvements to ensure compliance with this Agreement.

11.2. Annual Determination by Appraiser: The Chief Appraiser of the Galveston Central Appraisal District shall annually determine (i) the taxable value pursuant to the terms of this Agreement of the real and tangible personal property located within the Reinvestment Zone and (ii) the full taxable value without abatement of the real and tangible personal property located within the Reinvestment Zone. The Chief Appraiser shall record both the abatement taxable value and the full taxable value in the appraisal records. The full taxable value listed in the appraisal records shall be used to compute any recapture. Each year the Company shall furnish the Chief Appraiser with the information required by Chapter 22, Tax Code, V.T.C.A. Such information shall also be provided to the City in preparation of its annual evaluation for compliance with this Agreement.

11.3 City Inspection Rights: Company will provide access to and authorizes inspection of the Eligible Abatement Property by City employees for the purpose of

ensuring that the improvements or repairs thereto are made according to the specifications and conditions of this Agreement.

11.4 Annual Company Compliance Certificate: Company shall annually certify to the City that it is in compliance with all applicable terms of this Agreement.

## **XII. ASSIGNMENT**

12.1. Assignment: Company may assign this Agreement to an Affiliate without the written consent of the City provided that (i) such assignment is in conjunction with a contemporaneous assignment to the same assignee of the 380 Agreement, and (ii) Company shall provide written notice of such assignment to the City. Except as otherwise provided in the immediately preceding sentence, Company may assign this Agreement with the written consent of the City, which consent shall not be unreasonably withheld, delayed or conditioned. Any assignment shall provide that the assignee shall irrevocably and unconditionally assume all the duties and obligations of the assignor upon the same terms and conditions as set out in this Agreement. No assignment shall be approved if Company or the assignee is delinquent in payment of ad valorem taxes or any Chapter 380 Payment due the City under the 380 Agreement executed in conjunction herewith.

12.2. Joinder: The Parties acknowledge and agree that (a) Air Products will construct and own certain of the Improvements and (b) at any time within one year after the date that this Agreement has been validly executed by Company and the City, if Air Products has entered into a ground lease with Eastman for portions of the Property on which its Improvements will be located, Company may cause Air Products to execute the joinder to this Agreement and the 380 Agreement, substantially in the form attached hereto as Exhibit G (the “**Joinder**”). From and after the date that Air Products executes and delivers the Joinder to the City, Company, Eastman and Oiltanking, Air Products shall thereafter be deemed a Party to this Agreement and the 380 Agreement, and all references in this Agreement and the 380 Agreement to “Company” shall thereafter be deemed to refer to Gulf Coast Ammonia LLC, a Delaware limited liability company, and Air Products, collectively.

### **XIII. NOTICE**

13.1. Any notice required to be given under the provisions of this Agreement shall be in writing and shall be served when it is transmitted by registered or certified mail, return receipt requested, in a United States Post Office, addressed to the City or Company. Notices shall be deemed to be delivered upon receipt. Unless otherwise provided in this Agreement, all notices shall be delivered to the following addresses:

**To the Company:**

GULF COAST AMMONIA, LLC  
1815 PURDY AVENUE  
MIAMI BEACH, FL 33139  
ATTN: MR. HAMZA SLIMANI

WITH A COPY TO:

VINSON & ELKINS LLP  
1001 FANNIN STREET, SUITE 2500  
HOUSTON, TX 77002  
ATTN: KAAM SAHELY.

**To the City:**

CITY OF TEXAS CITY  
NICK FINAN, CITY SECRETARY  
1801 9<sup>TH</sup> AVENUE NORTH  
TEXAS CITY, TX 77590

WITH A COPY TO:

RUSSELL PLACKEMEIER, CITY ATTORNEY  
1801 9<sup>TH</sup> AVENUE NORTH  
TEXAS CITY, TEXAS 77590

**To Eastman:**

EASTMAN CHEMICAL COMPANY  
P.O. BOX 511  
KINGSPORT, TN 37662

ATTN: DAVID GOLDEN  
CHIEF LEGAL OFFICER

**To Oiltanking:**

OILTANKING NORTH AMERICA, LLC  
9805 KATY FREEWAY, SUITE 400  
HOUSTON, TX 77024  
ATTN: NICK BIGNEY  
GENERAL COUNSEL

13.2. Either Party may designate a different address by giving the other Party ten (10) days written notice.

**XIV. AUTHORITY**

14.1. Each of the Parties hereto represents and warrants to the other Party that (i) it has all requisite power and authority to execute and deliver, to perform its obligations under and to consummate the transactions contemplated by this Agreement and (ii) the execution and delivery of this Agreement, the performance of its obligations under and the consummation by each Party of the transactions contemplated by this Agreement, have been duly authorized by all requisite corporate authority on the part of Company and by all requisite governmental authority on the part of the City and (iii) upon execution and delivery of this Agreement, this Agreement will constitute valid and binding legal obligations of such Party.

**XV. EFFECTIVE DATE**

15.1. This Agreement may be executed in counterparts and the effective date of the Agreement shall be the date the Mayor actually executes this Agreement subject to the City's authorization by Resolution and any terms or conditions associated therewith, including the prior delivery by the Company to the City of executed copies of the GLO Leases.

**XVI. MISCELLANEOUS**

16.1. Further Assurances: In the event any further documentation or information is required for this Agreement to be valid, then the Parties to this Agreement shall provide or cause to be provided such documentation or information. The Parties shall execute and deliver such documentation, including but not limited to any amendments,

corrections, deletions or additions as necessary to this Agreement; *provided, however*, that the Parties shall not be required to do anything that has the effect of changing the essential economic terms of this Agreement or imposing greater liability on the Parties. The Parties further agree that they shall do anything necessary to comply with any requirements to enable the full effect of this Agreement; provided, however that the Parties shall not be required to do anything that has the effect of changing the essential economic terms of this Agreement or imposing greater liability on the Parties.

16.2. Recordation: The City agrees to record a certified copy of this Agreement in the Deed Records of Galveston County, Texas, and to request that the chief appraiser of Galveston Central Appraisal District deliver, by July 1 of the year following the year in which the abatement agreement is executed, a copy of this tax abatement agreement to the Texas Comptroller of Public Accounts pursuant to Texas Tax Code Sec. 312.005(a)(2).

16.3. Governing Law; Venue: This Agreement shall be construed under the laws of the State of Texas. Venue for any action under this Agreement shall be the State District Court of Galveston County, Texas.

16.4. Modification: This Agreement shall be subject to change, modification or, except in the event of default which has not been cured as provided herein, termination, only with the mutual written consent of the City and Company unless otherwise specifically provided for herein, or as otherwise provided in Article 5 of that Chapter 380 Agreement executed contemporaneously herewith.

16.5. Disclaimer: Nothing herein shall confer upon any person, firm or other entity other than the Parties hereto any benefit or any legal or equitable right, remedy or claim under this Agreement. All obligations hereunder of the Parties hereto shall be binding upon their respective successors and assigns.

16.6. Waivers: Waiver of any term, condition or provision of this Agreement by any Party shall only be effective if in writing and shall not be construed as a waiver of any subsequent breach of, or failure to comply with, the same term, condition or provision, or a waiver of any other term, condition or provision of this Agreement.

16.7. Approvals or Consents: Approvals or consents required or permitted to be given under this Agreement shall be evidenced by a resolution, or minute order

adopted by the governing body or board of the appropriate Party or by a certificate executed by a person, firm or entity previously authorized to give such approval or consent on behalf of a Party. Approvals and consents shall be effective without regard to whether given before or after the time required for giving such approvals or consents.

16.8. Parties in Interest: This Agreement shall be for the sole and exclusive benefit of the Parties hereto and shall not be construed to confer any rights upon any third parties.

16.9. Merger: This Agreement and its incorporated Exhibits contains all of the terms and conditions of the understanding of the Parties relating to the subject matter hereof. All prior negotiations, discussions, correspondence, and preliminary understandings between the Parties and others relating hereto or relating to the subject matter hereof are superseded by this Agreement.

16.10. Authorization: Each of the Parties represents and warrants that its undersigned representative has been expressly authorized to execute this Agreement for and on behalf of such Party.

16.11. Severability: If any term, provision or condition of this Agreement, or any application thereof, is held invalid, illegal or unenforceable in any respect under any Law (as hereinafter defined), this Agreement shall be reformed to the extent necessary to conform, in each case consistent with the intention of the Parties, to such Law, and to the extent such term, provision or condition cannot be so reformed, then such term, provision or condition (or such invalid, illegal or unenforceable application thereof) shall be deemed deleted from (or prohibited under) this Agreement, as the case may be, and the validity, legality and enforceability of the remaining terms, provisions and conditions contained herein (and any other application of such term, provision or condition) shall not in any way be affected or impaired thereby. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement in a mutually acceptable manner so as to effect the original intent of the Parties as closely as possible to the end that the transactions contemplated hereby are fulfilled to the extent possible. As used in this Section 16.11, the term "Law" shall mean any applicable statute, law (including common law), ordinance, regulation, rule, ruling, order, writ, injunction, decree or other official act of or by any federal, state or

local government, governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, or judicial or administrative body having jurisdiction over the matter or matters in question.

16.12. Payment of Expenses: Except as otherwise expressly provided in this Agreement, or as covered by the application fee, (i) each of the Parties shall pay its own costs and expenses relating to this Agreement, including, but not limited to, its costs and expenses of the negotiations leading up to this Agreement, and of its performance and compliance with this Agreement, and (ii) in the event of a dispute between the Parties in connection with this Agreement, the prevailing Party in the resolution of any such dispute, whether by litigation or otherwise, shall be entitled to full recovery of all reasonable and necessary attorneys' fees (including a reasonable hourly fee for in-house legal counsel), costs and expenses incurred in connection therewith, including costs of court, from the non-prevailing Party to the extent allowed by law.

16.13. Force Majeure: In the event either Party is rendered unable, wholly or in part, by Force Majeure to carry out any of its obligations under this Agreement, except the obligation to pay amounts owed or required to be paid pursuant to the terms of this Agreement, then the obligations of such Party, to the extent affected by such Force Majeure and to the extent that due diligence is being used to resume performance at the earliest practicable time, shall be suspended during the continuance of any inability so caused to the extent provided but for no longer period. As soon as reasonably possible after the occurrence of the Force Majeure relied upon, the Party whose contractual obligations are affected thereby shall give notice and full particulars of such Force Majeure to the other Party. Such cause, as far as possible, shall be remedied with all reasonable diligence. Notwithstanding the foregoing, in no event shall the tax abatement provided for in this Agreement exceed a period of ten (10) years in accordance with state law.

16.14. Interpretation: When a reference is made in this Agreement to a Section, Article or Exhibit, such reference shall be to a Section or Article of, or Exhibit to, this Agreement unless otherwise indicated. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. The words "include," "includes" and "including" when used in this

Agreement shall be deemed in such case to be followed by the phrase “but not limited to” words used in this Agreement, regardless of the number or gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context shall require. This Agreement is the joint product of the Parties and each provision of this Agreement has been subject to the mutual consultation, negotiation and agreement of each Party and shall not be construed for or against any Party.

16.15. Sovereign Immunity: Nothing in this Agreement shall constitute or be interpreted as the City’s express or implied waiver of its governmental or sovereign immunity as to liability, or constitute or be interpreted as the City’s express or implied consent to suit.

16.16. Boycott Israel: Pursuant to Texas Government Code Chapter 2270, the Company verifies that it does not boycott Israel, and it will not boycott Israel during the term of this Agreement.

16.17. Counterparts: This complete Agreement has been executed by the Parties in multiple originals, each having full force and effect.

**[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]**

**EASTMAN CHEMICAL TEXAS CITY, INC.**  
a Delaware corporation

By: *Clark L. Jordan*  
Name: Clark L. Jordan

Title: Authorized Representative, Eastman Chemical Texas City, Inc.

11/27/19  
(Date)

**ATTEST:**

*Becky Flanary*  
(Signature)  
*Becky Flanary*  
*Sr. Executive Team Assistant*  
(Printed Name and Title)

**ACKNOWLEDGMENT**

STATE OF TENNESSEE                   §  
   §  
COUNTY OF SULLIVAN               §

Before me, the undersigned authority on this day personally appeared Clark L. Jordan, Authorized Person authorized by the Sole Director of Eastman Chemical Texas City, Inc., the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said Delaware corporation.

Given under my hand and seal of office this the 27<sup>th</sup> day of Nov. 2019.

*Karen Taylor*  
Notary Public in and for the State of

Tennessee



My commission expires: 4/29/23







## **SCHEDULE OF EXHIBITS**

- Exhibit A – Texas City Ordinance 17-16 (Reinvestment Zone Ordinance)  
Texas City Ordinance 17-32 (Ordinance Amending Reinvestment Zone)  
Texas City Ordinance 19-23 (Ordinance Amending Reinvestment Zone)
- Exhibit B – Gulf Coast Ammonia LLC Tax Abatement Application
- Exhibit C – Resolution No. 19-088 (Abatement Resolution)
- Exhibit D – Resolution No. 19-056 (Tax Abatement Guidelines & Criteria)
- Exhibit E – 380 Agreement
- Exhibit F – Resolution No. 19-089 (Chapter 380 Resolution)
- Exhibit G – Air Products Joinder

**Exhibit A**  
**Texas City Ordinance 17-16 (Reinvestment Zone Ordinance)**  
**Texas City Ordinance 17-32 (Ordinance Amending Reinvestment Zone)**  
**Texas City Ordinance 19-23 (Ordinance Amending Reinvestment Zone)**

**See Attached**

**ORDINANCE NO. 17-16**

**AN ORDINANCE OF THE CITY OF TEXAS CITY, TEXAS DESIGNATING A REINVESTMENT ZONE KNOWN AS THE "TEXAS CITY GULF COAST REINVESTMENT ZONE NO. 1" FOR PURPOSES OF COMMERCIAL-INDUSTRIAL TAX ABATEMENT; MAKING NECESSARY FINDINGS OF FACT; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.**

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**WHEREAS**, the City Commission of Texas City, Texas (the "City") desires to make available tax abatement relief in the area designated by this Ordinance to encourage the development of primary employment and to attract major investment;

**WHEREAS**, the City adopted Resolution 16-78 on October 19, 2016 whereby it elected to become eligible to participate in tax abatement pursuant to the Property Redevelopment and Tax Abatement Act, Tex. Tax. Code Chapter 312, Sec. 312.002;

**WHEREAS**, the City adopted Resolution 17-002 on January 18, 2017 whereby it adopted guidelines and criteria governing tax abatement agreements pursuant to the Tex. Tax. Code Sec. 312.002;

**WHEREAS**, the City properly complied with the notice requirements pursuant to Section 312.201(d) and conducted a public hearing during its duly noticed public meeting held on Wednesday, May 17, 2017 at 5:00 p.m., regarding the designation of the area identified in the attached Exhibit "A-1" and "A-2" as a reinvestment zone for commercial-industrial tax abatement purposes, the deeds and legal descriptions of which are a matter of public record in the Galveston County Real Property Records and in the office of the City Secretary of Texas City, Texas;

**WHEREAS**, the City Commission finds that the improvements sought within the designated reinvestment zone are feasible and practical and would be a benefit to the land to be included in the zone and to the City after the expiration of a tax abatement agreement entered under Tex. Tax. Code Sec. 312.204;

**WHEREAS**, the City Commission finds that the designation of the reinvestment zone is reasonably likely to contribute to the retention or expansion of primary employment or to attract major investment in such reinvestment zone that will be a benefit to the property and will contribute to the economic development of the City of Texas City;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:**

**Section 1. Designation of Reinvestment Zone.** That pursuant to Chapter 312 of Texas Tax Code, the City of Texas City hereby designates the following described real property as a reinvestment zone for the purposes of commercial-industrial tax abatement which shall hereinafter be called "Texas City Gulf Coast Reinvestment Zone No. 1", to wit:

That portion of real property identified by Property ID 223922, being an approximate fourteen (14) acre portion of land contained within that geographical area located south of 2<sup>nd</sup> Avenue, east of 5<sup>th</sup> Street, west of 3<sup>rd</sup> Street and north of the property line for Property ID 223922 as depicted in Exhibit A-1 attached hereto; and

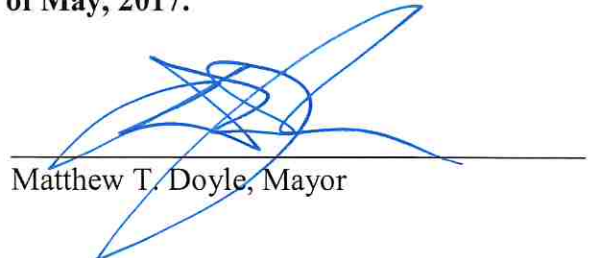
That portion of real property identified by Property ID 182510, being an approximate seven (7) acre portion of land contained within that geographical area identified in Exhibit A-2 attached hereto.

**Section 2. Declaration of Eligible Property.** That the City of Texas City hereby declares eligible for property tax abatement all eligible real and tangible personal property for commercial-industrial development, now or thereafter located in the “Texas City Gulf Coast Reinvestment Zone No. 1” as authorized by the City of Texas City guidelines and criteria for granting tax abatements in reinvestment zones and Chapter 312 of the Texas Tax Code.

**Section 3. Severability.** If any section, sentence, clause or phrase of this Ordinance should be held invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

**Section 4. Effective date.** This Ordinance shall be effective upon its adoption.

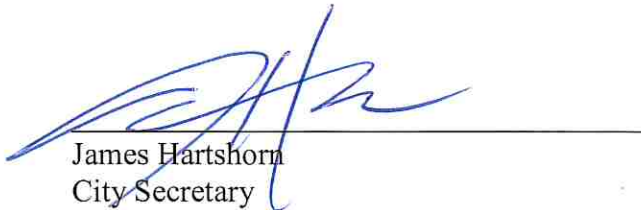
**PASSED and ADOPTED on this 17<sup>th</sup> day of May, 2017.**



---

Matthew T. Doyle, Mayor

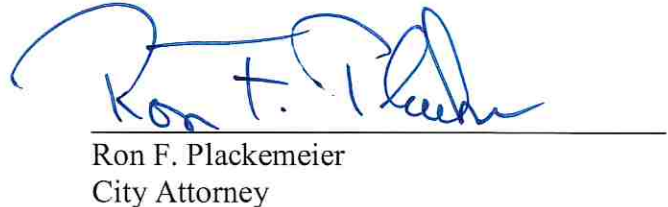
**ATTEST:**



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James Hartshorn  
City Secretary

**APPROVED AS TO FORM:**



---

Ron F. Plackemeier  
City Attorney

**EXHIBIT "A-1"**

GALVESTON CAD PROPERTY ID: R223922 (PORTION)



**EXHIBIT "A-2"**

GALVESTON CAD PROPERTY ID: R182510 (PORTION)



**ORDINANCE NO. 17-32**

**AN ORDINANCE OF THE CITY OF TEXAS CITY, TEXAS, AMENDING ORDINANCE 17-16 TO AMEND THE BOUNDARIES OF THE "TEXAS CITY GULF COAST REINVESTMENT ZONE NO. 1" PREVIOUSLY DESIGNATED FOR COMMERCIAL-INDUSTRIAL TAX ABATEMENT TO MORE PARTICULARLY DEFINE THE BOUNDARIES OF THE REINVESTMENT ZONE ACCORDING TO THE LEGAL DESCRIPTIONS NOW AVAILABLE; MAKING NECESSARY FINDINGS OF FACT; RESOLVING ANY CONFLICTS CREATED BY AMENDMENT; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.**

---

**WHEREAS**, the City received an Application for Property Tax Abatement from Gulf Coast Ammonia, LLC on or about January 5, 2017 ("Applicant"), requesting property tax abatement from the City for a new ammonia production facility; and,

**WHEREAS**, the City previously adopted Ordinance 17-16 on May 17, 2017, whereby it designated certain areas of real property as the "Texas City Gulf Coast Reinvestment Zone No. 1" (the "Reinvestment Zone") for commercial-industrial tax abatement purposes pursuant to Texas Tax Code Section 312.201;

**WHEREAS**, the City now desires to amend Ordinance 17-16 to more particularly define the boundaries of the Reinvestment Zone according to the legal descriptions now available for the real property constituting the Reinvestment Zone previously designated for commercial-industrial tax abatement purposes;

**WHEREAS**, the City has complied with the published and written notices required by Texas Tax Code Section 312.201(d) and thereafter conducted a public hearing during its duly noticed open public meeting held on Wednesday, December 6, 2017, at 5:00 p.m., regarding the amendment of "Texas City Gulf Coast Reinvestment Zone No. 1" to more particularly define by legal description the boundaries of the Reinvestment Zone for commercial-industrial tax abatement purposes, the deeds and legal descriptions of which are a matter of public record in the Galveston County Real Property Records and in the office of the City Secretary of Texas City, Texas;

**WHEREAS**, the City Commission finds and reaffirms that the Applicant's proposed improvements intended for the Reinvestment Zone made the subject of this amendment are feasible and practical and would benefit the real property to be included in the Reinvestment Zone and the City after the expiration of a tax abatement agreement if executed between the Applicant and the City under Texas Tax Code Section 312.204;

**WHEREAS**, the City Commission finds that the amended Reinvestment Zone remains reasonably likely to contribute to the retention or expansion of primary employment or to attract major investment in such Reinvestment Zone that it will benefit the real property contained therein and will significantly contribute to and enhance the City's further economic development;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:**

**SECTION 1:** Amendment of Reinvestment Zone Boundaries. Pursuant to Chapter 312 of Texas Tax Code, the City hereby amends Section 1 of Ordinance 17-16 which previously designated the “Texas City Gulf Coast Reinvestment Zone No. 1” for commercial-industrial tax abatement purposes and hereby redefines the Reinvestment Zone’s boundaries as follows:

**Area 1:** An approximate 14.7318 acres in the N. Hurd Survey, Abstract No. 77, City of Texas City, Galveston County Texas, as depicted by the Area 1 Survey and described by the metes and bounds legal description in Exhibit “A” attached hereto; and

**Area 3:** An approximate 11.9412 acres in the James B. Wells Survey, Abstract No. 205 and the N. Hurd Survey, Abstract No. 686, City of Texas City, Galveston County Texas, as depicted by the Area 3 Survey and described by the metes and bounds legal description in Exhibit “A” attached hereto.

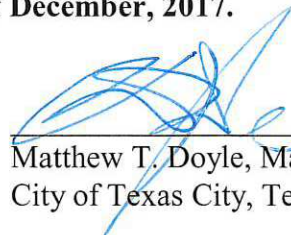
**SECTION 2:** Declaration of Eligible Property. The City of Texas City hereby declares eligible for property tax abatement all eligible real and tangible personal property for commercial-industrial development, now or thereafter located in the amended “Texas City Gulf Coast Reinvestment Zone No. 1” as authorized by the City of Texas City guidelines and criteria for granting tax abatements in reinvestment zones and Chapter 312 of the Texas Tax Code.

