

7

120424

Correction was
Made see 120477



**COMMISSIONERS COURT
COMMUNICATION**

REFERENCE NUMBER

PAGE 1 OF 137

DATE: 07/07/2015

SUBJECT: APPROVAL OF TAX ABATEMENT - GENERAL MOTORS, ARLINGTON

COMMISSIONERS COURT ACTION REQUESTED:

It is requested that the Commissioners Court consider a request for tax abatement from General Motors for the expansion of the assembly plant in Arlington, and take action as noted on the following issues:

1. Approve Tarrant County and Tarrant County Hospital District participation with the City of Arlington in the abatement of ad valorem taxes on the eligible real and personal property improvements made by General Motors for the expansion of the Arlington assembly plant, for a period of ten (10) years, at a maximum abatement percentage of seventy percent (70%), as set forth in the two (2) Tax Abatement Agreements.
2. Approve the request for variance from Section III(i)(1) of Tarrant County's Tax Abatement Policy which requires the utilization of Tarrant County and Disadvantaged Business Enterprises for a minimum of twenty-five percent (25%) and fifteen percent (15%), respectively, of the total costs for construction and annual supply and services contracts, and allow for no minimum utilization performance requirements.
3. Approve the attached resolution certifying Tarrant County's agreement to participate with the City of Arlington in the abatement of ad valorem taxes for General Motors and authorize the execution the Tax Abatement Agreements between Tarrant County and General Motors, LLC.

BACKGROUND:

General Motors is proposing a 1.2 million square feet expansion contiguous to the existing assembly plant, which will accommodate modernized and more efficient processes associated with the assembly of vehicles. These improvements include approximately \$300 million in costs related to the expansion to the facility, as well as the addition of new equipment, estimated at approximately \$900 million in initial cost.

The GM Arlington plant currently produces the Chevrolet Tahoe and Suburban, the GMC Yukon and Yukon XL, and the Cadillac Escalade. As part of the expansion project, GM is committing to a minimum of 3,179 jobs at the plant. This is an increase of over 589 permanent jobs from the minimum job requirements of the most recent tax abatement programs currently in place. GM Arlington currently supports an average payroll of more than \$243 million per year, including benefits.

SUBMITTED BY:	Administrator's Office	PREPARED BY:	Lisa McMillan
		APPROVED BY:	

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SUBMITTED BY: Administrator's Office

PREPARED BY: Lisa McMillan

APPROVED BY:



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Hundreds of additional workers are employed by local supplier companies to provide parts/services/etc. for assembly and operational activities at the plant. The costs of GM purchases from these local companies are in excess of \$1 billion annually.

In an effort to assist General Motors in making a business case for the expansion to the GM Arlington plant, the City of Arlington has approved a real and business personal property abatement of eighty percent (80%) for ten (10) years, along with waiving various development and permitting fees.

The attached Tax Abatement Agreements provide for County and Hospital District participation in tax abatement at a maximum of seventy percent (70%) for ten (10) years. The base abatement percentage starts at fifty-five percent (55%) of the new value added, subject to construction of the facility expansion at an estimated cost of \$300 million with an added market value of no less than \$16 million, spending of an estimated \$900 million in business personal property costs with an added market value of no less than \$120 million, completion of the improvements by December 31, 2019, and employment of no less than 3,179 jobs on site. Up to fifteen percent (15%) in additional abatement can be received with added employment, additional percentage Tarrant County employment, and use of DBE and Tarrant County contractors in construction. Additionally, in any year that total employment drops below 3,179, the base abatement percentage will be reduced proportionally.

The tax abatement incentive is provided through two agreements; one agreement for real property improvements and a second agreement for the personal property improvements. This will enable GM to realize a full ten (10) year abatement period on their real and business personal property investments, which may have varying completion dates for construction and/or equipment installation. As in the past, GM is requesting a variance from the Tarrant County minimum requirements regarding use of Tarrant County and DBE contractors. General Motors corporate purchasing is done on a global basis and local plants are provided minimal opportunities for establishing local contracts. However, the Arlington plant does spend substantial dollars with local suppliers as previously noted.

FISCAL IMPACT:

In 2014, GM paid over \$6.7 million in taxes to all local taxing entities. Just over \$1 million in tax revenues were received by the County and Hospital District (\$613,013 - County; \$410,357 - Hospital District). GM expects to spend over \$1.2 billion in constructing and equipping the proposed facility expansion. The actual value that the Tarrant Appraisal District will place on the completed facility expansion and personal property is unknown at this time, but is expected to be well below the actual investment costs. The County and Hospital District will abate up to a maximum of seventy percent (70%) of the added value for a period of ten (10) years, retaining revenue on thirty percent (30%) of the new value during the same period. Over the ten (10) year abatement period, the value of the tax abatement is estimated at to be between \$2.5 - \$3.5 million from the County, and \$2.0 - \$3.0 million from the Hospital District. The full value of the facility expansion will be taxable after the abatement period has ended.