**SECTION 3:** Limited Repeal & Amendment. All provisions of Ordinance 17-16 in conflict with the provisions of this Ordinance amending the boundaries of the “Texas City Gulf Coast Reinvestment Zone No. 1” are hereby repealed, and all other provisions of Ordinance 17-16 not in conflict with this Ordinance shall remain in full force and effect.


**SECTION 4:** Severability. If any section, sentence, clause or phrase of this Ordinance should be held invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance and the City Commission declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional.

**SECTION 5:** Effective date. This Ordinance shall be effective upon its adoption.

**PASSED AND ADOPTED this 6th day of December, 2017.**

  
Matthew T. Doyle, Mayor  
City of Texas City, Texas

ATTEST:  
  
James Hartshorn  
City Secretary

APPROVED AS TO FORM:  
  
Russell Plackemeier  
City Attorney

**EXHIBIT "A"**

**Legal Description of Premises**

**(See Attached)**



## Area 1 Legal Description

November 10, 2017

### *Area 1*

*14.7318 acres in the N. Hurd Survey, Abstract No. 77,  
City of Texas City, Galveston County, Texas*

A FIELD NOTE DESCRIPTION of 14.7318 acres (641,718 square feet) of land in the N. Hurd Survey, Abstract No. 77, City of Texas City, Galveston County, Texas; said 14.7318 acre tract being a portion of Block 41 and all of Blocks 40, 64-65, 79-80 and 81-84, Texas City First Division, according to the map or plat recorded in Volume 10, Page 22 of the Galveston County Map Records, also being a portion of Fourth Street (100 feet wide), Fifth Street (75 feet wide) and Third Avenue South (70 feet wide), according to the map or plat recorded in Volume 10, Page 22 of the Galveston County Map Records and also being a portion of a 237.0539 acre tract of land conveyed to STX Chemicals Corp., as recorded in Galveston County Clerk's File No. 9634443; said tract being more particularly described by metes-and-bounds as follows with the bearings being based on the Texas State Plane Coordinate System, South Central Zone using National Geodetic Survey Continuously Operating Reference Stations:

COMMENCING FOR REFERENCE at a 1/2-inch iron rod found for the northeast corner of said 237.0539 acre tract; from which a brass disk found bears North 67° 20' 24" West – 2,180.23 feet;

THENCE, South 60° 19' 28" West – 3,929.81 feet to a pk nail set at the intersection of the south right-of-way line of Second Avenue South (80 feet wide), according to the map or plat recorded in Volume 10, Page 22 of the Galveston County Map Records with the west right-of-way line of Third Street (70 feet wide), according to the map or plat recorded in Volume 10, Page 22 of the Galveston County Map Records for the northeast corner of said Block 41;

THENCE, South 02° 21' 52" East – 81.88 feet with the west right-of-way line of said Third Street and with the east line of said Block 41 to an angle point and POINT OF BEGINNING of this tract;

THENCE, South 02° 21' 52" East with the west right-of-way line of said Third Street and with the east line of said Blocks 41, at a distance of 58.12 feet pass a point for a northwest corner of said 237.0539 acre tract and continuing with the east line of said Block 40, 83 and 84 for a total distance of 528.12 feet to a pk nail set at the intersection of the north right-of-way line of Fourth Avenue South (70 feet wide), according to the map or plat recorded in Volume 10, Page 22 of the Galveston County Map Records with the west right-of-way line of said Third Street for the southeast corner of said Block 84 and for the southeast corner of this tract;

THENCE, South 87° 38' 08" West with the north line of said Fourth Avenue South and with the south line of said Blocks 84 and 82, at a distance of 900.00 feet pass a 1/2-inch iron rod set in a west line of said 237.0539 acre tract at the intersection of the north right-of-way line of said Fourth Avenue South with the east right-of-way line of Fifth Street (75 feet wide), according to the map or plat recorded in Volume 10, Page 22 of the Galveston County Map Records for the southwest corner of said Block 82 and continuing with the north right-of-way line of said Fourth Avenue South and with the south line of said Block 80 for a total distance of 1,250.00 feet to a 1/2-inch iron rod set for the southwest corner of this tract;

THENCE, North 02° 21' 52" West – 270.00 feet with the east line of a 15 foot wide alley, according to the map or plat recorded in Volume 10, Page 22 of the Galveston County Map Records to a 1/2-inch iron rod set in the south right-of-way line of said Third Avenue South and in the north line of said Block 79 for a northwest corner of this tract;

THENCE, North 87° 38' 08" East – 350.00 feet with the south line of said Third Avenue South and with the north line of said Block 79 to a 1/2-inch iron rod set in the east right-of-way line of said Fifth Street for the northwest corner of said Block 81 and for an interior corner of this tract;

THENCE, North 02° 21' 52" West – 340.00 feet with the east right-of-way line of said Fifth Street and with the west line of said Block 65 and 64 to a 1/2-inch iron rod set at the intersection of the south right-of-way line of said Second Avenue South with the east right-of-way line of said Fifth Street for the northwest corner of said Block 64 and for the northwest corner of this tract

THENCE, North 87° 38' 08" East – 830.49 feet with the south right-of-way line of said Second Avenue South and with the north line of said Blocks 64 and 41 to a point for a northeast corner of this tract;

THENCE, South 28° 50' 27" East – 4.21 feet to an angle point of this tract;

THENCE, South 81° 10' 19" East – 20.13 feet to an angle point of this tract;

THENCE, South 60° 25' 25" East – 20.31 feet to an angle point of this tract;

THENCE, South 36° 22' 49" East – 19.03 feet to an angle point of this tract;

THENCE, South 25° 07' 19" East – 51.70 feet to the POINT OF BEGINNING and containing 14.7318 acre (641,718 square feet) of land.

Notes:

- 1.) This metes-and-bounds description was written in conjunction with a survey performed on even date herewith.
- 2.) No deed was found for the abandonment of Fourth Street, Fifth Street and Third Avenue South outside of the 237.0539 acres.

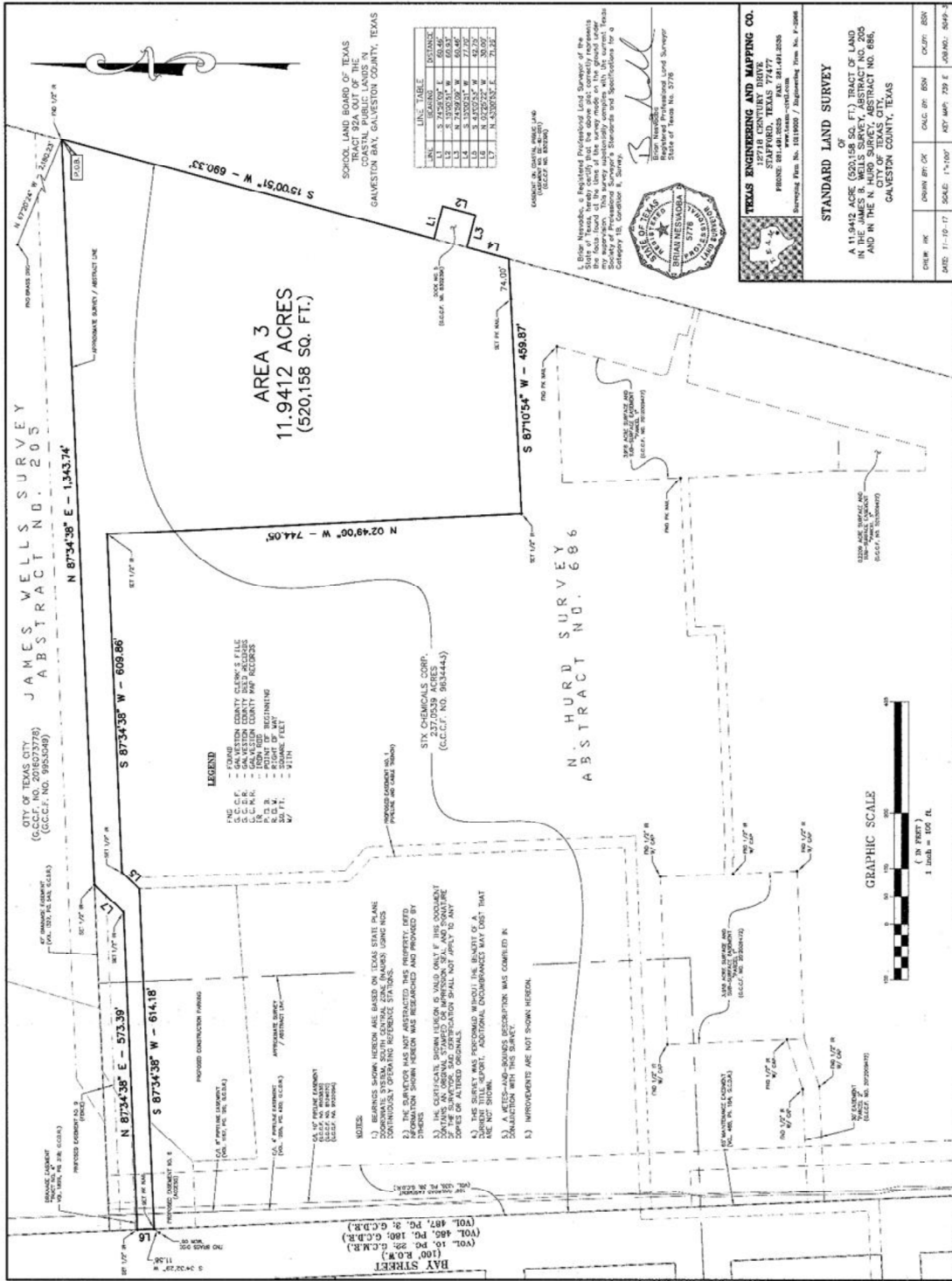
COMPILED BY:  
Texas Engineering And Mapping Company  
Civil Engineers - Land Surveyors  
Stafford, Texas  
Job No. 5049-3

5049-3\_Area 1\_R1.doc



  
Brian Nesvadba  
Registered Professional Land Surveyor  
State of Texas No. 5776

# Area 3 Survey



### Area 3 Legal Description

November 10, 2017

**Area 3**

***11.9412 acres in the James B. Wells Survey, Abstract No. 205 and the N. Hurd Survey, Abstract No. 686, City of Texas City, Galveston County, Texas***

A FIELD NOTE DESCRIPTION of 11.9412 acres (520,158 square feet) of land in the James B. Wells Survey, Abstract No. 205 and the N. Hurd Survey, Abstract No. 686, City of Texas City, Galveston County, Texas; said 11.9412 acre tract being out of a 237.0539 acre tract of land conveyed to STX Chemicals Corp., as recorded in Galveston County Clerk's File No. 9634443 and being a portion of Easement No. CE-82-051, "Dock No. 5", between the State of Texas, the School Land Board of the State of Texas and Monsanto Company, as recorded in Galveston County Clerk's File No. 8302396; said tract being more particularly described by metes-and-bounds as follows with the bearings being based on the Texas State Plane Coordinate System, South Central Zone using National Geodetic Survey Continuously Operating Reference Stations:

BEGINNING at a 1/2-inch iron rod found for the northeast corner of said 237.0539 acre tract and for the northeast corner of this tract; from which a brass disk found bears North 67° 20' 24" West - 2,180.23 feet;

THENCE, South 15° 00' 51" West - 690.33 feet with the east line of said 237.0539 acre tract to a point for the north corner of said "Dock No. 5" and for an interior corner of this tract;

THENCE, South 74° 59' 09" East - 60.46 feet to a point for the east corner of said "Dock No. 5" and for an east corner of this tract;

THENCE, South 15° 00' 51" West - 60.93 feet to a point for the south corner of said "Dock No. 5" and for a south corner of this tract;

THENCE, North 74° 59' 09" West - 60.46 feet to a point in the east line of said 237.0539 acre tract for the west corner of said "Dock No. 5" and for an interior corner of this tract;

THENCE, South 15° 00' 51" West - 77.70 feet with the east line of said 237.0539 acre tract to a point for the southeast corner of this tract;

THENCE, South 87° 10' 54" West, at a distance of 74.00 feet pass a 1/2-inch iron rod set for reference and continuing for a total distance of 459.87 feet to a point for the southwest corner of this tract;

THENCE, North 02° 49' 06" West - 744.05 feet to a 1/2-inch iron rod set for an interior corner of this tract;

THENCE, South 87° 34' 38" West - 609.86 feet to a 1/2-inch iron rod set for an angle point of this tract;

THENCE, South 43° 00' 53" West - 42.75 feet to an angle point of this tract;

THENCE, South 87° 34' 38" West - 614.18 feet to a pk nail set in the east right-of-way line of Bay Street (100 feet wide), according to the map or plat recorded in Volume 10, Page 22 of the Galveston County Map Records and also recorded in Volume 485, Page 180 and Volume 487, Page 3 of the Galveston County Deed Records for a southwest corner of this tract; from which a brass disc, "MON 06", found bears South 34° 32' 29" West - 11.58 feet;

THENCE, North 02° 25' 22" West - 30.00 feet with the east right-of-way line of said Bay Street and with the west line of said 237.0539 acre tract to a 1/2-inch iron rod set for the northwest corner of this tract;

THENCE, North 87° 34' 38" East - 573.39 feet to a 1/2-inch iron rod set for an angle point of this tract;

THENCE, North 43° 00' 53" East - 71.26 feet to a 1/2-inch iron rod set in the north line of said 237.0539 acre tract for an angle point of this tract;


THENCE, North 87° 34' 38" East - 1,343.74 feet with the north line of said 237.0539 acre tract to the POINT OF BEGINNING and containing 11.9412 acre (520,158 square feet) of land.

Note: This metes-and-bounds description was written in conjunction with a survey performed on even date herewith.

COMPILED BY:  
Texas Engineering And Mapping Company  
Civil Engineers - Land Surveyors  
Stafford, Texas  
Job No. 5049-3

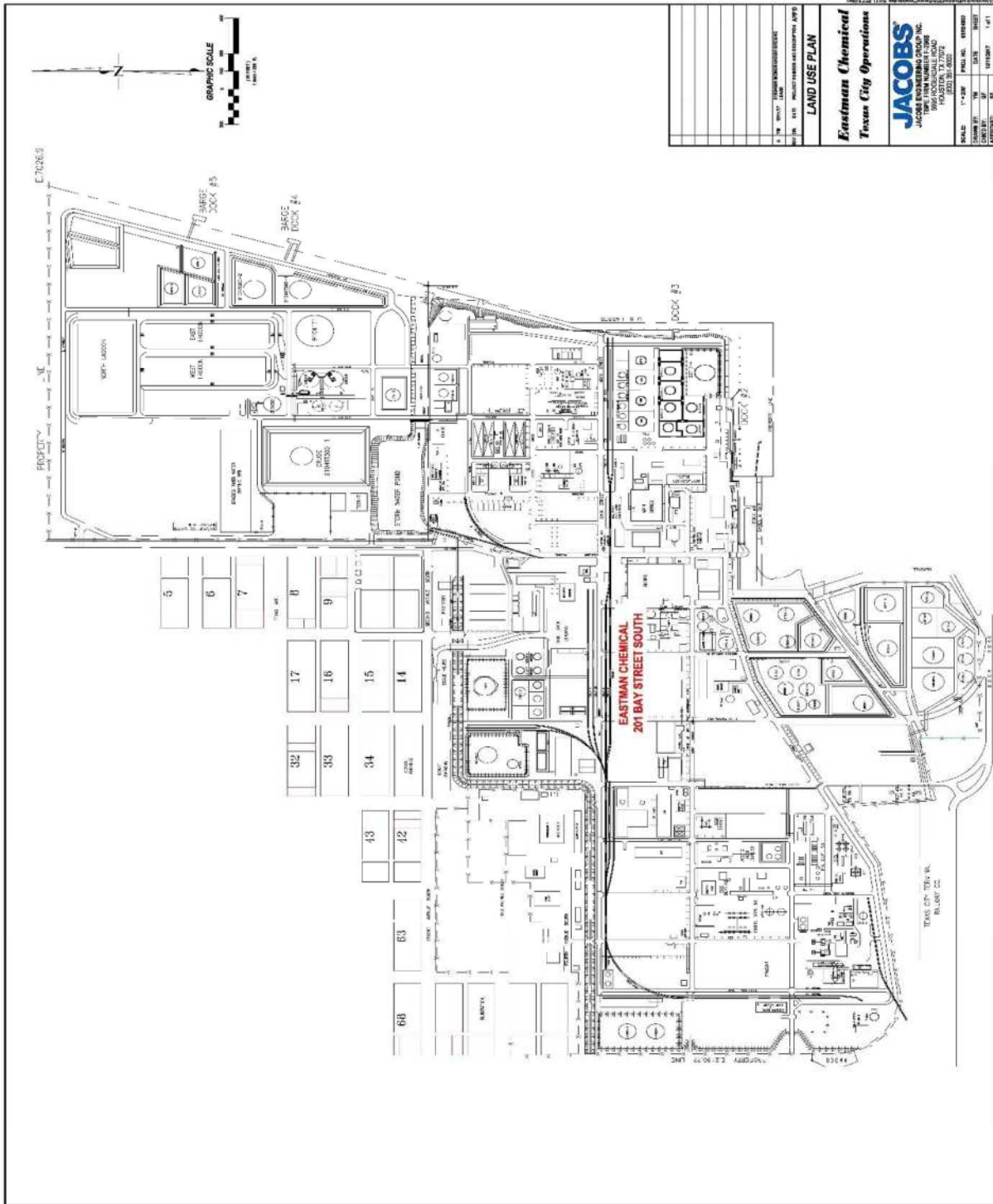
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Brian Nesvadba  
Registered Professional Land Surveyor  
State of Texas No. 5776

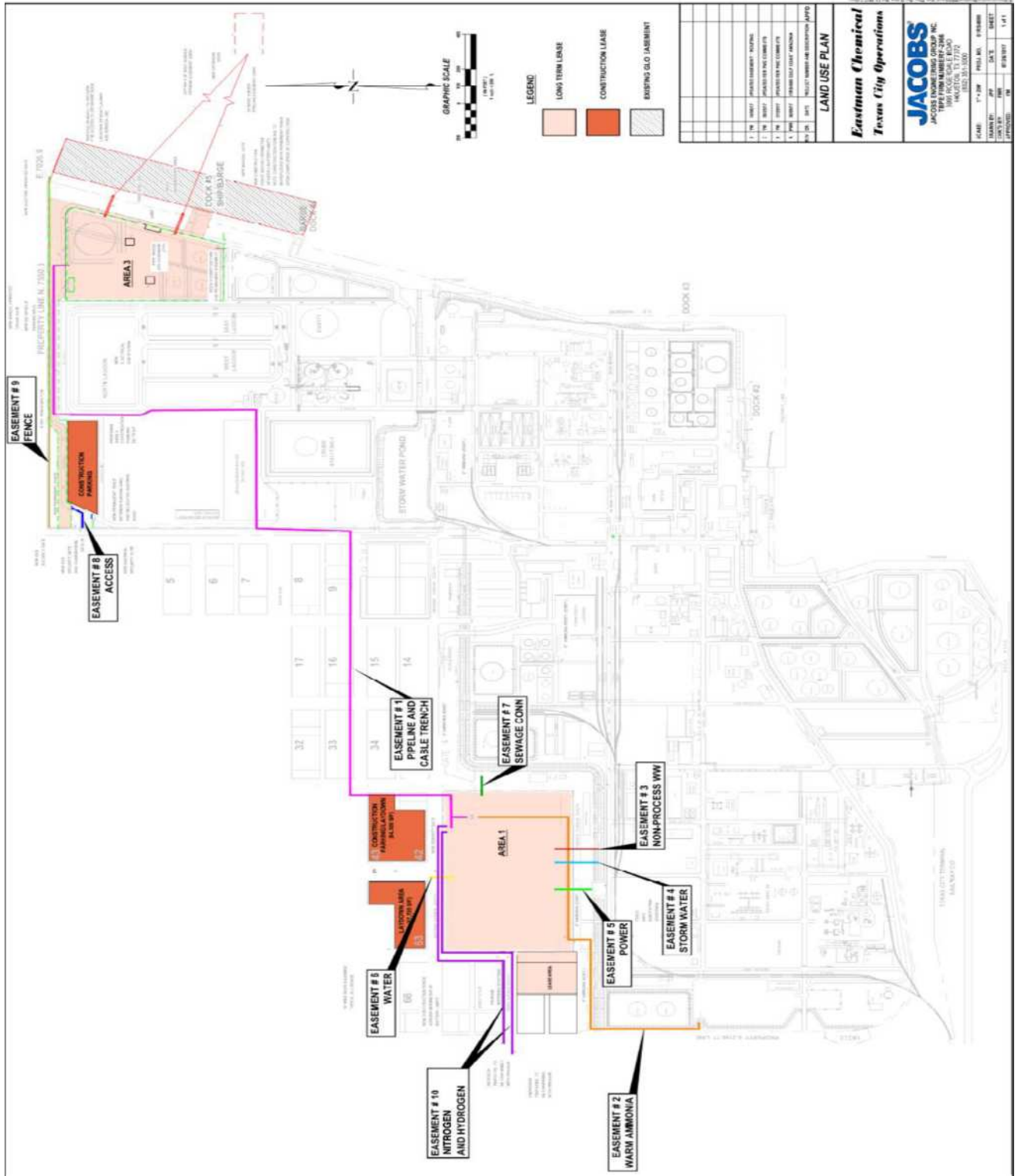
# EXHIBIT "B"

## Site Plan of Premises and Eastman Texas City Complex



# EXHIBIT "C"

## Easements



**ORDINANCE NO. 19-23**

**AN ORDINANCE OF THE CITY OF TEXAS CITY, TEXAS, AMENDING ORDINANCE 17-32 TO AMEND AND EXPAND THE BOUNDARIES OF THE "TEXAS CITY GULF COAST REINVESTMENT ZONE NO. 1" PREVIOUSLY DESIGNATED FOR COMMERCIAL-INDUSTRIAL TAX ABATEMENT INCENTIVES; MAKING NECESSARY FINDINGS; PROVIDING FOR AN EXPIRATION DATE OF THE REINVESTMENT ZONE; RESOLVING ANY CONFLICTS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.**

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**WHEREAS**, the City Commission of the City of Texas City ("City") previously adopted Ordinance 17-16 on May 17, 2017 whereby it designated certain areas of real property as the "Texas City Gulf Coast Reinvestment Zone No. 1" (the "Reinvestment Zone") for commercial-industrial tax abatement purposes pursuant to Texas Tax Code Section 312.201; and

**WHEREAS**, the City previously adopted Ordinance 17-32 on December 6, 2017 amending Ordinance 17-16 to more particularly define the boundaries of the Reinvestment Zone originally created on May 17, 2017, according to revised legal descriptions then available for the real property constituting the Reinvestment Zone, which is depicted by Exhibit "A" attached hereto and incorporate herein; and

**WHEREAS**, the City complied with the publication and written notice requirements imposed by Texas Tax Code Section 312.201(d) on July 30, 2019, as demonstrated by Exhibit "B" attached hereto and incorporated herein, and thereafter conducted a public hearing during its duly noticed and open public meeting held on Wednesday, August 7, 2019 at 5:00 p.m., regarding the amendment and expansion of "Texas City Gulf Coast Reinvestment Zone No. 1", the purpose of which was to receive public comments concerning the amendment and expansion of the Reinvestment Zone for commercial-industrial tax abatement purposes according to the surveys and site maps referenced as exhibits herein, which are based on the deeds and legal descriptions (whether by metes and bounds or coordinates) and are a matter of public record in the Galveston County Real Property Records and in the office of the City Secretary of Texas City, Texas; and

**WHEREAS**, the City finds the improvements proposed by Gulf Coast Ammonia, LLC ("Applicant") according to its Application for Property Tax Abatement and Supplement dated on or about May 23, 2019 and July 1, 2019, respectively, and intended for the Reinvestment Zone made the subject of this amendment and expansion to the Reinvestment Zone are feasible and practical and would benefit the additional real property sought to be included in the Reinvestment Zone as well as the City after the expiration of a tax abatement agreement, if ever executed pursuant to Texas Tax Code Section 312.204, between the real property owners and/or lease

**WHEREAS**, the City finds that the amended and expanded Reinvestment Zone remains reasonably likely to contribute to the retention or expansion of primary employment or to attract major investment in such Reinvestment Zone, that it will benefit the real and personal property contained therein, and will significantly contribute to and enhance the City's further economic development and long-term prosperity pursuant to Sec. 312.202(a)(6); and

**WHEREAS**, the City finds that the Reinvestment Zone should expire five (5) years after the date of its original designation, which occurred by Ordinance 17-16 on May 17, 2017, in accordance with Texas Tax Code Sec. 312.203.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:**

**Section 1. Amendment and Expansion of Reinvestment Zone Boundaries.** Pursuant to Chapter 312 of Texas Tax Code, the City hereby amends Section 1 of Ordinance 17-32 which previously amended the "Texas City Gulf Coast Reinvestment Zone No. 1" for commercial-industrial tax abatement purposes and hereby expands the Reinvestment Zone's boundaries to include the following areas:

An area of real property described as a tract or parcel containing 1.5639 acres or 68,125 square feet of land being part of Blocks 62 and 63 of Galveston Central Appraisal District ("GCAD") parcel #s 223922, 224332, 224333 and 224334, as depicted by the site map attached hereto as Exhibit "C-1" and incorporated herewith; and

An area of real property described as offshore lands and dock containing 19.22 acres or 837,200 square feet located southwest of Galveston Central Appraisal District ("GCAD") parcel #182510, south of GCAD parcel #372117, and north of GCAD parcel #190609 and GCAD parcel #605759, and an offshore easement running from the shoreline located at GCA parcel #182510 to the aforesaid offshore lands, as depicted by the site map attached hereto as Exhibit "C-2" and incorporated herewith; and

An area of real property described as a 154.5039-acre tract of land being part of GCAD parcel #424200, situated in Abstract 143, H.B. Littlefield Survey, Tracts 17 & 18 (17-10, Galveston County, Texas, , as depicted by the site map attached hereto as Exhibit "C-3" and incorporated herewith.

To demonstrate the expansion areas comprehensively, a site map depicting all areas described above is attached hereto as Exhibit "C-4" and incorporated herewith.

**Section 2. Declaration of Eligible Property.** The City of Texas City hereby declares eligible for property tax abatement all eligible real and tangible personal property for commercial-industrial development, now or thereafter located in the amended "Texas

City Gulf Coast Reinvestment Zone No. 1” as authorized by the City of Texas City guidelines and criteria for granting tax abatements in reinvestment zones and Chapter 312 of the Texas Tax Code.

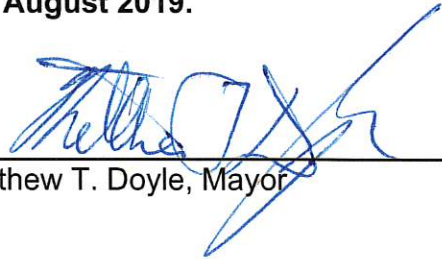
**Section 3. Expiration of Zone.** In accordance with Sec. 312.203 of the Texas Tax Code, the “Texas City Gulf Coast Reinvestment Zone No. 1” will expire on May 17, 2022, which is five (5) years after the date of its original designation, which occurred by Ordinance 17-16 on May 17, 2017.

**Section 4. Conflicts and Limited Repeal.** All provisions of Ordinances 17-16 and 17-32 in conflict with the provisions of this Ordinance amending and expanding the boundaries of the Reinvestment Zone are hereby repealed, and all other provisions of Ordinances 17-16 and 17-32 not in conflict with this Ordinance shall remain in full force and effect, it being the intent that Ordinances 17-16, 17-32 and this Ordinance 19-24 concerning the designation, clarification, amendment, and/or expansion of the Reinvestment Zone be read and interpreted cumulatively for their intended purpose.

**Section 5. Severability.** If any section, sentence, clause or phrase of this Ordinance should be held invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance and the City Commission declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional.

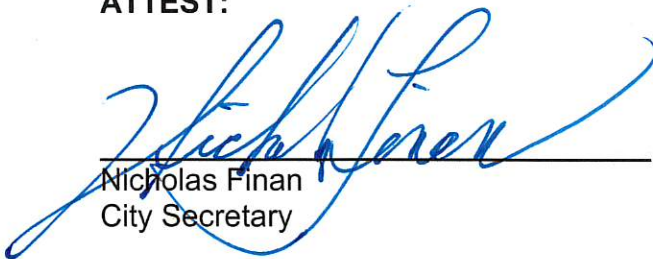
**Section 6. Effective date.** This Ordinance shall be effective upon its adoption.

**PASSED and ADOPTED on this 7<sup>th</sup> day of August 2019.**



Matthew T. Doyle, Mayor

**ATTEST:**



---

Nicholas Finan  
City Secretary

**APPROVED AS TO FORM:**



---

Russell Plackemeier  
City Attorney



**EXHIBIT "B"**

*Notice of Public Hearing / Notice to Presiding Officers*

*(Notices on separate pages)*

**NOTICE OF PUBLIC HEARING  
ON EXPANSION OF REINVESTMENT ZONE**

**"TEXAS CITY GULF COAST REINVESTMENT ZONE NO. 1"  
TEXAS CITY, GALVESTON COUNTY, TEXAS**

**WEDNESDAY, AUGUST 7, 2019 AT 5:00 PM**

**CITY COMMISSION OF TEXAS CITY  
KENNETH T. NUNN COUNCIL ROOM  
CITY HALL  
1801 NINTH AVENUE NORTH  
TEXAS CITY, TEXAS 77590**

The City Commission of the City of Texas City, Galveston County, Texas, at the above-described date, time, and location, will conduct a public hearing to consider designating the following property as an expansion of the "Texas City Gulf Coast Reinvestment Zone No. 1" previously designated by Ordinance 17-32 in accordance with Texas Tax Code Chapter 312 of the Texas Tax Code, to wit:

A tract or parcel containing .7891 acres or 34,374 square feet tract of land being part of Lots 6 thru 16, Block 79 of Texas City; offshore lands containing 19.22 acres or 837,200 square feet located southwest of Galveston Central Appraisal District ("GCAD") parcel #182510, south of GCAD parcel #372117, and north of GCAD parcel #190609 and GCAD parcel #605759; an offshore easement running from the shoreline located at GCA parcel #182510 to the aforesaid offshore lands; and a 154.5039 acre tract of land being part of GCAD parcel #424200, situated in Abstract 143, H.B. Littlefield Survey, Tracts 17 & 18 (17-10, Galveston County, Texas.

All interested parties are encouraged to attend.

Published: July 30, 2019  
00475124

CHRISTOPHER L. NICHOLS  
MANAGING ATTORNEY  
chris@nicholsfirm.com

**THE NICHOLS FIRM, PLLC**

THE WARRANT BUILDING  
1010 N. San Jacinto Street, Suite 100  
Houston, Texas 77002  
(T) 713-275-7832 | (F) 832-709-2478

July 30, 2019

The Honorable Mark A. Henry  
Galveston County  
722 Moody Avenue, Suite 200  
Galveston, Texas 77550

**VIA FIRST CLASS U.S. MAIL  
VIA CMRRR #7018 1130 0002 1729 8455**

Dr. Rodney Cavness, Superintendent  
Texas City Independent School District  
1700 Ninth Avenue N.  
Texas City, Texas 77590

**VIA FIRST CLASS U.S. MAIL  
VIA CMRRR #7018 1130 0002 1729 8462**

Dr. Warren Nichols, President  
College of the Mainland  
1200 Amburn Road  
Texas City, Texas 77591

**VIA FIRST CLASS U.S. MAIL  
VIA CMRRR #7018 1130 0002 1729 8479**

**Re: Notice of proposed amendment and expansion of "Texas City Gulf Coast Reinvestment Zone No. 1"  
Our File No. 4003.3-2019.**

Gentlemen,

Pursuant to TEX. TAX. CODE SEC. 312.201(d), the City of Texas City provides this notice of a proposed amendment and expansion of the Texas City Gulf Coast Reinvestment Zone No. 1 ("Reinvestment Zone") that is located within your taxing authority's boundaries. The Reinvestment Zone was initially created by the City of Texas City by Ordinance 2017-16 adopted on May 17, 2017, and later amended and expanded by Ordinance 2017-32 adopted on December 6, 2017. The proposed amendment enlarges the current Reinvestment Zone by the areas described in the enclosed Notice of Public Hearing which was published today.

Please be advised the Texas City Commissioners will convene in a public meeting where they will hold a public hearing on Wednesday, August 7, 2019, at 5:00 p.m. at the Kenneth T. Nunn Council Room, City Hall, 1801 9<sup>th</sup> Ave. N., Texas City, Texas 77590, to hear public comments pursuant to 312.201 of the Texas Tax Code on the proposed amendment to the reinvestment zone in conjunction with a possible commercial-industrial tax abatement. The notice of public hearing will be published in the City's official newspaper today, July 30, 2019.

If you have any questions concerning this public hearing, please contact Nick Finan, Executive Director of Management Services, at (409) 643-5916.

Very truly yours,



Christopher L. Nichols

CLN/csh

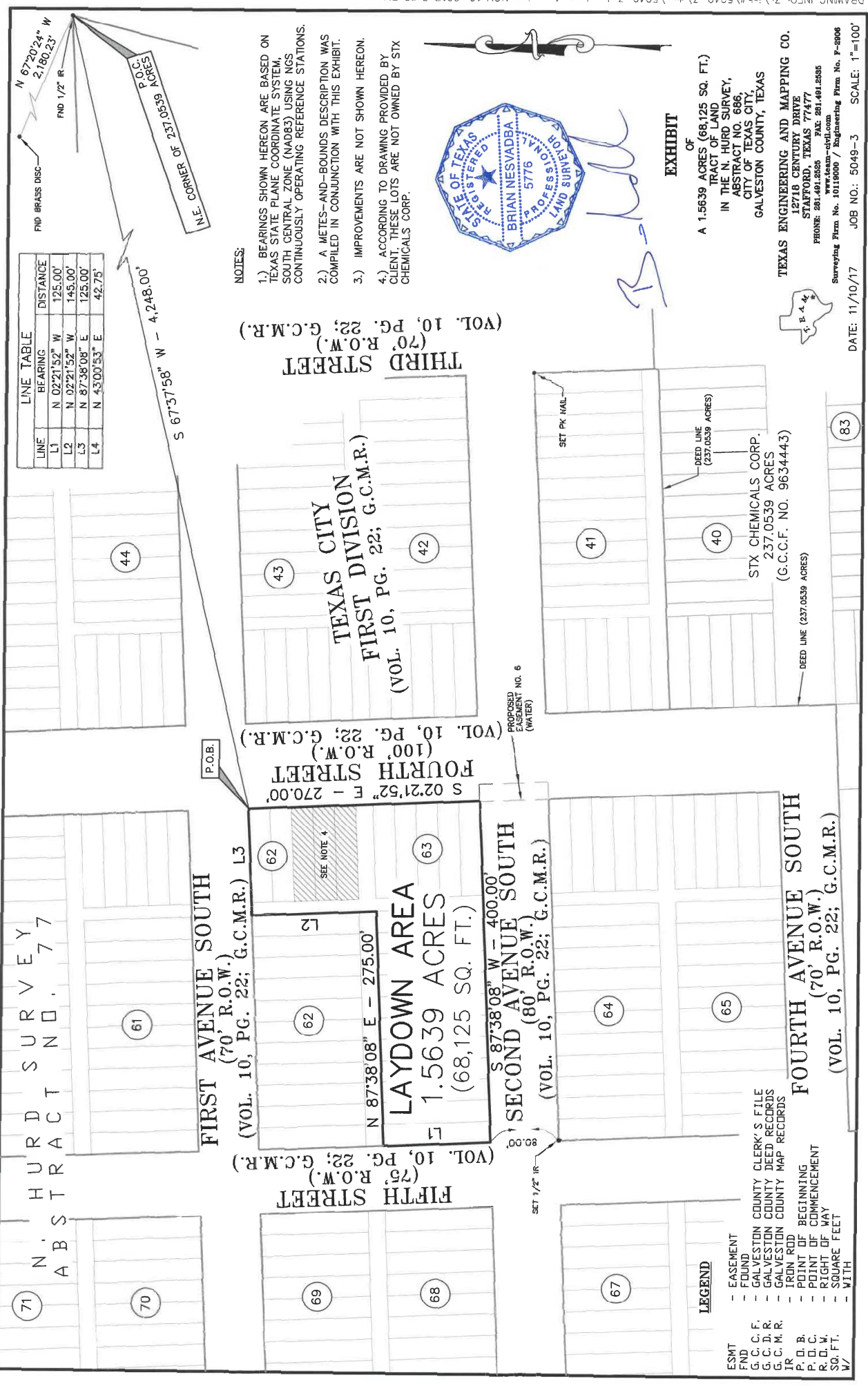
Enclosure (as stated)

cc: Nick Finan, Executive Director Management Services  
Justin Herter, Office of the City Attorney  
City of Texas City, Texas  
*(via email)*

**EXHIBIT "C-1"**

An area of real property described as a tract or parcel containing 0.7891 acres or 34,374 square feet tract of land being part of Lots 6 thru 16, Block 79 of Texas City.

*(Survey and metes & bounds description on separate pages)*



LINE	BEARING	DISTANCE
L1	N 02°21'52" W	125.00'
L2	N 02°21'52" W	145.00'
L3	N 87°38'08" E	125.00'
L4	N 43°00'53" E	42.75'

THIRD STREET  
(70' R.O.W.)  
(VOL. 10, PG. 22; G.C.M.R.)

FOURTH STREET  
(100' R.O.W.)  
(VOL. 10, PG. 22; G.C.M.R.)

FIRST AVENUE SOUTH  
(70' R.O.W.)  
(VOL. 10, PG. 22; G.C.M.R.) L3

LAYDOWN AREA  
1.5639 ACRES  
(68,125 SQ. FT.)

SECOND AVENUE SOUTH  
(80' R.O.W.)  
(VOL. 10, PG. 22; G.C.M.R.)

FOURTH AVENUE SOUTH  
(70' R.O.W.)  
(VOL. 10, PG. 22; G.C.M.R.)

FIFTH STREET  
(75' R.O.W.)  
(VOL. 10, PG. 22; G.C.M.R.)

**EXHIBIT OF**  
A 1.5639 ACRES (68,125 SQ. FT.)  
TRACT OF LAND  
IN THE N. HURD SURVEY,  
ABSTRACT NO. 686,  
CITY OF TEXAS CITY,  
GALVESTON COUNTY, TEXAS

TEXAS ENGINEERING AND MAPPING CO.  
12718 CENTURY DRIVE  
STARFORD, TEXAS 77477  
PHONE: 281.491.2825 FAX: 281.491.2885  
www.team-civil.com  
Surveying Firm No. 10116000 / Engineering Firm No. P-2906



- NOTES:**
- 1.) BEARINGS SHOWN HEREON ARE BASED ON TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (NAD83) USING NGS CONTINUOUSLY OPERATING REFERENCE STATIONS.
  - 2.) A METES-AND-BOUNDS DESCRIPTION WAS COMPILED IN CONJUNCTION WITH THIS EXHIBIT.
  - 3.) IMPROVEMENTS ARE NOT SHOWN HEREON.
  - 4.) ACCORDING TO DRAWING PROVIDED BY CLIENT, THESE LOTS ARE NOT OWNED BY STX CHEMICALS CORP.

- LEGEND**
- EASEMENT
  - FOUND
  - GALVESTON COUNTY CLERK'S FILE
  - GALVESTON COUNTY DEED RECORDS
  - GALVESTON COUNTY MAP RECORDS
  - IRON ROD
  - POINT OF BEGINNING
  - POINT OF COMMENCEMENT
  - RIGHT OF WAY
  - SQUARE FEET
  - WITH



DATE: 11/10/17 JOB NO.: 5049-3 SCALE: 1" = 100'

83

November 10, 2017

**Laydown Area**

**1.5639 acres in the N. Hurd Survey, Abstract No. 77,  
City of Texas City, Galveston County, Texas**

A FIELD NOTE DESCRIPTION of 1.5639 acres (68,125 square feet) of land in the N. Hurd Survey, Abstract No. 77, City of Texas City, Galveston County, Texas; said 1.5639 acre tract being a portion of Block 62 and all of Block 63, Texas City First Division, according to the map or plat recorded in Volume 10, Page 22 of the Galveston County Map Records; said tract being more particularly described by metes-and-bounds as follows with the bearings being based on the Texas State Plane Coordinate System, South Central Zone using National Geodetic Survey Continuously Operating Reference Stations:

COMMENCING FOR REFERENCE at a 1/2-inch iron rod found for the northeast corner of a 237.0539 acre tract of land conveyed to STX Chemicals Corp., as recorded in Galveston County Clerk's File No. 963443; from which a brass disk found bears North 67° 20' 24" West – 2,180.23 feet;

THENCE, South 67° 37' 58" West – 4,248.00 feet to a point at the intersection of the south right-of-way line of First Avenue South (70 feet wide), according to the map or plat recorded in Volume 10, Page 22 of the Galveston County Map Records with the west right-of-way line of Fourth Street (100 feet wide), according to the map or plat recorded in Volume 10, Page 22 of the Galveston County Map Records for the northeast corner of said Block 63 and for the northeast corner and POINT OF BEGINNING of this tract;

THENCE, South 02° 21' 52" East – 270.00 feet with the west right-of-way line of said Fourth Street and with the east line of said Block 62 & 63 to a point at the intersection of the west right-of-way line of said Fourth Street with the north right-of-way line of Second Avenue South (80 feet wide), according to the map or plat recorded in Volume 10, Page 22 of the Galveston County Map Records for the southeast corner of said Block 63 and for the southeast corner of this tract;

THENCE, South 87° 38' 08" West – 400.00 feet with the north line of said Second Avenue South and with the south line of said Block 63 to a point at the intersection of the north right-of-way line of said Second Avenue South with the east right-of-way line of Fifth Street (75 feet wide), according to the map or plat recorded in Volume 10, Page 22 of the Galveston County Map Records for the southwest corner of said Block 63 and for the southwest corner of this tract; from which a 1/2-inch iron rod found bears South 02° 21' 52" East – 80.00 feet;

THENCE, North 02° 21' 52" West – 125.00 feet with the east right-of-way line of said Fifth Street and with the west line of said Block 63 to a point in the south line of a 20 foot wide alley, according to the map or plat recorded in Volume 10, Page 22 of the Galveston County Map Records for a northwest corner of this tract;

THENCE, North 87° 38' 08" East – 275.00 feet with the south line of said 20 foot wide alley to a point for an interior corner of this tract;

THENCE, North 02° 21' 52" West – 145.00 feet across said 20 foot wide alley and with the west line of a 15 foot wide alley, according to the map or plat recorded in Volume 10, Page 22 of the Galveston County Map Records to a point in the south right-of-way line of said First Avenue South and in the north line of said Block 62 for a northwest corner of this tract;

THENCE, North 87° 38' 08" East – 125.00 feet with the south right-of-way line of said First Avenue South and with the north line of said Block 62 to the POINT OF BEGINNING and containing 1.5639 acres (68,125 square feet) of land.

Notes: This metes-and-bounds description was written in conjunction with a survey performed on even date herewith.

COMPILED BY:  
Texas Engineering And Mapping Company  
Civil Engineers - Land Surveyors  
Stafford, Texas  
Job No. 5049-3

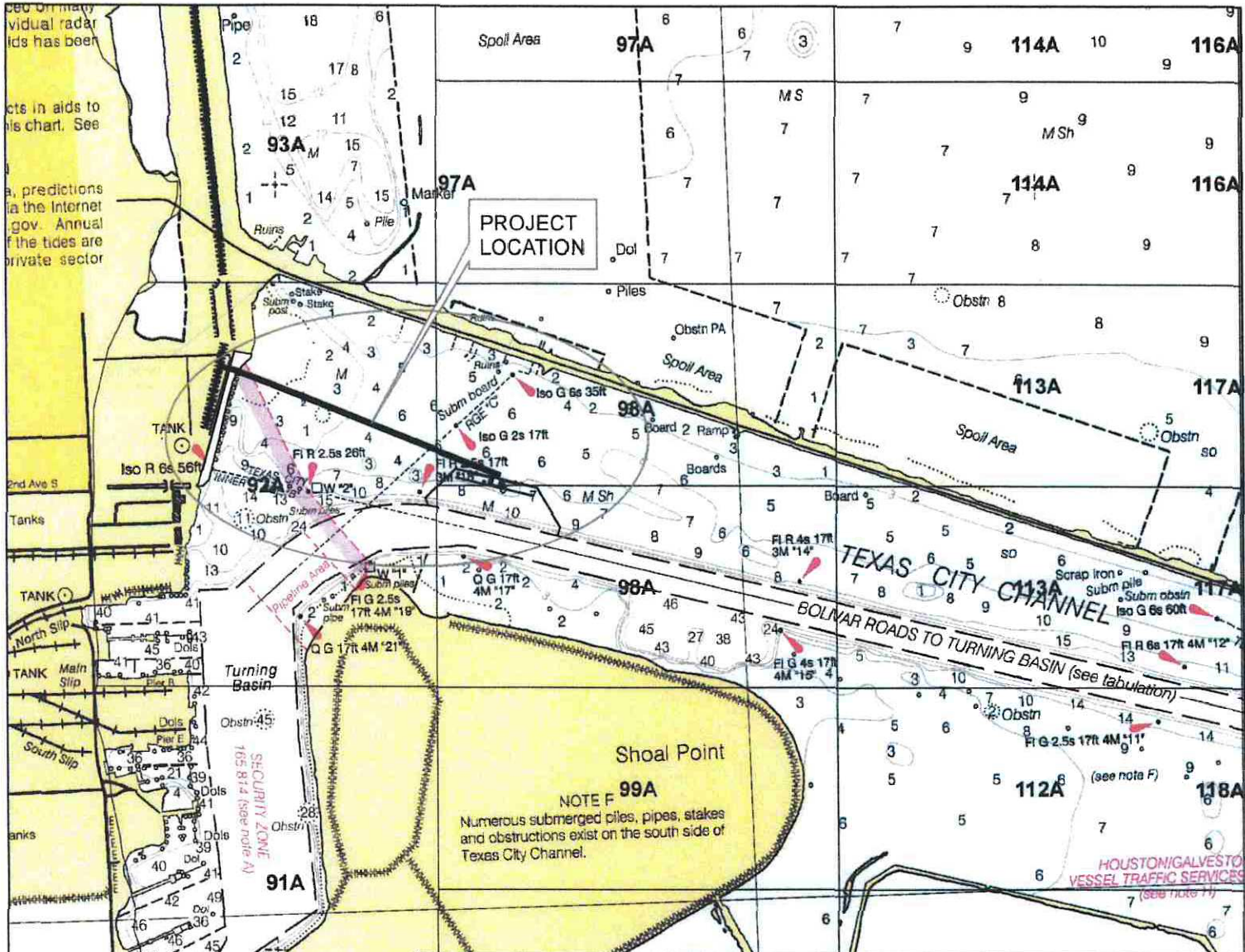


  
Brian Nesvadba  
Registered Professional Land Surveyor  
State of Texas No. 5776

**EXHIBIT "C-2"**

An area of real property described as offshore lands and dock containing 19.22 acres or 837,200 square feet located southwest of Galveston Central Appraisal District ("GCAD") parcel #182510, south of GCAD parcel #372117, and north of GCAD parcel #190609 and GCAD parcel #605759, and an offshore easement running from the shoreline located at GCA parcel #182510 to the aforesaid offshore lands.

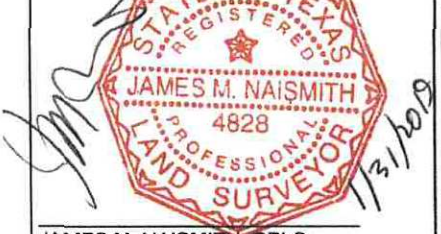
*(Survey and coordinates description on separate pages)*



**NOTE F 99A**  
 Numerous submerged piles, pipes, stakes and obstructions exist on the south side of Texas City Channel.

- NOTES:**
1. ALL COORDINATES REFER TO THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE (#4204), AS DEFINED BY ARTICLE 21.071 OF THE NATURAL RESOURCES CODE OF THE STATE OF TEXAS, 1983 DATUM, US FEET. ALL BEARINGS ARE LAMBERT GRID BEARINGS AND ALL DISTANCES GRID. THE SCALE FACTOR IS 0.999863574 AND MAPPING ANGLE IS 02d 00' 42".
  2. COORDINATES AND ELEVATIONS ARE BASED ON MONUMENTS & ON OPUS SOLUTIONS. VERTICAL DATUM: NAVD88
  3. REFERENCE MONUMENT "DIKE 1 2010"  
 N: 13,710,407.93  
 E: 3,284,601.32  
 ELEV: 6.0' MLLW (5.7' NAVD88)
  4. BACKGROUND IMAGE: NOAA NAUTICAL CHART 11324: GALVESTON BAY ENTRANCE, HARBOR CHART, 3/1/2017

SURVEYED: FEBRUARY 20, 2018  
 SURVEY PERSONNEL: J. ZAC GIESSEL



JAMES M. NAISMITH, RPLS



WWW.NAISMITHMARINE.COM  
 (361) 945-0248  
 FIRM#10078500

NO	DATE	REV.
0	1/19	NEW ALIGN

GULF COAST AMMONIA  
 1815 PURDY AVENUE  
 MIAMI BEACH FL 33139  
 MONSANTO SURVEY - A-686  
 TEXAS CITY, GALVESTON COUNTY TEXAS  
 STATE SUBMERGED LAND - 92A, 98A

1" = 2,000'  
 DWN BY: JZG

EXHIBIT A VICINITY MAP	DATE: FEB 2018
---------------------------	-------------------

TEXAS CITY

N: 13,711,228.68  
E: 3,276,364.81

N: 13,711,293.28  
E: 3,277,895.52

N: 87°34'54" E  
E: 1,531.95'  
CALLED N 89°35'36" E

EASTMAN CHEMICAL COMPANY

N: 13,708,842.92  
E: 3,277,229.88

S 02°24'25" E  
CALLED S 00°23'43" E  
922.08'

E: 3277000.00

E: 3278000.00

E: 3279000.00

E: 3280000.00

E: 3281000.00

N: 13712000.00

N: 13711000.00

N: 13710000.00

N: 13709000.00

N: 13,709,000.00  
E: 3,276,000.00

STATE TRACT 92A  
TEXAS CITY DIKE

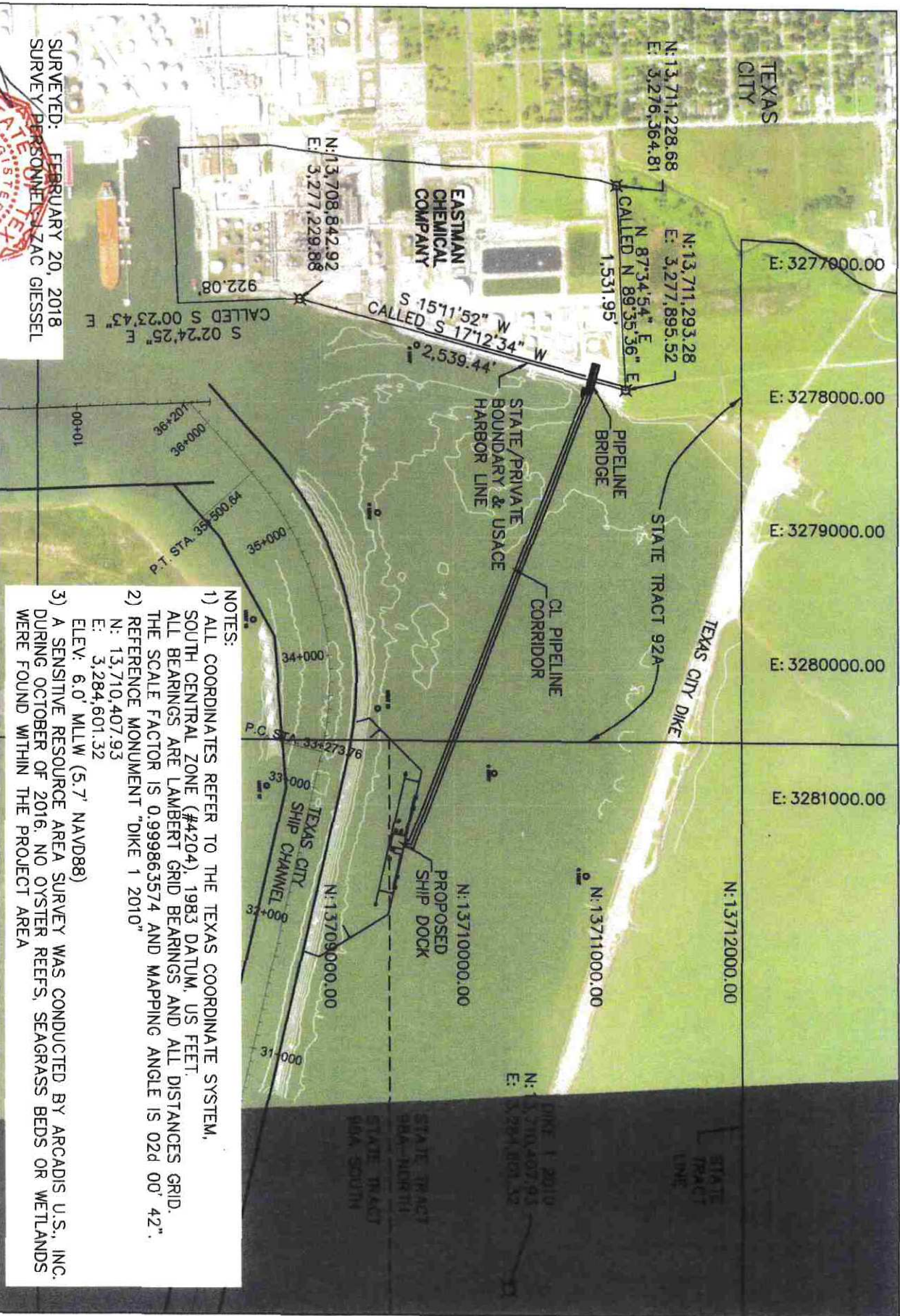
PIPELINE BRIDGE

STATE/PRIVATE BOUNDARY & USAGE HARBOR LINE

CL PIPELINE CORRIDOR

PROPOSED SHIP DOCK

TEXAS CITY SHIP CHANNEL



- NOTES:
- 1) ALL COORDINATES REFER TO THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE (#4204), 1983 DATUM, US FEET. ALL BEARINGS ARE LAMBERT GRID BEARINGS AND ALL DISTANCES GRID. THE SCALE FACTOR IS 0.999863574 AND MAPPING ANGLE IS 02d 00' 42".
  - 2) REFERENCE MONUMENT "DIKE 1 2010"  
N: 13,710,407.93  
E: 3,284,601.32  
ELEV: 6.0' MLLW (5.7' NAVD88)
  - 3) A SENSITIVE RESOURCE AREA SURVEY WAS CONDUCTED BY ARCADIS U.S., INC. DURING OCTOBER OF 2016. NO OYSTER REEFS, SEAGRASS BEDS OR WETLANDS WERE FOUND WITHIN THE PROJECT AREA

SURVEYED: FEBRUARY 20, 2018  
SURVEY PERSONNEL: JAC GIESSEL



JAMES M. NAISMITH, RPLS

**Naismith Marine**  
Hydrographic · Geophysical  
Environmental  
www.naismithmarine.com  
(361) 945-0248  
FIRM #10078500

NO	DATE	REVISION
0	3/18	PER S.W.
1	1/19	NEW ALIGN

1"=1000'  
DWN. BY: JZG  
PROJECT SITE MAP

EXHIBIT B  
STATE SUBMERGED LAND - 92A, 98A

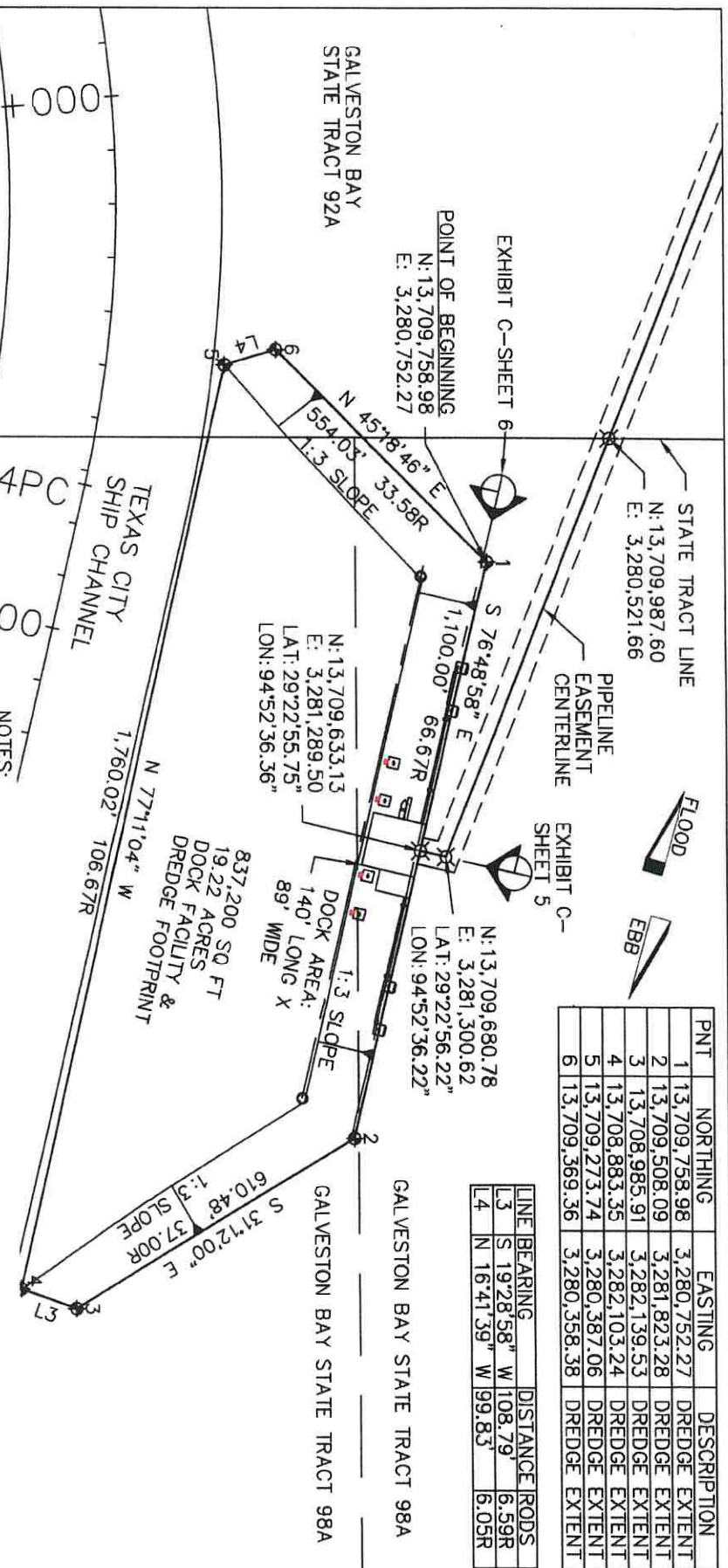
GULF COAST AMMONIA  
1815 PURDY AVENUE  
MIAMI BEACH FL 33139  
MONSANTO SURVEY - A-686  
TEXAS CITY, TEXAS  
GALVESTON COUNTY TEXAS

DATE: FEB 2018

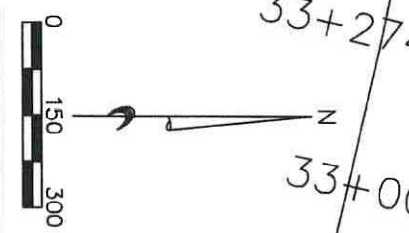


PNT	NORTHING	EASTING	DESCRIPTION
1	13,709,758.98	3,280,752.27	DREDGE EXTENT
2	13,709,508.09	3,281,823.28	DREDGE EXTENT
3	13,708,985.91	3,282,139.53	DREDGE EXTENT
4	13,708,883.35	3,282,103.24	DREDGE EXTENT
5	13,709,273.74	3,280,387.06	DREDGE EXTENT
6	13,709,369.36	3,280,358.38	DREDGE EXTENT

LINE	BEARING	DISTANCE	RODS
3	S 19°28'58"	W 108.79'	6.59R
4	N 16°41'39"	W 99.83'	6.05R



- NOTES:
- 1) ALL COORDINATES REFER TO THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE (#4204), 1983 DATUM, US FEET. ALL BEARINGS ARE LAMBERT GRID BEARINGS AND ALL DISTANCES GRID. THE SCALE FACTOR IS 0.99963574 AND MAPPING ANGLE IS 02d 00' 42".
  - 2) REFERENCE MONUMENT "DIKE 1 2010"  
N: 13,710,407.93  
E: 3,284,601.32
  - 3) UTILITIES TO BE LOCATED ON THE PIPE BRIDGE INCLUDE:  
12" LIQUID AMMONIA, 6" VAPOR RETURN, 4" RECIRC. LINE, 2" NITROGEN LINE, 2" INSTRUMENT AIR LINE, (2) 4" COMM. LINE, (2) 4160V ELECTRIC LINE, 4" WATER LINE, 12" STORMWATER DRAIN LINE
  - 4) PIPELINES & CONDUIT TO BE INSTALLED BY MECHANICALLY DREDGING A TRENCH TO THE REQUIRED DEPTH AND BACKFILLING WITH EXISTING SEAFLOOR MATERIAL



SURVEYED: FEBRUARY 20, 2018  
SURVEY PERSONNEL: JAZAC GIESSEL

JAMES M. NAISMITH, RPLS

**Naismith Marine**  
Hydrographic · Geophysical  
Environmental  
www.naismithmarine.com  
(361) 945-0248  
FIRM #10078500

NO/DATE	REVISION	SCALE 1"=300'	EXHIBIT C-SHEET 3	DATE:
0	3/18 PER S.W.	STATE SUBMERGED LAND - 92A, 98A	GULF COAST AMMONIA 1815 PURDY AVENUE MIAMI BEACH FL 33139 MONSANTO SURVEY - A-686 TEXAS CITY, TEXAS GALVESTON COUNTY TEXAS	FEB 2018
1	1/19 NEW ALIGN			
			EXHIBIT C-SHEET 3	
			DETAILED PROJECT PLAN	

***All coordinates below refer to the Texas Coordinate System, South Central Zone (#4204), as defined by Article 21.071 of the Natural Resources Code of the State of Texas, 1983 Datum, US Feet.***

A pipeline easement beginning onshore at the USACE Harbor Line and East Line of a 98.248 acre tract of land referred to as Monsanto Company, A-686 Described in "Exhibit A" of Settlement Agreement between State of Texas and Monsanto Co., recorded in GLO Records, Galveston County sketch file 50, at the following coordinates:

N: 13,711,030.30 (Latitude 29°23'10.78")  
E: 3,277,824.08 (Longitude 94°53'14.96")

and continuing from there across offshore lands covered by an offshore easement LC860074 granted by the State of Texas to Eastman Chemical Texas City, Inc. to point at the boundary of offshore easement LC860074 located at:

N: 13,710,941.16 (Latitude 29°23'09.81")  
E: 3,278,100.73 (Longitude 94°53'11.87")

and continuing from there South 68 deg. 30 min. 5 sec. East for a distance of 3439.17 feet (or 208.43 rods) across the Galveston Bay State Tract 92A and Galveston Bay State Tract 98A to a point located in Galveston Bay State Tract 98A located at:

N: 13,709,680.78 (Latitude 29°22'56.22")  
E: 3,281,300.62 (Longitude 94°52'36.22")

and continuing from there South 13 deg. 7 min 57 sec West for a distance of 48.93 feet (or 2.97 rods) across Galveston Bay State Tract 98A and ending at a point located at:

N: 13,709,633.13 (Latitude 29°22'55.75")  
E: 3,281,289.50 (Longitude 94°52'36.36")

*and*

A tract or parcel of offshore lands containing 19.22 acres or 837,200 square feet located in Galveston Bay State Tract 92A and Galveston Bay State Tract 98A, and being more particularly described as follows:

Beginning at a point located at:

N: 13,709,758.98  
E: 3,280,752.27

and continuing South 76 deg. 48 min 58 sec East for 1,100.00 feet (or 66.67 rods) to a point located at:

N: 13,709,508.09  
E: 3,281,823.28

and continuing South 31 deg. 12 min 0 sec East for 610.48 feet (or 37.00 rods) to a point located at:

N: 13,708,985.91  
E: 3,282,139.53

and continuing South 19 deg 28 min 59 sec West for a distance of 108.79 feet (or 6.59 rods) to a point located at:

N: 13,708,883.35  
E: 3,282,103.24

and continuing North 77 deg 11 min 4 sec West for a distance of 1760.02 feet (or 106.67 rods) to a point located at:

N: 13,709,273.74  
E: 3,280,387.06

and continuing North 16 deg 41 min 39 sec West for a distance of 99.83 feet (or 6.05 rods) to a point located at:

N: 13,709,369.36  
E: 3,280,358.38

and continuing North 45 deg 18 min 46 sec East for a distance of 554.03 feet (or 33.58 rods) to the point of beginning.

**EXHIBIT "C-3"**

An area of real property described as a 154.5039 acre tract of land being part of GCAD parcel #424200, situated in Abstract 143, H.B. Littlefield Survey, Tracts 17 & 18 (17-10, Galveston County, Texas, , as depicted by the site map attached hereto as Exhibit "B-3" and incorporated herewith.

*(Site map and metes & bounds description on separate pages)*



**PROPOSED RE-INVESTMENT ZONE**

Part of Texas City

Industrial 309354

100

107

102

91

349

13

**EXHIBIT A**

**Property**

**ALL THAT CERTAIN 154.5039 ACRE** tract of land lying and situated in the H. B. Littlefield Survey, Abstract 143, Galveston County, Texas, being the Western portion of the existing Union Carbide Marine Terminal plant site, being part of all that certain called 435.29 acre tract of land conveyed by deed on May 21, 1962 from the Board of Regents of the University of Texas to Union Carbide Corporation, as recorded in Volume 1495, Page 496 of the Galveston County Deed Records (G.C.D.R.), and being a part of all that certain called 104.184 acre tract of land conveyed by deed on November 13, 1963 from the Texas City Terminal Railway Company to Union Carbide Corporation, as recorded in Volume 1591, Page 669 of the G.C.D.R., said 154.5039 acre tract hereby conveyed being more particularly described by metes and bounds, using survey terminology which refers to the Texas State Plane Coordinate System, South Central Zone (NAD83), in which the directions are Lambert grid bearings and the distances are surface level horizontal lengths (S.F.= 0.999862341) as follows

**BEGINNING** at a TxDOT concrete monument found marking an angle point of the Eastern boundary line of the 160 foot wide Texas State Highway Loop 197 right-of-way same being the Western boundary line the Union Carbide Corporation, Marine Terminal property and being 15 feet Easterly at right angles to the original Eastern right-of-way of the former 130 foot wide Texas State Highway Loop 197 same being the original Western boundary line of the aforementioned Union Carbide Corporation called 435.29 acre tract of land conveyed by deed on May 21, 1962 from the Board of Regents of the University of Texas to Union Carbide Corporation, as recorded in Volume 1495, Page 496 of the G.C.D.R., from which the original Southwest corner of the said Union Carbide called 435.29 acre tract of land bears North  $71^{\circ}14'49''$  West, a distance of 15.00 feet and South  $18^{\circ}45'11''$  West, a distance of 254.79 feet, said TxDOT concrete monument being an angle point of the herein described 154.5039 acre tract, located at position X=3267159.16 and Y=13699967.12;

**THENCE** North  $16^{\circ}56'21''$  East, coincident with the said Eastern right-of-way boundary line of said Texas State Highway Loop 197, same being the present Western boundary line of said Union Carbide Corporation, Marine Terminal called 435.29 acre tract, a distance of 315.93 feet to a set 5/8" iron rod with survey cap, located in the original Eastern right-of-way of the former 130 foot wide Texas State Highway Loop 197 and the original Western boundary line of the said Union Carbide called 435.29 acre tract, for an angle point of the herein described 154.5039 acre tract, at position X=3267251.19 and Y=13700269.31,

**THENCE** North  $18^{\circ}45'42''$  East, coincident with the said Eastern right-of-way boundary line of said Texas State Highway Loop 197, same being the Western boundary line of said Union Carbide Corporation, Marine Terminal called 435.29 acre tract, a distance of 1001.14 feet to a TxDOT concrete monument found marking a 15 foot right-of-way offset point, for an interior point of the herein described 154.5039 acre tract, at position X=3267573.15 and Y=13701217.12;

**THENCE** North 71°14'18" West, coincident with the Northeastern right-of-way boundary line of said Texas State Highway Loop 197, same being a Southwestern boundary line of said Union Carbide Corporation, Marine Terminal called 435.29 acre tract, a distance of 15.00 feet to a set 5/8" iron rod with survey cap, for an exterior corner of the herein described 154.5039 acre tract, at position X=3267558.95 and Y=13701221.94;

**THENCE** North 18°45'42" East, coincident with the said Eastern right-of-way boundary line of said Texas State Highway Loop 197, same being the Western boundary line of said Union Carbide Corporation, Marine Terminal called 435.29 acre tract, at a distance of 92.08 feet pass the Northwest corner of the said Union Carbide Corporation, Marine Terminal called 435.29 acre tract, same being the Southwest corner of the aforementioned all that certain called 104.184 acre tract of land conveyed by deed on November 13, 1963 from the Texas City Terminal Railway Company to Union Carbide Corporation, as recorded in Volume 1591, Page 669 of the G.C.D.R., continuing for a total distance of 644.28 feet to a 5/8" iron rod with survey cap set at the Northwest corner of the said Union Carbide called 104.184 acre tract, same being the Southwest corner of all that certain residual of Tract "B" a called 170.21 acre tract of land conveyed by deed on June 22, 1942 from the Board of Regents of the University of Texas to Texas City Terminal Railway Company, as recorded in Volume 645, Page 294 of the G.C.D.R., and being the Southwest corner of all that certain called 20.47 acre tract of land described in lease description by Robert Adams, Registered Public Surveyor, Number 1002, on January 21, 1976 from the Texas City Terminal Railway Company to the Union Carbide Corporation, for the Northwest corner of the herein described 154.5039 acre tract, at position X=3267766.14 and Y=13701831.90;

**THENCE** North 88°01'09" East, coincident with the Northern boundary line of said Union Carbide Corporation called 104.184 acre tract, same being the Southern boundary line of said Texas City Terminal Railway Company residual called 170.21 acre tract and the Southern boundary of the said Union Carbide called 20.47 acre lease tract, at a distance of 327.33 feet pass the most Southerly Southeast corner of the said Union Carbide called 20.47 acre lease tract, continuing for a total distance of 748.66 feet to a point in the Union Carbide Turning Basin on the North side of Barge Dock #65, for an interior corner of the herein described 154.5039 acre tract, at position X=3268514.25 and Y=13701857.78;

**THENCE** North 18°45'42" East, coincident with the Northwestern boundary line of said Union Carbide Corporation called 104.184 acre tract, same being the Southeastern boundary line of said Texas City Terminal Railway Company residual called 170.21 acre tract, a distance of 390.23 feet to a point in the Union Carbide Turning Basin, for an exterior corner of the herein described 154.5039 acre tract, at position X=3268639.94 and Y=13702227.23;

**THENCE** North 88°01'09" East, coincident with the Northern boundary line of said Union Carbide Corporation called 104.184 acre tract, same being the Southern boundary line of said Texas City Terminal Railway Company residual called 170.21 acre tract, a distance of 119.82 feet to a point in the Union Carbide Turning Basin, for an interior corner of the herein described 154.5039 acre tract, at position X=3268759.68 and Y=13702231.23,

**THENCE** North 1°58'51" West, coincident with the Western boundary line of said Union Carbide Corporation called 104.184 acre tract, same being the Eastern boundary line of said

Texas City Terminal Railway Company residual called 170.21 acre tract, a distance of 25.00 feet to a point in the Union Carbide Turning Basin, for an exterior corner of the herein described 154 5039 acre tract, at position X=3268758.81 and Y=13702256.35;

**THENCE** North 88°01'09" East, coincident with the Northern boundary line of said Union Carbide Corporation called 104.184 acre tract, same being the Southern boundary line of said Texas City Terminal Railway Company residual called 170.21 acre tract, a distance of 1527.54 feet to a point in the 200 foot wide Union Carbide barge channel, for the Northeast corner of the herein described 154.5039 acre tract, at position X=3270285.02 and Y=13702309.13;

**THENCE** South 1°58'51" East, at a distance of 405.57 feet pass the Northern boundary line of the said Union Carbide Corporation, Marine Terminal called 435.29 acre tract, same being the Southern boundary line of the said Union Carbide Corporation called 104.184 acre tract, at a distance of 510.25 feet pass a 5/8" iron rod with survey cap set for reference point, at a distance of 1246.9 feet pass an existing 8 foot tall chain link Union Carbide Plant perimeter fence post, continuing generally along and 1 foot East of said existing 8 foot tall chain link Union Carbide Plant perimeter fence for a total distance of 1878.79 feet to a 5/8" iron rod with survey cap set for an interior corner of the herein described 154.5039 acre tract, at position X=3270349.96 and Y=13700431.73;

**THENCE** North 88°01'09" East, generally along and 1 foot North of said existing 8 foot tall chain link Union Carbide Plant perimeter fence for a distance of 27 99 feet to a 5/8" iron rod with survey cap set for an exterior corner of the herein described 154 5039 acre tract, at position X=3270377.93 and Y=13700432.70;

**THENCE** South 1°58'51" East, generally along and 1 foot East of said 8 foot tall chain link fence line at a distance of 460.9 feet pass a fence corner post, continuing for a total distance of 587.06 feet to a set 5/8" iron rod with survey cap located in the Southern boundary line of the aforementioned called 435.29 acre tract of land conveyed by deed on May 21, 1962 from the Board of Regents of the University of Texas to Union Carbide Corporation, as recorded in Volume 1495, Page 496 of the G.C.D.R., same being the Northern boundary of all that certain called 442.68 acre tract of land conveyed by deed on July 19, 1968 from the Board of Regents of the University of Texas to Union Carbide Corporation, as recorded in Volume 1963, Page 748 of the G C.D.R., and the Northern boundary line of a 150 foot wide Galveston County Drainage Easement, for the Southeast corner of the herein described 154.5039 acre tract, at position X=3270398.22 and Y=13699846.06;

**THENCE** South 88°01'09" West, coincident with the Southern boundary line of the said Union Carbide Corporation called 435.29 acre tract, same being the Northern boundary line of said Union Carbide Corporation called 442.68 acre tract, and the Northern boundary line of said 150 foot wide Galveston County Drainage Easement, a distance of 3321.58 feet to a set 5/8" iron rod with survey cap located in the Eastern boundary line of the 160 foot wide Texas State Highway Loop 197 right-of-way same being the Western boundary line the Union Carbide Marine Terminal property and being 15 feet Easterly at right angles to the original Eastern right-of-way of the former 130 foot wide Texas State Highway Loop 197 same being the original Southwest corner of the said Union Carbide called 435.29 acre tract, from which the original Southwest

corner of the said Union Carbide called 435.29 acre tract of land bears South 88°01'09" West, a distance of 16.04 feet for Southwest corner of the herein described 154.5039 acre tract, at position X=3267079.08 and Y=13699731.27;

**THENCE** North 18°45'11" East, coincident with the said Eastern right-of-way boundary line of said 160 foot wide Texas State Highway Loop 197, same being the Western boundary line of said Union Carbide Marine Terminal tract and being 15 feet Easterly at right angles to the original Eastern right-of-way of the former 130 foot wide Texas State Highway Loop 197 same being the Western boundary line of the said Union Carbide called 435.29 acre tract, a distance of 249.11 feet to the **POINT OF BEGINNING**, containing 154.5039 acres of land, more or less

**EXHIBIT "C-4"**

*Comprehensive Site Map of Expansion Areas*

*(Block #63, OilTanking Area #2 and Offshore Dock)*



**Exhibit B**  
**Gulf Coast Ammonia LLC Tax Abatement Application**

**See Attached**

2-1  
710-234

121

GULF COAST AMMONIA LLC 07-15

DATE 5/14/2019 PMP

PAY TO THE ORDER OF The City of Texas City \$ 50,000.00  
Fifty thousand & 00/100 DOLLARS

Heat  
Reactive  
Ink ←



**J.P.Morgan**

Founded 1799  
JPMorgan Chase Bank, N.A.  
Chicago, Illinois

MEMO Abatement Application

Elizabeth Salas MP

⑆071000013⑆

⑆263508421012⑆

LOOK FOR FRAUD-DETECTING FEATURES INCLUDING THE SECURITY SQUARE AND HEAT-REACTIVE INK. DETAILS ON BACK.

# Vinson & Elkins

Alberto P. Cardenas, Jr. bcardenas@velaw.com  
Tel +1.713.758.3264 Fax +1.713.615.5980

## Via FedEx

May 23, 2019

Hon. Matthew T. Doyle  
City Hall - City of Texas City  
1801 9th Avenue North  
Texas City, Texas 77592

Re: Gulf Coast Ammonia LLC Tax Abatement Application

Dear Mayor Doyle:

Please accept this letter as a formal application on behalf of our client, Gulf Coast Ammonia LLC (“GCA”), for consideration of a tax abatement agreement with the City of Texas City (the “City”).

As shared with you in our confidential discussions, GCA is working toward financial closing for the construction of its ammonia production facility located within the City of Texas City. Once negotiations with our contractual counterparties conclude, the financing of our project closes, and the tax abatement agreements with the City of Texas City, Texas City ISD, the College of the Mainland and Galveston County are in place, GCA proposes to complete design and construction of a new distribution facility for the production of ammonia (“*The Project*”) within a little more than three years.

The proposed improvements for which the Project seeks property tax abatement includes, but is not limited to, site development, new construction and operation of a hydrogen and nitrogen production facilities and an ammonia production facility with a production capacity of 3600 metric tons per day. The ammonia facility’s construction cost is budgeted at \$600,000,000 and the expected value of the Project at the end of the tax abatement period is currently estimated to be \$450,000,000. We note that as of January 1 of the year preceding the abatement, it will be difficult for GCA to determine the value of the abatable improvements on the land, as construction will still be ongoing at that time. Until the entire facility is completed, commissioned and placed in service, the uncompleted and inoperable work in progress has little, if any, value.

As you are aware, GCA, the City and Eastman Chemical Texas City, Inc. (“*Eastman*”) previously, in December of 2017, entered into a Chapter 312 Tax Abatement (the “*312 Agreement*”), and GCA and the City entered into a Chapter 380 Economic Development and Performance Agreement for Property Located in the Texas City Gulf Coast Reinvestment Zone No.1 (the “*380 Agreement*”, and together with the 312 Agreement, the “*Existing Abatement Agreements*”). The Existing Abatement Agreements were executed under a reinvestment zone created pursuant to Ordinance No. 17-16, and



encompassed certain land owned by Eastman and Leased to GCA within the jurisdictional boundaries of the City at Property ID 223922 and Property ID 182510 (the “*Existing Reinvestment Zone*”).

GCA is now exploring the option to locate a portion of the Project - its ammonia storage tank - at a site owned by Oiltanking North America, LLC (“*Oiltanking*”) and to contract with Oiltanking for terminalling services. However, it will be some months before GCA and Oiltanking can obtain the necessary permits and right-of-way to effect such a change. GCA and Oiltanking will make a decision within the first year after construction of the Project commences as to how they will proceed regarding the location of the ammonia storage tank, be it at the Eastman site or at the Oiltanking site. As such, GCA now seeks to amend its reinvestment zone to encompass both the lands covered by the Existing Reinvestment Zone as well as additional land at both the Eastman site and the Oiltanking site to allow for such a change.

The various lands that GCA seeks to have including in a reinvestment zone, and ultimately be subject to a tax abatement agreement, are depicted in the enclosed maps. In addition to the land included in the Existing Reinvestment Zone, as the enclosed maps depict, GCA would also then lease from Eastman Block 67, an additional parcel of land included in Property ID 223922, and also land at the Oiltanking site included in Property ID 424200 (collectively, the “*New Land*”). GCA has metes and bounds surveys and a lease in place for the land located at the Eastman site that is subject to the Existing Abatement Agreements, but does not yet have such legal descriptions or leasehold interests for the New Land.

The property tax abatement is critical to the ability for the Project to move forward in Galveston County. Without the property tax abatement, the impact of comparatively high Texas property taxes on the cost of the project does not result in a competitive rate of return in comparison to other potential investments. Securing the property tax abatement is one of many steps required by GCA to secure the necessary, competitive commercial contracts required for the project’s financing. Without the property tax abatement, GCA may be forced to abandon the project and allocate its capital and prospective investment funds to other investments where the rate of return is higher.

We very much appreciate the City’s consideration of our client’s tax abatement application and look forward to working with you in the coming weeks.

Respectfully Submitted,

A handwritten signature in blue ink that reads "Alberto P. Cardenas, Jr." in a cursive script.

Alberto P. Cardenas, Jr.

**APPLICATION FOR PROPERTY TAX ABATEMENT  
CITY OF TEXAS CITY, TEXAS  
(INDUSTRY)**

**APPLICATION INSTRUCTIONS**

If an Applicant's proposed development qualifies for Tax Abatement pursuant to the initial eligibility criteria established by the City Commission of the City of Texas City, Texas ("City"), as may be amended, the Applicant for Tax Abatement must complete an Application for Property Tax Abatement and submit it, along with all required attachments (collectively the "Application"), to the City Secretary. The Application will become part of any subsequent tax abatement agreement, if approved, and any knowingly false representations by the Applicant or its representatives will be grounds to void or otherwise terminate any tax abatement agreement based on the information contained herein or other agreement authorized and executed in conjunction with a tax abatement agreement. The Applicant must verify that the property subject to the tax abatement is located within the corporate limits of the City of Texas City, Texas ("City").

**APPLICATION FEE**

Upon the Applicant's submission of the Application, the Applicant must also pay a non-refundable application fee. The application fee and payment terms for industry related tax abatements shall be determined by the City ("Application Fee").

**DISCLOSURE**

The City Commission retains the sole authority to approve or deny any Tax Abatement Agreement and is under no obligation to approve any Application or proposed Tax Abatement Agreement.

The City Commission's adoption of tax abatement guidelines and criteria does not (1) limit the City Commission's discretion to decide whether to enter into a specific tax abatement agreement; (2) limit the City Commission's discretion to delegate to its employees the authority to determine whether or not the City Commission should consider a particular application or request for tax abatement; or (3) create any property, contractual, or other legal right of the applicant, person, or entity to have the City Commission consider or grant a specific tax abatement application.

**CONFIDENTIALITY**

Pursuant to Texas Tax Code Sec. 312.003, information the Applicant provides to the City in connection with its application or request for a tax abatement under Chapter 312 of the Texas Tax Code that describes the specific processes or business activities to be conducted or the equipment or other property to be located on the property for which the Applicant seeks a tax abatement is confidential and not subject to public disclosure until the tax abatement agreement is executed. The Applicant's information in the custody of the City after the agreement is executed is not confidential under this section.

**APPLICANT INFORMATION**

**APPLICATION DATE:** 5/23/2019

**COMPANY NAME:** Gulf Coast Ammonia LLC

**COMPANY'S HEADQUARTERS ADDRESS:** 1815 Purdy Avenue

**CITY:** Miami Beach      **STATE:** FL      **ZIP:** 33139

**TELEPHONE:** \_\_\_\_\_ **FAX:** \_\_\_\_\_

**COMPANY'S LOCAL ADDRESS:** \_\_\_\_\_

**CITY:** \_\_\_\_\_ **STATE:** \_\_\_\_\_ **ZIP:** \_\_\_\_\_

**LOCAL TELEPHONE:** \_\_\_\_\_ **LOCAL FAX:** \_\_\_\_\_

- BUSINESS ENTITY:**
- |                                     |                           |                          |             |
|-------------------------------------|---------------------------|--------------------------|-------------|
| <input type="checkbox"/>            | Sole Proprietor           | <input type="checkbox"/> | DBA         |
| <input type="checkbox"/>            | Partnership               | <input type="checkbox"/> | Corporation |
| <input checked="" type="checkbox"/> | Limited Liability Company | <input type="checkbox"/> | Other       |

If "PARTNERSHIP," please explain in detail applicant's partnership structure:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If "DBA" or "OTHER," please explain in detail the applicant's business entity structure:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

State of Incorporation: DE      Years in Galveston County? 0

Is the Applicant authorized to do business in the state of Texas?       YES       NO

Has the Applicant ever filed for bankruptcy?       YES       NO

*(continued on next page)*

If "YES", please explain in detail the applicant's bankruptcy history including but not limited to dates and bankruptcy court(s) having jurisdiction over any bankruptcy proceedings.

**REGISTERED AGENT:**

**REGISTERED AGENT NAME:** C T CORPORATION SYSTEM

**BUSINESS / FIRM:** \_\_\_\_\_

**AGENT'S ADDRESS:** 1999 Bryan ST., STE. 900

**CITY:** Dallas **STATE:** TX **ZIP:** 75201

**TELEPHONE:** \_\_\_\_\_ **EMAIL:** \_\_\_\_\_

**COMPANY REPRESENTATIVE AUTHORIZED FOR APPLICANT:**

**NAME:** Alberto Cardenas

**TITLE:** Counsel

**ADDRESS:** 1001 Fannin Street, Suite 2500

**CITY:** Houston **STATE:** TX **ZIP:** 77002

**TELEPHONE:** (713) 758-3264 **EMAIL:** bcardenas@velaw.com

*(continued on next page)*

\_\_\_\_\_

**AUTHORIZED COMPANY OFFICIAL:**

**NAME:** Hamza Slimani

**TITLE:** CEO

**ADDRESS:** 1815 Purdy Avenue

**CITY:** Miami Beach      **STATE:** FL      **ZIP:** 33139

**TELEPHONE:** (212) 315-3686      **EMAIL:** hslimani@agrifos.com

**AUTHORIZED SIGNATURE ON BEHALF OF APPLICANT:** H. Slimani

**BY SIGNING THIS APPLICATION, THE APPLICANT AND ITS AUTHORIZED COMPANY OFFICIAL REPRESENT TO THE CITY OF TEXAS CITY, TEXAS THAT THE INFORMATION CONTAINED HEREIN IS TRUTHFUL, ACCURATE, AND CORRECT. THE APPLICANT AND ITS AUTHORIZED COMPANY OFFICIAL FURTHER UNDERSTAND THAT ANY CHANGES TO THE INFORMATION CONTAINED HEREIN REQUIRE THE APPLICANT OR ITS AUTHORIZED COMPANY OFFICIAL TO NOTIFY THE CITY OF TEXAS CITY, TEXAS WITHIN THIRTY (30) DAYS.**

**PROJECT INFORMATION**

- PROJECT CATEGORY:**     Warehouse  
(choose all that apply)     Manufacturing  
    Research & Development  
    Regional Distribution  
    Regional Service Center  
    General Office Building(s)  
    Other

If "OTHER," please describe in detail the type of project or facility:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- PROJECT TYPE:**             New Facility or Structure  
(choose all that apply)     Expansion of Existing Facility or Structure  
    Modernization of Existing Facility or Structure  
    Other

Please describe in detail the products or services to be provided by Project:

The Project will manufacture ammonia, which is used in the production of fertilizers, fibers, and plastics. Hydrogen and nitrogen gas will be produced at an on-site steam methane reformer and air separation unit, and these gasses will be used as raw feedstocks for the production of ammonia. Once produced, the ammonia will be stored in an on-site ammonia storage tank.

Ammonia will be loaded onto vessels and barges that arrive at a dock constructed near the ammonia storage tank dock constructed near the ammonia storage tank. Ammonia may also be shipped to some customers via pipeline.

**PROJECT DESCRIPTION:** Provide a statement fully describing or explaining the proposed project, including a description of the proposed project site improvements as well as a list of fixed machinery and equipment for which applicant seeks tax abatement. (Attach additional pages if necessary.)

Gulf Coast Ammonia LLC plans to design and construct a new ammonia production facility.

The plant will manufacture ammonia, which is used in the production of fertilizers, fibers, and plastics through the on-site production of hydrogen and nitrogen feedstock gasses.

Construction of the proposed facility is expected to begin in late 2019 with commercial operations commencing in 2023.

The proposed improvements for which the tax limitation is sought includes, but is not limited to, site development, storage tanks, ammonia synthesis loop, pumps, piping, control equipment and facilities, steam methane reformer, air separation unit, and other chemical processing equipment.

The list of property for which Gulf Coast Ammonia seeks tax abatement includes, but is not limited to the following:

- |                                    |   |
|------------------------------------|---|
| - Synthesis Loop                   | - Storage Tank                                    |
| - Refrigeration System             | - Process Control Buildings                       |
| - Cooling tower                    | - Flare Stacks                                    |
| - Heat Exchangor                   | - Reactors  |
| - Steam Methane Reformer           | - Compressors                                     |
| - Air Separation Unit              | - Warehouse, Maintenance, and all other buildings |
| - Vacuum Systems                   | - Transformers                                    |
| - Motors and Motor Control Centers | - Dock  |

**PROJECT LOCATION:**

**PHYSICAL ADDRESS:** Eastman Chemical Texas City - 201 Bay Street South  
Oiltanking Texas City – 2800 Loop 197 South

**CITY:** Texas City                      **STATE:** TX                      **ZIP:** 77590

**MAILING ADDRESS:** Gulf Coast Ammonia LLC, 1815 Purdy Avenue

**CITY:** Miami Beach                      **STATE:** FL                      **ZIP:** 33139

**PROJECT LEGAL DESCRIPTION:**  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Is the Applicant the owner of the real property where the Project will be located?                       YES                       NO

If "NO," does the Applicant have an executed lease for the real property where the Project will be located?                       YES                       NO  
(please see cover letter)

*\* Please submit a map, survey or plat of the project's legal description with the application.*

**TAX ACCOUNT NUMBERS:** 32056951828                      **NAICS #:** 325311

**REINVESTMENT ZONE INFORMATION:**

Is the Project already located in a tax reinvestment zone?                       YES                       NO  
(please see cover letter)

If "YES", identify the jurisdiction and state the date the tax reinvestment zone was created?                      Please see cover letter

If "NO," does the Applicant have a metes and bounds survey of the real property for the necessary reinvestment zone?                       YES                       NO  
(please see cover letter)

*\* Please submit a map of the proposed reinvestment zone with the application, if applicable.*

*(continued on next page)*

**OTHER TAX ABATEMENTS:**

Does Applicant intend on seeking tax abatement from Galveston county?  YES  NO

Does Applicant intend on seeking a Chapter 313 Property Value Limitation Agreement with a school district?  YES  NO

Texas City Independent School District

**SCHOOL DISTRICT(S):** \_\_\_\_\_  
\_\_\_\_\_

**PRIOR TAX ABATEMENT INFORMATION:**

Has the Applicant previously received tax abatement from the City?  YES  NO

If "YES", date(s) tax abatement agreement(s) executed? January 31, 2018

Has the Applicant already requested a tax abatement or property value limitation for this Project from another taxing jurisdiction?  YES  NO

If "YES", please provide the following information:

1. Name of each taxing jurisdiction & contact? \_\_\_\_\_

Texas City Independent School District (Rodney Cavness)

Galveston County (Myrna Reingold)

The College of the Mainland (Clem Burton)

2. Date(s) for each tax abatement application: \_\_\_\_\_

Texas City Independent School District  
(07/22/2016)

Galveston County (6/1/2017);

The College of the Mainland (1/12/2018)

3. Date(s) for upcoming public hearing(s) relating to tax abatement application(s)? \_\_\_\_\_

N/A

4. Date each tax abatement agreement was considered by another taxing jurisdiction? \_\_\_\_\_

The College of the Mainland (March, 2018)

Texas City Independent School District (December, 2017)

5. Date each tax abatement agreement executed? \_\_\_\_\_

The College of the Mainland (April, 2018)

Texas City Independent School District (December, 2017)

Has applicant included copies of its previous tax abatement applications or prior agreements with this application?

YES  NO

If "NO", does the Applicant agree to supplement its application with copies of its previous tax abatement applications or agreements?

YES  NO

If "NO," please describe in detail why not?

Has any taxing jurisdiction issued the Applicant a letter of intent (LOI) to enter into a tax abatement??

YES  NO

If "YES", identify the jurisdiction issuing the LOI: \_\_\_\_\_

Galveston County

Has applicant included copies of its LOIs with this application?

YES  NO

If "NO", does the Applicant agree to supplement its application with copies of its LOIs?

YES  NO

If "NO," please describe in detail why not?

### ECONOMIC INFORMATION

What year does the Applicant request tax abatement begin? \_\_\_\_\_

2023

How many years does the Applicant request tax abatement to continue? \_\_\_\_\_

10 Years

(10 year maximum)

**CONSTRUCTION ESTIMATES:**

Start Month/Year: 09 / 2019 Contract Amount \$ \$600,000,000  
 Completion Date: 12 / 2022 Peak Construction Jobs: 150 FTE Construction Man-Years: 450

**IF MODERNIZATION:**

Estimated current economic life of existing structure: \_\_\_\_\_ years  
 Added economic life from modernization: \_\_\_\_\_ years

**PERMANENT JOB CREATION AND RETENTION OF EXISTING PERMANENT JOBS IN GALVESTON COUNTY?**

Current employment: 0  
 Jobs to be retained: 0

Jobs to be created after three (3) years from contract inception: 40 at Jan. 1, 2023

**TEXAS CITY RESIDENCY REQUIREMENTS:**

Does the Applicant agree to require its senior executive employees, project managers, and other employees receiving compensation in the top 25<sup>th</sup> percentile to relocate to the City of Texas City or its extraterritorial jurisdiction?  YES  NO

If "NO," explain why not: GCA will encourage its employees to reside in the City of Texas City, but as GCA will be a new employer, it is difficult for us to guarantee that they will.

**STATED APPRAISED VALUE ON SITE:**

<b><u>STATED APPRAISED VALUE ON SITE</u></b>	<b>LAND</b>	<b>IMPROVEMENTS</b>	<b>TOTAL</b>
Value as of January 1 <sup>st</sup> preceding abatement (per Galveston County Appraisal District Records and Account Number)	<u>\$650,000</u>	<u>\$ (See cover letter)</u>	<u>\$ (See cover letter)</u>
<u>Stated</u> value of new abatable investment (Buildings)	<u>\$</u>	<u>\$ 90,000,000</u>	<u>\$ 90,000,000</u>
<u>Stated</u> value of new abatable fixed and in place machinery and equipment	<u>\$</u>	<u>\$ 360,000,000</u>	<u>\$ 360,000,000</u>
<u>Stated</u> value not subject to abatement (e.g. inventory)	<u>\$</u>	<u>\$</u>	<u>\$</u>
<u>Stated</u> value of property subject to ad valorem tax at end of abatement	<u>\$</u>	<u>\$ 450,000,000</u>	<u>\$ 450,000,000</u>

**DIRECT TAX PAYMENT PERMIT:** (Minimum of \$800,000.00 annually in taxable items required)

Does the Applicant agree to obtain a Texas Direct Payment Permit from the Texas Comptroller in conjunction with the Applicant's construction of its Project?  YES  NO

If "NO," explain why not: \_\_\_\_\_  
\_\_\_\_\_

**PAYMENTS IN LIEU OF TAXES (PILOTs):**

Is the Applicant willing to participate in payments in lieu of taxes to the City to offset the tax abatement?  YES  NO

**VARIANCE:**

Is the Applicant seeking a variance to the tax abatement guidelines?  YES  NO

If "YES", attach a letter requesting and justifying the basis for the variance along with any other supplemental information that may be relevant to your request.  
See cover letter  
\_\_\_\_\_

**FOR INTERNAL USE ONLY**


APPLICATION RECEIVED ON: \_\_\_\_\_


APPLICATION RECEIVED BY: \_\_\_\_\_ TITLE: \_\_\_\_\_

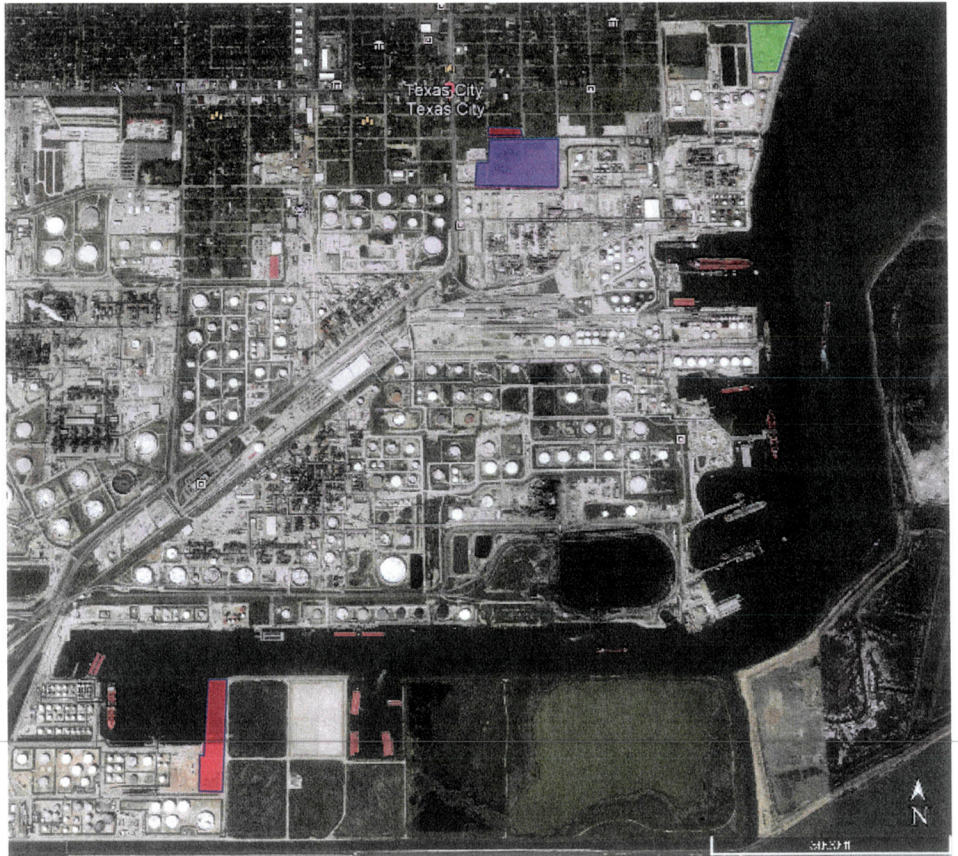
APPLICATION FEE RECEIVED ON: \_\_\_\_\_

TAX ABATEMENT TERMS APPROVED (subject to execution of tax abatement agreement):  
\_\_\_\_\_  
\_\_\_\_\_

# Tax Abatement Areas

 Areas used if tank located at Eastman Site

 Areas used if tank located at Oiltanking Site



## Via FedEx

July 1, 2019

Hon. Matthew T. Doyle  
City Hall - City of Texas City  
1801 9th Avenue North  
Texas City, Texas 77592

Re: Gulf Coast Ammonia LLC Tax Abatement Application Update

Dear Mayor Doyle:

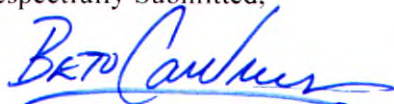
Please accept this letter as an update to the formal application dated as of May 23, 2019 submitted on behalf of our client, Gulf Coast Ammonia LLC (“GCA”) for consideration of a tax abatement agreement with the City of Texas City (the “City”).

In addition to the contents shared in the letter dated as of May 23, 2019 concerning GCA’s proposed completion of the design and construction of a new distribution facility for the production of ammonia located within the City (the “Project”), GCA seeks to have included in the reinvestment zone, and ultimately be subject to a tax abatement agreement, the additional offshore lands depicted in the enclosed maps (the “Additional Lands”). The Additional Lands are owned by the State of Texas and administered by the Texas General Land Office (“GLO”), and GCA intends to enter into two leases with the GLO covering the Additional Lands. Memoranda of these leases will be filed in the public records of Galveston County and provided to the City as soon as they are executed and available.

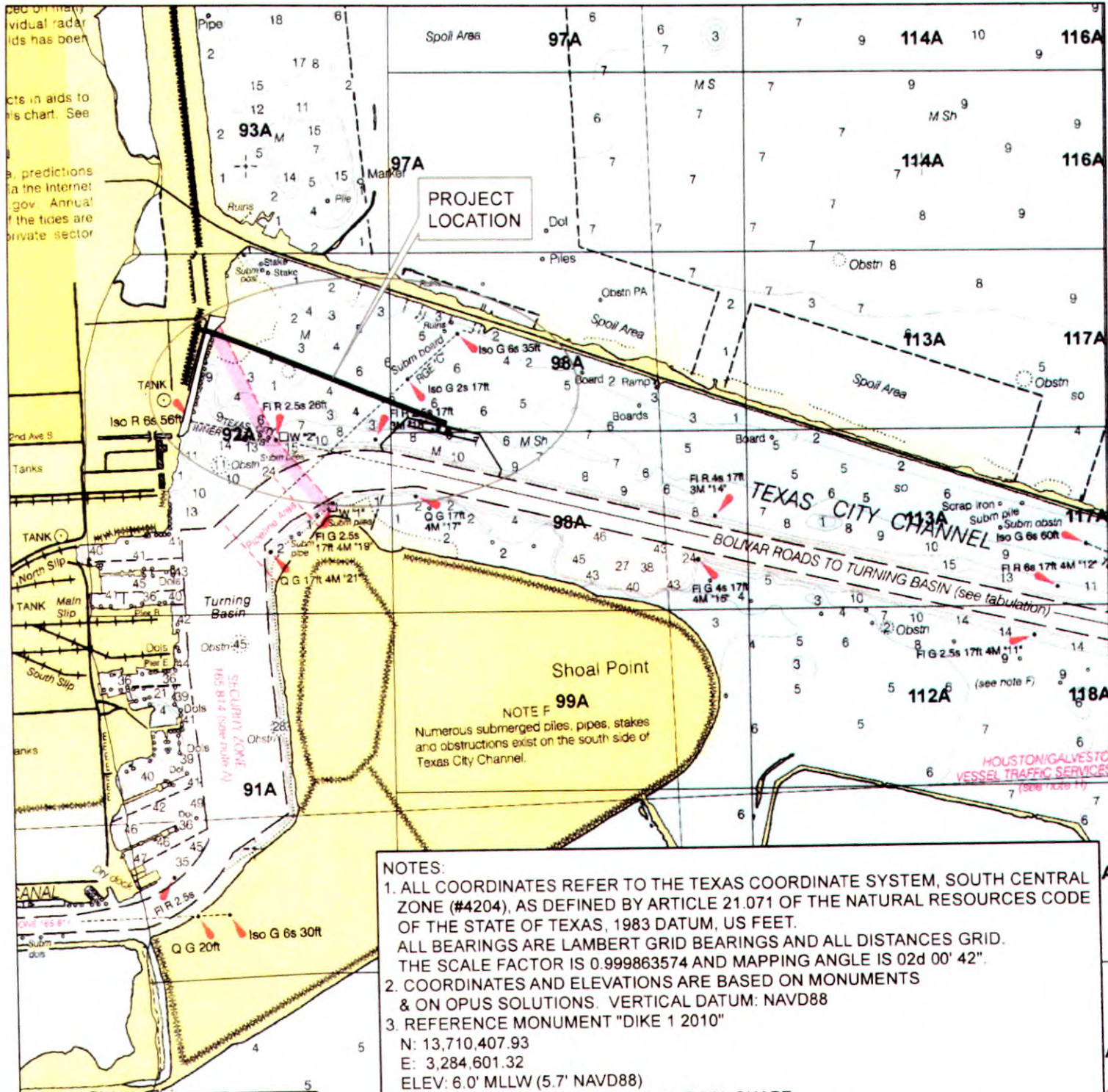
The proposed improvements for which the Project seeks property tax abatement includes, but is not limited to, site development, new construction and operation of a hydrogen and nitrogen production facilities and an ammonia production facility with a production capacity of 3600 metric tons per day. As part of the Project, an ammonia vessel loading dock will be constructed on Additional Lands for the purpose of loading ammonia produced at the Project onto the ammonia transport vessels of GCA’s customers. We note that as of January 1 of the year preceding the abatement, it will be difficult for GCA to determine the value of the abatable improvements on the Additional Lands, as construction will still be ongoing at that time. Until the dock is completed, commissioned and placed in service along with the rest of the Project, the uncompleted and inoperable work in progress has little, if any, value.

We very much appreciate the City's consideration of our client's tax abatement application, including our proposed reinvestment zone, and look forward to working with you in the coming weeks.

Respectfully Submitted,



Alberto P. Cardenas, Jr.



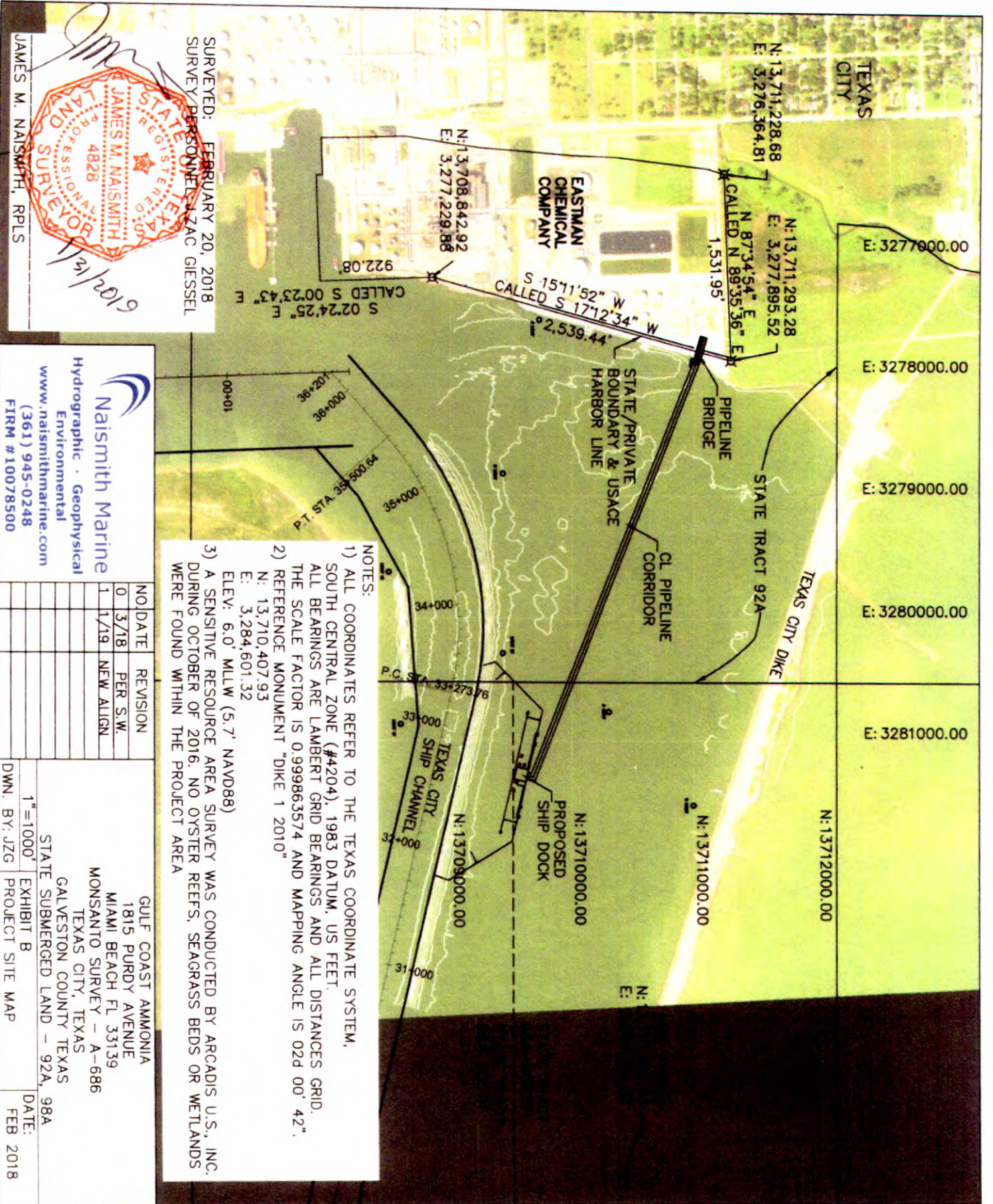
**NOTES:**

1. ALL COORDINATES REFER TO THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE (#4204), AS DEFINED BY ARTICLE 21.071 OF THE NATURAL RESOURCES CODE OF THE STATE OF TEXAS, 1983 DATUM, US FEET. ALL BEARINGS ARE LAMBERT GRID BEARINGS AND ALL DISTANCES GRID. THE SCALE FACTOR IS 0.999863574 AND MAPPING ANGLE IS 02d 00' 42".
2. COORDINATES AND ELEVATIONS ARE BASED ON MONUMENTS & ON OPUS SOLUTIONS. VERTICAL DATUM: NAVD88
3. REFERENCE MONUMENT "DIKE 1 2010"  
 N: 13,710,407.93  
 E: 3,284,601.32  
 ELEV: 6.0' MLLW (5.7' NAVD88)
4. BACKGROUND IMAGE: NOAA NAUTICAL CHART 11324: GALVESTON BAY ENTRANCE, HARBOR CHART, 3/1/2017

SURVEYED: FEBRUARY 20, 2018  
 SURVEY PERSONNEL: J ZAC GIESSEL

JAMES M. NAISMITH, RPLS

<p><b>Naismith Marine</b> Hydrographic • Geophysical Environmental</p> <p>WWW.NAISMITHMARINE.COM (361) 945-0248 FIRM#10078500</p>	NO	DATE	REV.	<p>GULF COAST AMMONIA 1815 PURDY AVENUE MIAMI BEACH FL 33139 MONSANTO SURVEY - A-686 TEXAS CITY, GALVESTON COUNTY TEXAS STATE SUBMERGED LAND - 92A, 98A</p>	<p>1" = 2,000'</p>	<p>EXHIBIT A VICINITY MAP</p>	<p>DATE: FEB 2018</p>
	0	1/19	NEW ALIGN				



TEXAS CITY

N: 13,711,228.68  
E: 3,276,364.81

N: 13,711,293.28  
E: 3,277,895.52

N: 13,708,842.92  
E: 3,277,229.88

E: 3277000.00

E: 3278000.00

E: 3279000.00

E: 3280000.00

E: 3281000.00

N: 13712000.00

N: 13710000.00

N: 13710000.00

N: 13709000.00

P.C. STA. 33+273.76

TEXAS CITY SHIP CHANNEL

PROPOSED SHIP DOCK

STATE TRACT 92A

TEXAS CITY DIKE

PIPELINE BRIDGE

CL PIPELINE CORRIDOR

STATE/PRIVATE BOUNDARY & USAGE HARBOR LINE

EASTMAN CHEMICAL COMPANY

SURVEYED: FEBRUARY 20, 2018  
SURVEY/PERSONNEL: ZAC GIESSEL

JAMES M. NAISMITH, RPLS



NOTES:  
1) ALL COORDINATES REFER TO THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE (#4204), 1983 DATUM, US FEET. ALL BEARINGS ARE LAMBERT GRID BEARINGS AND ALL DISTANCES GRID. THE SCALE FACTOR IS 0.999863574 AND MAPPING ANGLE IS 02d 00' 42".  
2) REFERENCE MONUMENT "DIKE 1 2010"  
N: 13,710,407.93  
E: 3,284,601.32  
ELEV: 6.0' MLW (5.7' NAVD88)  
3) A SENSITIVE RESOURCE AREA SURVEY WAS CONDUCTED BY ARCADIS U.S., INC. DURING OCTOBER OF 2016. NO OYSTER REEFS, SEAGRASS BEDS OR WETLANDS WERE FOUND WITHIN THE PROJECT AREA

<p>Hydrographic - Geophysical Environmental www.naismithmarine.com (361) 945-0248 FIRM # 10078500</p>		<p>Naismith Marine</p>	
NO	DATE	REVISION	
0	3/18	PER S.W.	
1	1/19	NEW ALIGN	
<p>1"=1000' DWN. BY: JZG</p>		<p>EXHIBIT B PROJECT SITE MAP</p>	
<p>GULF COAST AMMONIA 1815 PURDY AVENUE MIAMI BEACH FL 33139 MONSANTO SURVEY - A-686 TEXAS CITY, TEXAS STATE SUBMERGED LAND - 92A, 98A</p>		<p>DATE: FEB 2018</p>	

TEXAS CITY DIKE

S 87°34'54" W, 1,531.95'  
TO USAGE MON  
1965 NBL "22-23"

CHAINLINK FENCE  
CORNER A-686  
N:13,711,293.28  
E:3,277,895.52  
PL BRIDGE AT PROP. LINE  
N:13,711,030.30  
E: 3,277,824.08  
LAT: 29°23'10.78"  
LON: 94°53'14.96"

UTILITY  
PIPE BRIDGE  
(EXHIBIT C-SHEET 2)  
LC860074 EASEMENT  
DREDGE LIMIT  
EASTMAN CHEMICAL  
TEXAS CITY, INC.  
200' FLOOD  
EBB

EASTMAN CHEMICAL  
N. HURD  
MONSANTO COMPANY  
A-686, FILE 153878  
GALVESTON COUNTY

S 15°11'52" W, (CALLED S 17°12'34" W TRUE NORTH)  
2,539.15' TO HARBOR LINE CORNER POINT  
N:13,708,842.92  
E: 3,277,229.88

USACE HARBOR LINE &  
MONSANTO COMPANY, A-686  
SETTLEMENT AGREEMENT  
STATE OF TEXAS AND MONSANTO CO.  
RECORDED IN GLO RECORDS  
GALVESTON COUNTY SKETCH FILE 50

- NOTES:
- 1) ALL COORDINATES REFER TO THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE (#4204), 1983 DATUM, US FEET. ALL BEARINGS ARE LAMBERT GRID BEARINGS AND ALL DISTANCES GRID. THE SCALE FACTOR IS 0.999863574 AND MAPPING ANGLE IS 02d 00' 42".
  - 2) REFERENCE MONUMENT "DIKE 1 2010"
  - 3) A SENSITIVE RESOURCE AREA SURVEY WAS CONDUCTED BY ARCADIS U.S., INC. DURING OCTOBER OF 2016. NO OYSTER REEFS, SEAGRASS BEDS OR WETLANDS WERE FOUND WITHIN THE PROJECT AREA
  - 4) PIPELINES & CONDUIT TO BE INSTALLED BY MECHANICALLY DREDGING A TRENCH TO THE REQUIRED DEPTH AND BACKFILLING WITH EXISTING SEAFLOOR MATERIAL

PIPELINE/UTILITY ESMT.  
POINT OF BEGINNING  
N:13,710,941.16  
E: 3,278,100.73

LINE	BEARING	DISTANCE	RODS
L1	S 68°30'05" E	837.21'	50.74R
L2	S 13°07'57" W	148.93'	2.97R

N:13,709,987.60  
E: 3,280,521.66  
N:13,709,680.78  
E: 3,281,300.62  
LAT: 29°22'56.22"  
L1 LON: 94°52'36.22"

PL TERMINUS  
N:13,709,633.09  
E: 3,281,289.49  
LAT: 29°22'55.75"  
LON: 94°52'36.36"

GALVESTON BAY  
STATE TRACT 92A

DOCK FACILITY &  
DREDGE FOOTPRINT  
EXHIBIT C-SHEET 3

GALVESTON BAY  
STATE TRACT 98A  
GALVESTON BAY  
STATE TRACT 98A

N:13,709,009.55  
E: 3,280,610.90

TEXAS CITY  
SHIP CHANNEL  
STATE TRACT LINE



SURVEYED: FEBRUARY 20, 2018  
SURVEY PERSONNEL: J. ZAC GIESSEL

JAMES M. NAISMITH, RPLS

**Naismith Marine**  
Hydrographic · Geophysical  
Environmental  
www.naismithmarine.com  
(361) 945-0248  
FIRM # 10078500

NO.	DATE	REVISION
0	3/18	PER S.W.
1	1/19	NEW ALIGN

GULF COAST AMMONIA  
1815 PURDY AVENUE  
MIAMI BEACH FL 33139  
MONSANTO SURVEY - A-686  
TEXAS CITY, TEXAS  
GALVESTON COUNTY TEXAS  
STATE SUBMERGED LAND - 92A, 98A

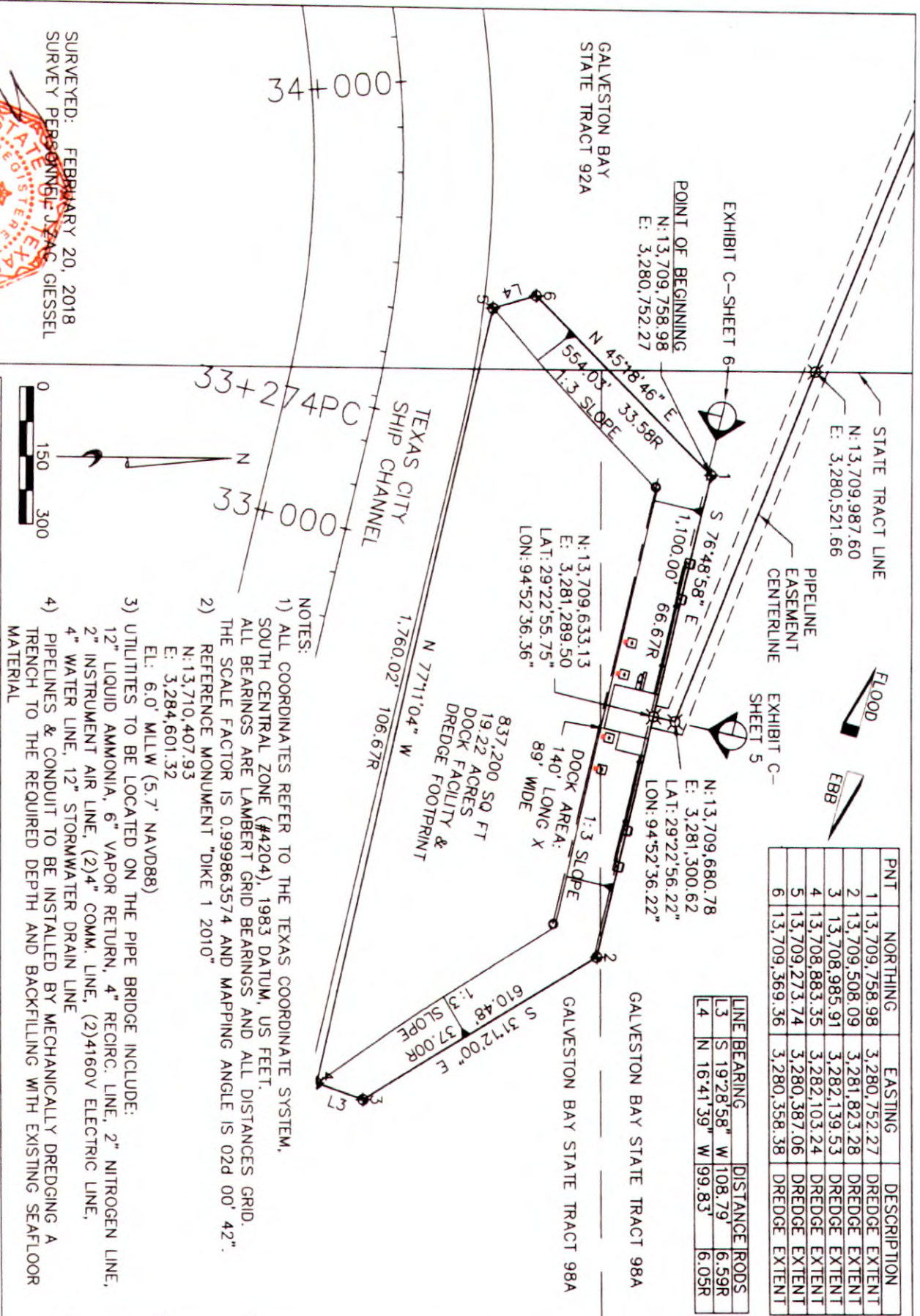
SCALE: 1"=600'  
DWN. BY: JZG

EXHIBIT C-SHEET 1  
DETAILED PROJECT PLAN

DATE: FEB 2018

PNT	NORTHING	EASTING	DESCRIPTION
1	13,709,758.98	3,280,752.27	DREDGE EXTENT
2	13,709,508.09	3,281,823.28	DREDGE EXTENT
3	13,708,985.91	3,282,139.53	DREDGE EXTENT
4	13,708,883.35	3,282,103.24	DREDGE EXTENT
5	13,709,273.74	3,280,387.06	DREDGE EXTENT
6	13,709,369.36	3,280,358.38	DREDGE EXTENT

LINE	BEARING	DISTANCE	RODS
L3	S 19°28'58" W	108.79'	6.59R
L4	N 16°41'39" W	99.83'	6.05R



- NOTES:
- 1) ALL COORDINATES REFER TO THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE (#4204), 1983 DATUM, US FEET. ALL BEARINGS ARE LAMBERT GRID BEARINGS AND ALL DISTANCES GRID. THE SCALE FACTOR IS 0.999863574 AND MAPPING ANGLE IS 02d 00' 42".
  - 2) REFERENCE MONUMENT "DIKE 1 2010"  
N: 13,710,407.93  
E: 3,284,601.32  
EL: 6.0' MLW (5.7' NAVD88)
  - 3) UTILITIES TO BE LOCATED ON THE PIPE BRIDGE INCLUDE:  
12" LIQUID AMMONIA, 6" VAPOR RETURN, 4" REGIRC. LINE, 2" NITROGEN LINE, 2" INSTRUMENT AIR LINE, (2)4" COMM. LINE, (2)4160V ELECTRIC LINE, 4" WATER LINE, 12" STORMWATER DRAIN LINE
  - 4) PIPELINES & CONDUIT TO BE INSTALLED BY MECHANICALLY DREDGING A TRENCH TO THE REQUIRED DEPTH AND BACKFILLING WITH EXISTING SEAFLOOR MATERIAL



SURVEYED: FEBRUARY 20, 2018  
 SURVEY PERSONNEL: JZAC GIESSEL  
 JAMES M. NAISMITH, RPLS

**Naismith Marine**  
 Hydrographic · Geophysical  
 Environmental  
 www.naismithmarine.com  
 (361) 945-0248  
 FIRM #10078500

NO	DATE	REVISION
0	3/18	PER S.W.
1	1/19	NEW ALIGN

GULF COAST AMMONIA  
 1815 PURDY AVENUE  
 MIAMI BEACH FL 33139  
 MONSANTO SURVEY - A-686  
 TEXAS CITY, TEXAS  
 GALVESTON COUNTY TEXAS  
 STATE SUBMERGED LAND - 92A, 98A

SCALE 1" = 300'  
 DWN. BY: JZG

EXHIBIT C-SHEET 3  
 DETAILED PROJECT PLAN

DATE: FEB 2018

**Exhibit C**  
**Resolution No. 19-088 (Abatement Resolution)**

**See Attached**

## RESOLUTION NO. 19-088

**A RESOLUTION OF THE CITY OF TEXAS CTY, TEXAS, GRANTING A REQUEST FOR TAX ABATEMENT RELIEF AND APPROVING A CHAPTER 312 TAX ABATEMENT AGREEMENT BETWEEN THE CITY OF TEXAS CITY, TEXAS, GULF COAST AMMONIA, LLC, EASTMAN CHEMICAL TEXAS CITY, INC., AND OILTANKING NORTH AMERICA, LLC FOR PROPERTY LOCATED WITHIN THE “TEXAS CITY GULF COAST REINVESTMENT ZONE NO. 1”, AS MAY BE AMENDED, AND AUTHORIZING THE MAYOR TO EXECUTE THE TAX ABATEMENT AGREEMENT FOR SAID TAX ABATEMENT SUBJECT TO THE CONDITIONS AS STATED HEREIN; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.**

---

**WHEREAS**, Gulf Coast Ammonia, LLC, (“Applicant”) submitted an Application for Property Tax Abatement to the City on or about May 23, 2019, which it supplemented on July 1, 2019, requesting the City of Texas City, Texas (“City”) enter into a Chapter 312 Tax Abatement Agreement for the real property owned by Eastman Chemical Texas City, Inc. Oiltanking North America, LLC and leased to Gulf Coast Ammonia, LLC for the proposed construction and operation of Gulf Coast Ammonia, LLC’s proposed ammonia manufacturing facility to be located in the City of Texas City; and

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

**WHEREAS**, the City has complied with all the prerequisites of Chapter 312 of the Texas Tax Code for granting tax abatement relief to the Applicant, including but not limited to:

- a) The City’s election to become eligible to participate in tax abatement; and
- b) The City’s adoption of guidelines and criteria by Resolution 19-056 governing tax abatement agreements; and
- c) The City’s holding of a public hearing and the adoption of Ordinance 17-16 on May 17, 2017, initially creating the “Texas City Gulf Coast Reinvestment Zone No. 1” (the “Reinvestment Zone”) as well as the proper amendment of that Reinvestment Zone by the holding of a public hearing and the adoption of Ordinance 17-32 on December 6, 2017 and Ordinance 19-23 on August 7, 2019, respectively, amending the Reinvestment Zone to more particularly define the boundaries of that zone by appropriate legal description; and

- d) The City's compliance with the public notice requirements imposed by Texas Tax Code Section 312.207(c) and (d) providing for 30-days' public notice, in the manner required by Texas Government Code Chapter 551, of the meeting where the City Commission consider the tax abatement made the subject of this resolution for approval; and

**WHEREAS**, the City recognizes the positive economic impact the Applicant's project will have on the community and desires to offer tax abatement incentives through the proposed Chapter 312 Tax Abatement Agreement in conjunction with the Chapter 380 Economic Development and Performance Agreement to encourage development of the Applicant's project with will generate new *ad valorem* property taxes and employment opportunities in the community.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:**

**SECTION 1:** All of the recitals stated above and in the proposed Chapter 312 Tax Abatement Agreement are found to be true and correct and are incorporated herein.

**SECTION 2:** The City Commission of the City of Texas City hereby grants the Applicant's request for tax abatement relief and hereby approves the Chapter 312 Tax Abatement Agreement as proposed which is in conformity with and furthers the underlying purpose of the City's tax abatement guidelines and criteria.

**SECTION 3:** The City Commission of the City of Texas City hereby authorizes the Mayor to execute the proposed Tax Abatement Agreement with Gulf Coast Ammonia, LLC, Eastman Chemical Texas City, Inc., and Oiltanking North America, LLC in substantially the same form as attached hereto and made a part hereof for all intents and purposes. *However, the City Commission's approval of the Tax Abatement Agreement and authorization for the Mayor to execute same is specifically subject to and shall not occur before the Texas City Independent School District Board of Trustees authorizes the execution of, and actual executes, a Chapter 313 Property Value Limitation Agreement for the Gulf Coast Ammonia project also made the basis of this Chapter 312 Tax Abatement Agreement.*

**SECTION 4:** If any section, sentence, clause or phrase of this Resolution should be held invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Resolution and the City Commission declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional.

**SECTION 5:** That this Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 18<sup>th</sup> day of September 2019.



Matthew T. Doyle, Mayor  
City of Texas City, Texas

ATTEST:



Nicholas Finan  
City Secretary

APPROVED AS TO FORM:

  
Russell Plackemeier  
City Attorney

**Exhibit D**  
**Resolution No. 19-056 (Tax Abatement Guidelines & Criteria)**

**See Attached**

**RESOLUTION NO. 19-056**

**A RESOLUTION OF THE CITY OF TEXAS CITY, TEXAS, PROVIDING FOR ELIGIBILITY TO PARTICIPATE IN TAX ABATEMENT; MAKING CERTAIN FINDINGS OF FACT; ADOPTING GUIDELINES AND CRITERIA FOR CERTAIN TAX ABATEMENT AGREEMENTS IN ACCORDANCE WITH CHAPTER 312 OF THE TEXAS TAX CODE; RESERVING THE RIGHT TO MAKE EXCEPTIONS TO TAX ABATEMENT GUIDELINES; AND PROVIDING FOR SEVERABILITY; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.**

---

**WHEREAS**, pursuant to the Property Redevelopment and Tax Abatement Act, Chapter 312 of the Texas Tax Code (the "Act"), the City of Texas City, Texas (the "City") must elect to become eligible to participate in tax abatement; and

**WHEREAS**, pursuant to the Act, the adoption of tax abatement guidelines and criteria is necessary prior to the creation of a reinvestment zone and prior to executing a tax abatement agreement; and

**WHEREAS**, the City previously adopted tax abatement guidelines and criteria on January 18, 2017 by Resolution No. 17-002; and

**WHEREAS**, pursuant to the Act, the tax abatement guidelines and criteria, adopted by Resolution No. 17-002 expired on January 18, 2019; and

**WHEREAS**, the City Commission desires to adopt new tax abatement guidelines and criteria specifically applicable to oil and gas, manufacturing, and other industry related projects; and

**WHEREAS**, the City Commission finds and determines that the guidelines and criteria hereinafter set out are in the best interest of the City to encourage oil and gas, manufacturing, and other industry related development to the exclusion of others; and

**WHEREAS**, the City Commission acknowledges that the guidelines and criteria hereinafter set out may be amended or repealed only by a vote of three-fourths (3/4) of the City Commission; and,

**WHEREAS**, the City Commission reaffirms its absolute discretion to approve or reject any application for tax abatement and subsequent related tax abatement agreements.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:**

**SECTION 1:** Purpose. Chapter 312 of the Texas Tax Code allows, but does not obligate or require, the City to grant a tax abatement on the value added to a particular property on account of a specific

development project that meets the eligibility requirements set forth in this policy. In order for the City to participate in tax abatement, the City is required to establish guidelines and criteria governing tax abatement agreements. This policy is intended to set forth those guidelines and criteria for persons or entities interested in receiving a tax abatement from the City. This policy shall expire two (2) years from the date pursuant to Sec. 312.002(e) of the Texas Tax Code.

**SECTION 2: Adoption of Recitals.** The City Commission of the City of Texas City, Texas, hereby adopts the recitals of this Resolution as outlined above.

**SECTION 3: Eligibility Election.** Pursuant to the provisions of Section 312.002(a) of the Texas Tax Code, the City of Texas City, Texas previously elected to become eligible to participate in tax abatement by Resolution 14-078 which was considered and adopted at a properly noticed public meeting occurring on October 16, 2014. The City hereby renews its election, to the extent necessary, with the adoption of this Resolution adopting tax abatement guidelines and criteria.

**SECTION 4: Projects Eligible for Tax Abatement.** To be eligible for tax abatement under this policy, an industrial development project must meet all of the following minimum tax abatement application criteria:

- (i) Must contribute a minimum capital investment of \$100,000.00 to the proposed project;
- (ii) Must be eligible to conduct business or otherwise operate in the State of Texas;
- (iii) Must be located in the corporate limits of the City of Texas City;
- (iv) Must complete a Tax Abatement Application in form approved by the City Commission;
- (v) Must tender to the City any and all fees required by the Tax Abatement Application Form, as may be amended by the City Commission; and
- (vi) Must require of its plant managers and employees receiving the top twenty-five percent of compensation at the plant to reside within the City of Texas City or within the extra territorial jurisdiction (ETJ) as defined by the City; and
- (vii) Must tender to the City a current and active Texas Direct Payment Permit or, in the alternative, obtain a Texas Direct Payment Permit from the Texas Comptroller of Public Accounts for the direct payment of sales and use tax associated with the construction of improvements associated with the proposed project, and where applicable, shall require its contractors and subcontractors to also file for, or present such permit to the City for the direct payment of sales and use tax associated with the construction of improvements associated with the proposed project.

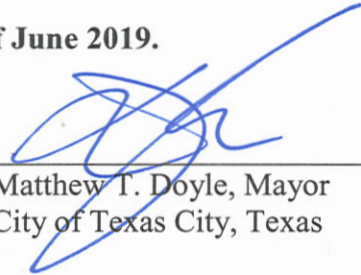
- (viii) The City may grant a Specific Residency Waiver to a specific plant manager or employee upon receiving an application submitting the request and upon the showing of a specific need. The City may negotiate waivers of the residency requirements in any actual Abatement Agreement approved by the City.

**SECTION 5: Duration and Abatement Percentages.** The duration of any specific tax abatement and the percentage of tax abatement shall be negotiated between the Applicant and the City on a case-by-case basis and codified in a Tax Abatement Agreement that meets the requirements of Chapter 312 of the Texas Tax Code and the terms and conditions as set by the City Commission.

**SECTION 6: Reservation of Rights.** To the greatest extent allowed by law, the City reserves its right to negotiate any particular tax abatement based on the specific circumstances that may exist at the time the tax abatement is negotiated which may in those circumstances deviate from the eligibility guidelines adopted herein.

**SECTION 7: Severability.** In the event that one or more of the provisions contained in this Resolution is for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability of this Resolution shall be construed as if such illegal or unenforceable provision has never been contained herein, but shall not affect the remaining provisions of this Resolution, which shall remain in full force and effect.

**PASSED AND ADOPTED this 19th day of June 2019.**

  
Matthew T. Doyle, Mayor  
City of Texas City, Texas

APPROVED AS TO FORM:

  
Russell F. Plackemeier  
City Attorney

ATTEST:

  
Nicholas J. Finan  
City Secretary

APPROVED AS TO FORM:

  
Chris Nichols, Special Legal Counsel

**Exhibit E**  
**380 Agreement**

**See Attached**



WHEREAS, the Company's proposed expansion will have a direct positive and measurable economic benefit to the City; and

WHEREAS, the City recognizes the positive economic impact the Company's proposed expansion will have on the City and wishes to provide incentives to the Company to assist in the proposed expansion, thereby contributing toward the further economic development and growth of the City; and

WHEREAS, the City finds that this Agreement embodies an eligible "program" and clearly promotes economic development in Texas City, Texas, and, as such, meets the requisites under Chapter 380 of the Texas Local Government Code and further is in the best interests of the City.

NOW, THEREFORE, for the mutual consideration set out below, the Parties hereto agree as follows:

## **ARTICLE 1.**

### **AUTHORITY, TERM, DEFINITIONS AND CONDITIONS PRECEDENT**

1.1. **Authority.** The City's execution and performance of this Agreement is authorized by Section 380.001, Texas Local Government Code and by the City's Chapter 380 Economic Development Policy which includes but is not limited to the City's Guidelines and Criteria for tax abatement established by Resolution No. 19-056, and constitutes the valid and binding obligation of the City from and after execution hereof by all Parties. Company's execution and performance of this Agreement has been duly authorized and constitutes the valid and binding obligation of Company from and after execution hereof by all Parties.

1.2. **Term.** This Agreement shall commence on the Effective Date and, unless sooner terminated pursuant to the provisions of this Agreement or the Tax Abatement Agreement (as defined below), shall terminate thirty (30) days after Company tenders the last Chapter 380 Payment due under this Agreement to the City.

1.3. **Definitions.** Wherever used herein, the following terms shall have the following meanings, unless the context in which used clearly indicates another meaning, to-wit:

- a. **"Act"** means Chapter 380 of the Texas Local Government Code, as amended.
- b. **"Affiliate"** of any person or entity identified in this Agreement means any other person or entity which, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under direct or indirect common control with such specified person or entity. For purposes of this definition, "control" when used with respect to any person or entity in conjunction with the

term “affiliate” means (i) the ownership, directly or indirectly, of fifty percent (50%) or more of the voting securities of such person or entity, or (ii) the right to direct the management or operations of such person or entity, directly or indirectly, whether through the ownership (directly or indirectly) of securities, by contract or otherwise, and the terms “controlling” and “controlled” have meanings correlative to the foregoing “control” as herein defined.

- c. **“Application”** shall mean that application for tax abatement and submitted by Company to the City on May 23, 2019 (as supplemented on July 1, 2019), along with any supplements or amendments thereto with respect to the Project.
- d. **“Chapter 380 Payment”** shall mean one or more payments made by Company to the City as a monetary contribution of financial resources to the City in accordance with the Chapter 380 Payment Schedule with such payments to be applied toward one or more Municipal Purposes as contemplated by this Agreement.
- e. **“Effective Date”** shall mean the date this Agreement is executed by the last Party to execute this Agreement.
- f. **“Force Majeure”** means an event or occurrence caused by (a) provisions of law, or the operation or effect of rules, regulations or orders promulgated by any governmental authority having jurisdiction over Company or the Project; (b) any demand or requisition, arrest, order, request, directive, restraint or requirement of any government or governmental agency whether federal, state, military, local or otherwise; (c) the action, judgment or decree of any court having competent jurisdiction; (d) floods, storms, hurricanes, evacuation due to threats of hurricanes, lightning, earthquakes, washouts, high water, fires, sinkholes, evacuation due to threats of sinkholes, acts of God or public enemies, wars (declared or undeclared), blockades, epidemics, riots or civil disturbances, insurrections, strikes, labor disputes (it being understood that nothing contained in this Agreement shall require Company to settle any such strike or labor dispute), explosions, breakdown or failure of plant, machinery, equipment, lines of pipe or electric power lines (or unplanned or forced outages or shutdowns of the foregoing for inspections, repairs or maintenance), inability to obtain, renew or extend (over which the Company has no reasonable control) franchises, licenses or permits, loss, interruption, curtailment, failure or inability to obtain (over which the Company has no reasonable control) electricity, gas, steam, water, wastewater disposal, waste disposal or other utilities or utility services, inability to obtain or failure of suppliers

to deliver equipment, parts or material, or inability of Company to ship or failure of carriers to transport electricity from Company's facilities; or (e) any other cause (except financial), whether similar or dissimilar, over which Company has no reasonable control and which forbids or prevents performance.

- g. **"Municipal Purpose"** shall mean or otherwise include one or more of the following:
  - i. The funding of maintenance and operations expenditures of the City; and
  - ii. The funding of any debt service requirements of the City; and
  - iii. The funding of any economic development grants and performance, incentive or tax sharing agreements related to economic development; and
  - iv. Any capital improvement project or other lawful purpose that the City otherwise determines is necessary and appropriate.
  
- h. **"Program"** means the economic development program established in accordance with the Chapter 380 Economic Development Policy pursuant to the Act designed to promote local economic development and stimulate business and commercial activity within the City.
  
- j. **"Project"** means the planned construction of substantial Improvements, as defined in Article III of the Tax Abatement Agreement, to real property within the City as reflected in the Company's Application and Article VII of the Tax Abatement Agreement.
  
- k. **"Tax Abatement Agreement"** shall mean the Chapter 312 Tax Abatement Agreement authorized by Resolution No. [19-INSERT Resolution Number] and entered into by and between the City and Company executed in conjunction with this Agreement, a copy of which is incorporated by reference herein.

Capitalized terms used in this Agreement and not defined above in this Section 1.3 or otherwise in this Agreement shall have the meaning set forth in the Tax Abatement Agreement.

1.4. **Conditions Precedent.** The City and Company agree that that as a condition of the Tax Abatement Agreement executed contemporaneously herewith,

Company shall tender the Chapter 380 Payments to the City as described in Article 2 below.

## **ARTICLE 2.**

### **CHAPTER 380 PAYMENTS**

2.1. **Chapter 380 Payments in Lieu of Taxes.** Company shall make Chapter 380 Payments in lieu of paying taxes to the City as set forth in this Section 2.1 for the Project. The Chapter 380 Payments shall commence for the tax year 2022 and continue through the tax year 2031, and shall be payable no later than January 31<sup>st</sup> of the year following the applicable tax year. For so long as the appraised value of the Project for any tax year is less than \$800 million, the Chapter 380 Payment amount shall be \$750,000.00. If the appraised value of the Project for any tax year equals or exceeds \$800 million, the Chapter 380 Payment for such tax year and all subsequent tax years of the Abatement Period shall be \$1 million irrespective of the appraised value of the Project for any such subsequent tax year of the Abatement Period.

2.2. **Use of Chapter 380 Payments.** The City shall apply the Chapter 380 Payments received pursuant to Section 2.1 hereof toward any Municipal Purpose as that term is defined herein.

## **ARTICLE 3.**

### **REPRESENTATIONS AND WARRANTIES**

3.1. The City represents to Company that it has the authority to establish the Program and enter into this Agreement and the Tax Abatement Agreement and that it is duly authorized and empowered to establish the Program and enter into this Agreement and the Tax Abatement Agreement. The City further represents to Company that the execution, delivery and performance by City and Company under this Agreement will not (a) contravene any law or any order, writ, decree or injunction of any governmental authority, specifically including the Texas City Code of Ordinances and the provisions of the Texas Constitution and statutes governing the City, (b) conflict with, or result in a breach of any term, covenant, condition or provision of, or constitute a default under the terms of any agreement or instruments to which it is a party or by which it or any of its properties is bound, or (c) violate any provision of the organizational documents of City, the Texas City Code of Ordinances, the Texas Constitution, or Texas statutes governing the City; such that in the case of any of clauses (a), (b), or (c), would cause either the City or Company to fail to comply with their respective obligations or receive the benefits under this Agreement or the Tax Abatement Agreement.

## **ARTICLE 4.**

### **LIABILITY**

4.1. By this Agreement, Company assumes no obligation, duty or other responsibility with regard to any government function or service for which the City is responsible that is not otherwise addressed by this Agreement. In addition, Company assumes no legal liability for the actions of the City through the execution of this Agreement. Except as otherwise provided in the Tax Abatement Agreement, the City assumes no obligation, duty or other responsibility with regard to any duty, right, obligation and/or responsibility associated with the Project for which Company is responsible and that is not otherwise addressed by or made the subject of the Application and the Tax Abatement Agreement. In addition, the City assumes no legal liability for the actions of Company or its successors or assigns by virtue of its execution of this Agreement.

4.2. Each Party to this Agreement agrees that it shall have no liability for the actions or omissions of the employees, agents or trustees of the other Party, and each Party is solely responsible for the actions and omissions of its own employees, agents or trustees.

## **ARTICLE 5.**

### **DEFAULT AND TERMINATION**

5.1. As the City's sole and exclusive remedy, upon the occurrence of any of the following events (each, an "**Event of Default**"):

- (a) the Company fails to comply with any of the terms of the Chapter 312 Tax Abatement Agreement executed in conjunction herewith, or
- (b) the City does not receive the Chapter 380 Payments as described in, and in accordance with Section 2.1; or
- (c) the Company breaches in any material respect any representation given in this Agreement;

City may terminate the Tax Abatement Agreement and this Agreement by providing sixty (60) days' prior written notice to Company; provided, however, that the Tax Abatement Agreement and this Agreement shall not terminate if Company cures the Event of Default set forth in such notice prior to the end of such sixty (60) day period.

5.2. In the event City terminates the Tax Abatement Agreement and this Agreement pursuant to this Article 5, the City shall refund within thirty (30) days of the date of such termination any Chapter 380 Payment received by City for the tax year in which the Event of Default occurred; *provided*, that if the Tax Abatement Agreement and

this Agreement are terminated prior to the date that the Chapter 380 Payment is due for such tax year, Company shall have no obligation to make any Chapter 380 Payment to City for such tax year. City shall have no other remedy for an Event of Default by Company other than the termination of the Tax Abatement Agreement and this Agreement as described in this Article 5.

## **ARTICLE 6.**

### **NOTICES**

6.1. Any notice given under this Agreement must be in writing and may be given (i) by depositing it in the United States mail, registered or certified, with return receipt requested, addressed to the Party to be notified at the address set forth below, or at the last address for notice that the sending Party has for the receiving Party at the time of mailing, and with all charges prepaid; (ii) by depositing it with Federal Express or another service guaranteeing "next day delivery," addressed to the Party to be notified and with all charges prepaid; (iii) by personally delivering it to the Party, or any agent of the Party listed in this Agreement; or (iv) by facsimile with confirming copy sent by one of the other described methods for notice set forth in this sentence. Notice by United States mail as provided in (i) will be deemed delivered, whether or not actually received, three (3) days after the date of mailing. Payments to the City shall be made by check at the address set forth below (without copies), unless timely notice of change of address is given to Company in writing within thirty (30) days prior to the Chapter 380 final payment date. For purposes of this Article 6, the addresses of the Parties will, until changed as provided below, be as follows:

#### **To Company:**

GULF COAST AMMONIA, LLC  
1815 PURDY AVENUE  
MIAMI BEACH, FL 33139  
ATTN: MR. HAMZA SLIMANI

#### **WITH A COPY TO:**

VINSON & ELKINS LLP  
1001 FANNIN STREET, SUITE 2500  
HOUSTON, TX 77002  
ATTN: KAAM SAHEL

**To the City:**

CITY OF TEXAS CITY  
NICK FINAN, CITY SECRETARY  
1801 9<sup>TH</sup> AVENUE NORTH  
TEXAS CITY, TX 77590

WITH A COPY TO:

RUSSELL PLACKEMEIER  
1801 9<sup>TH</sup> AVENUE NORTH  
TEXAS CITY, TEXAS 77590

6.2. Either Party may designate a different address by giving the other Party ten (10) days written notice.

**ARTICLE 7.**

**DISCLAIMER**

7.1. Nothing herein shall confer upon any person, firm or other entity other than the Parties hereto any benefit or any legal or equitable right, remedy or claim under this Agreement. All obligations hereunder of the Parties hereto shall be binding upon their respective successors and assigns.

7.2. Company may assign this Agreement to an Affiliate provided that (i) such assignment is in conjunction with the Chapter 312 Tax Abatement Agreement executed in conjunction herewith, and (ii) Company provides written notice of such assignment to the City. Except as otherwise provided in the immediately preceding sentence, no rights, duties, obligations, interest or options of a Party under this Agreement may be assigned or otherwise made available to a third party without the prior written consent of the other Party, which consent shall not be unreasonably withheld, delayed or conditioned.

**ARTICLE 8.**

**SEVERABILITY AND SURVIVAL OF AGREEMENT**

If any term, provision or condition of this Agreement, or any application thereof, is held invalid, illegal or unenforceable in any respect under any Law (as hereinafter defined), this Agreement shall be reformed to the extent necessary to conform, in each case consistent with the intention of the Parties, to such Law, and to the extent such term, provision or condition cannot be so reformed, then such term, provision or condition (or such invalid, illegal or unenforceable application thereof) shall be deemed deleted from (or prohibited under) this Agreement, as the case may be, and the validity, legality and enforceability of the remaining terms, provisions and conditions contained herein (and

any other application of such term, provision or condition) shall not in any way be affected or impaired thereby. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement in a mutually acceptable manner so as to affect the original intent of the Parties as closely as possible to the end that the transactions contemplated hereby are fulfilled to the extent possible. As used in this Article 8, the term "Law" shall mean any applicable statute, law (including common law), ordinance, regulation, rule, ruling, order, writ, injunction, decree or other official act of or by any federal, state or local government, governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, or judicial or administrative body having jurisdiction over the matter or matters in question.

## **ARTICLE 9.**

### **GOVERNING LAW; IMMUNITY; NO CONSENT TO SUIT**

This Agreement shall be construed and interpreted in accordance with the laws of the State of Texas. It is further understood and agreed that any dispute arising out of or related to this Agreement shall be resolved in the State District Court of Galveston County, Texas. Nothing in this Agreement shall constitute a waiver by the City of its governmental or sovereign immunity rights. Nothing in this Agreement shall be construed as express or implied consent of the City to being sued.

## **ARTICLE 10.**

### **MISCELLANEOUS PROVISIONS**

10.1. **Further Assurances.** In the event any further documentation or information is required for this agreement to be valid, then the Parties to this agreement shall provide or cause to be provided such documentation or information. The Parties shall execute and deliver such documentation, including but not limited to any amendments, corrections, deletions or additions as necessary to this Agreement provided however that the Parties shall not be required to do anything that has the effect of changing the essential economic terms of this Agreement or imposing greater liability on the Parties. The Parties further agree that they shall do anything necessary to comply with any requirements to enable the full effect of this Agreement; provided, however that the Parties shall not be required to do anything that has the effect of changing the essential economic terms of this Agreement or imposing greater liability on the Parties.

10.2. **Modification.** This Agreement shall be subject to change, modification or, except in case of an Event of Default which has not been cured as provided herein, termination, only with the mutual written consent of the City and Company.

10.3. **Waivers.** Waiver of any term, condition or provision of this Agreement by any Party shall only be effective if in writing and shall not be construed as a waiver of any

subsequent breach of, or failure to comply with, the same term, condition or provision, or a waiver of any other term, condition or provision of this Agreement.

10.4. **Approvals or Consents**. Approvals or consents required or permitted to be given under this Agreement shall be evidenced by an ordinance, resolution, or minute order adopted by the governing body or board of the appropriate Party or by a certificate executed by a person, firm or entity previously authorized to give such approval or consent on behalf of a Party. Approvals and consents shall be effective without regard to whether given before or after the time required for giving such approvals or consents.

10.5. **Parties in Interest**. This Agreement shall be for the sole and exclusive benefit of the Parties hereto and shall not be construed to confer any rights upon any third parties.

10.6. **Attorneys' Fees**. In the event it becomes necessary for either Party to file a suit to enforce this Agreement or any provisions of this Agreement, the Party prevailing in such action shall be entitled to recover, in addition to all other remedies or damages, reasonable attorneys' fees and court costs incurred by such prevailing Party in such suit.

10.7. **Merger**. The terms contained in this Agreement and the documents incorporated by reference herein represent the final agreement among the Parties with respect to the subject matter hereof and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the Parties with respect to the subject matter hereof. The Parties agree that in entering into this Agreement they have not relied upon any representation other than those contained in this Agreement. The Parties agree that they have read this Agreement, sought the advice of counsel, understand the terms of this Agreement and have executed this Agreement voluntarily.

10.8. **Force Majeure**. In the event either Party is rendered unable, wholly or in part, by Force Majeure to carry out any of its obligations under this Agreement, except the obligation to pay amounts owed or required to be paid pursuant to the terms of this Agreement, then the obligations of such Party, to the extent affected by such Force Majeure and to the extent that due diligence is being used to resume performance at the earliest practicable time, shall be suspended during the continuance of any inability so caused to the extent provided but for no longer period. As soon as reasonably possible after the occurrence of the Force Majeure relied upon, the Party whose contractual obligations are affected thereby shall give notice and full particulars of such Force Majeure to the other Party. Such cause, as far as possible, shall be remedied with all reasonable diligence.

10.9. **Interpretation**. When a reference is made in this Agreement to a Section, Article or Exhibit, such reference shall be to a Section or Article of, or Exhibit to, this Agreement unless otherwise indicated. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. The words "include," "includes" and "including" when used in this Agreement shall be deemed in such case to be followed by the phrase "but not limited

to.” Words used in this Agreement, regardless of the number or gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context shall require. This Agreement is the joint product of the Parties and each provision of this Agreement has been subject to the mutual consultation, negotiation and agreement of each Party and shall not be construed for or against any Party.

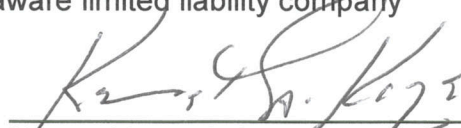
10.10. **Conflict between Agreements**. In the event of a conflict between any of the provisions of this Agreement, on the one hand, and any of the provisions of the Tax Abatement Agreement, on the other hand, the provisions of the Tax Abatement Agreement shall control, to the extent allowed by law.

10.11. **Counterparts**. This complete Agreement has been executed by the Parties in multiple originals, each having full force and effect.

**[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]**

**GULF COAST AMMONIA LLC**  
a Delaware limited liability company

By:

  
Name: Kenneth A. Koye

Title: CEO & Managing Director

12-04-19  
(Date)

**ATTEST:**



(Signature)

Lynette Downs, Counsel

(Printed Name and Title)

**ACKNOWLEDGMENT**

STATE OF TEXAS

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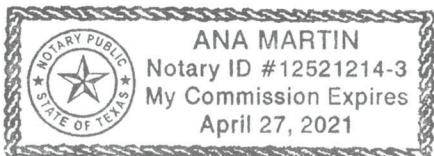
COUNTY OF HARRIS


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Before me, the undersigned authority on this day personally appeared Kenneth A. Koye, as CEO & Managing Director of Gulf Coast Ammonia LLC, the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said Delaware limited liability company.

Given under my hand and seal of office this the 4<sup>th</sup> day of December 2019.



  
Notary Public in and for the State of Texas

My commission expires: 04/27/2021

CITY OF TEXAS CITY

By:

Matthew T. Doyle  
Matthew T. Doyle  
Mayor

12/16/19  
(Date)

ATTEST:

Nick Finan  
Nick Finan, City Secretary

ACKNOWLEDGMENT

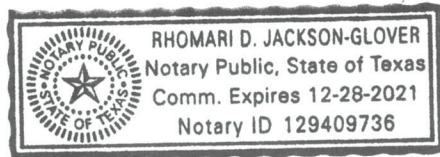
STATE OF TEXAS

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§  
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COUNTY OF GALVESTON

Before me, the undersigned authority on this day personally appeared Matthew T. Doyle of the City of Texas City, Texas, a home rule municipality, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said municipality.

Given under my hand and seal of office this the 16<sup>th</sup> day of December 2019.



Rhomari Jackson-Glover  
Notary Public in and for the State of Texas

My commission expires: 12-28-21

**Exhibit F**  
**Resolution No. 19-089 (Chapter 380 Resolution)**

**See Attached**

## RESOLUTION NO. 19-089

**A RESOLUTION OF THE CITY OF TEXAS CITY, TEXAS, ESTABLISHING AN ECONOMIC DEVELOPMENT PROGRAM FOR THE PURPOSE OF ENCOURAGING THE DEVELOPMENT OF PRIMARY EMPLOYMENT AND ATTRACTING MAJOR ECONOMIC INVESTMENT TO THE CITY; APPROVING A CHAPTER 380 ECONOMIC DEVELOPMENT AND PERFORMANCE AGREEMENT BETWEEN THE CITY OF TEXAS CITY, TEXAS AND GULF COAST AMMONIA, LLC; AND AUTHORIZING THE MAYOR TO EXECUTE THE CHAPTER 380 AGREEMENT SUBJECT TO THE CONDITIONS AS STATED HEREIN; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.**

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**WHEREAS**, the City of Texas City, Texas (“City”) has established economic development programs in accordance with the authority granted to municipalities pursuant to Chapter 380 of the Local Government Code; and

**WHEREAS**, the City recognizes the positive economic impact the Gulf Coast Ammonia project will have on the community and therefore has adopted Resolution No. 19-088 granting Gulf Coast Ammonia, LLC’s (the “Company”) request for tax abatement relief, approved a Chapter 312 Tax Abatement Agreement, and authorized the Mayor to execute same, subject to certain conditions and restrictions, for the purpose of encouraging the development of primary employment and attracting major economic development and expansion of development pursuant to the City’s current tax abatement guidelines and criteria; and

**WHEREAS**, the City’s current tax abatement guidelines and criteria, as adopted by Resolution 19-056, represent an economic development program as contemplated by Chapter 380 of the Texas Local Government Code which authorizes the City to accept monetary contributions, gifts and other resources to develop and administer its economic development program; and

**WHEREAS**, in exchange for the City’s grant of the Company’s request for tax abatement relief pursuant to the City’s current tax abatement criteria, which constitutes part of the City’s economic development program that creates new jobs, increases sales and use tax revenues, and increases property values and ad valorem taxes within the City, the Company’s desire to make annual monetary contributions to the City in lieu of its *ad valorem* tax obligations to the City pursuant to the proposed Chapter 380 Economic Development and Performance Agreement, which is incorporated herein by reference, so as to mitigate the impact of its development and expansion of development on the City’s infrastructure, transportation and other municipal services;

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:**

**SECTION 1:** All of the recitals stated above and in the proposed Chapter 380 Economic Development and Performance Agreement are found to be true and correct and are incorporated herein.

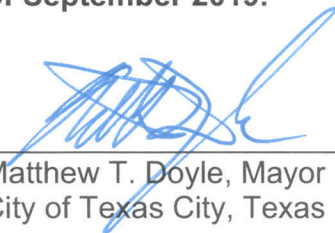
**SECTION 2:** The City Commission of the City of Texas City hereby approves the Chapter 380 Economic Development and Performance Agreement as proposed.

**SECTION 3:** The City Commission of the City of Texas City hereby authorizes the Mayor to execute the proposed Chapter 380 Economic Development and Performance Agreement with Gulf Coast Ammonia, LLC in substantially the same form as attached hereto and made a part hereof for all intents and purposes. *However, the City Commission's approval of the Chapter 380 Economic Development and Performance Agreement and authorization for the Mayor to execute same is specifically subject to and shall not occur before the Texas City Independent School District Board of Trustees authorizes the execution of, and actually executes, a Chapter 313 Property Value Limitation Agreement for the Gulf Coast Ammonia project also made the basis of the City's Chapter 312 Tax Abatement Agreement as authorized by Resolution 19-088.*


**SECTION 4:** If any section, sentence, clause or phrase of this Resolution should be held invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Resolution and the City Commission declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional.

**SECTION 5:** That this Resolution shall be in full force and effect from and after its passage and adoption.

**PASSED AND ADOPTED this 18<sup>th</sup> day of September 2019.**

  
Matthew T. Doyle, Mayor  
City of Texas City, Texas

**ATTEST:**

  
Nicholas Finan  
City Secretary

**APPROVED AS TO FORM:**

  
Russell F. Plackemeier  
City Attorney