RESOLUTION

PARTICIPATION IN TAX ABATEMENT GENERAL MOTORS, LLC 2015 TAX ABATEMENT

WHEREAS, General Motors, LLC, an entity duly authorized to do business in the State of Texas, and duly acting by and through its authorized officers, (hereafter referred to collectively as "Owner"), plans to expand certain facilities on real property under its ownership, more particularly described in the Tax Abatement Agreements attached hereto and incorporated herein by reference ("Real Property"), located in the City of Arlington; and

WHEREAS, the Real Property is located within Tarrant County (the "County"), a political subdivision of the State of Texas, which Real Property is located within the City of Arlington; and

WHEREAS, the Real Property and all improvements and tangible personal property thereon, whether now existing or hereinafter to be constructed, are subject to ad valorem taxation by the City of Arlington and the County; and

WHEREAS, the Real Property and all improvements thereon are located in Reinvestment Zone Number Forty-Two in the City of Arlington, a reinvestment zone for the purpose of tax abatement as authorized by Chapter 311 and 312 of the Texas Tax Code, as amended (the "Code"); and

WHEREAS, on the 28th day of April, 2015, the City Council of the City of Arlington approved the tax abatement agreements as to certain improvements thereon; and

WHEREAS, the two (2) Tax Abatement Agreements (the "Agreement") between Tarrant County and Owner, provide for the construction and installation of certain improvements consisting of facility expansion and retooling of equipment for assembly of vehicles at its existing plant, providing for new investment of \$1.2 billion and the addition of 1.2 million square feet, to be completed by December 31, 2019; and

WHEREAS, the Agreement with the Owner is conditioned upon continued operation of the plant and retention of jobs; and

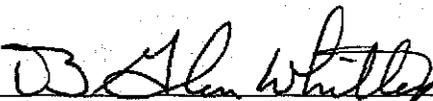
WHEREAS, the Commissioners Court has been requested by the Owner to take the steps required pursuant to the Code to permit tax abatement with respect to that portion of the Real Property and the improvements thereon which are subject to the taxing jurisdiction of the County, and has further requested that the County enter in the Agreement; and

WHEREAS, the County has approved the Tarrant County Tax Abatement Policy Statement Guidelines and Criteria for granting tax abatement in reinvestment zones in Tarrant County;

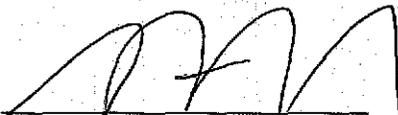
NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED by the Commissioners Court of Tarrant County, Texas:

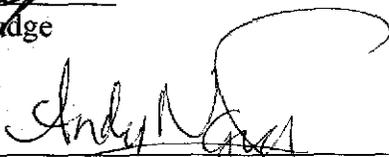
1. That all recitals set forth in the preamble are hereby found to be true and correct;
2. That the Commissioners Court shall have prudently reviewed each tax abatement agreement approved by a municipality having taxing jurisdiction with respect to property located in the County and within a reinvestment zone designated by such municipality; and according to the adopted guidelines and criteria for tax abatement of the County, shall prudently review and consider each proposed County tax abatement agreement providing participation in tax abatement with a municipality; and shall, solely at its discretion, approve those tax abatement agreements that it finds meet all constitutional and statutory criteria and requirements, and which it finds to be in the best interest of the taxpayers and citizens of the County; and
3. That the Commissioners Court hereby finds that the terms and conditions of the Agreement substantially meet its guidelines and criteria; that the Agreement for the abatement of certain County and Hospital District Taxes be and is hereby approved; that the County and its Commissioners Court hereby agree to enter into the Agreement as a party thereto; and the County Judge of the County be and is hereby authorized and directed to execute and deliver said Agreement on behalf of the County and its Commissioners Court, substantially in the form attached hereto, and carry out the terms thereof at the appropriate time(s).

PASSED AND APPROVED, IN OPEN COURT, this 7th day of July, 2015, through Court Order No. 120424.


B. Glen Whitley, County Judge

Roy C. Brooks
Commissioner, Precinct 1


Gary Fickes
Commissioner, Precinct 3


Andy H. Nguyen
Commissioner, Precinct 2


J.D. Johnson
Commissioner, Precinct 4

THE STATE OF TEXAS §

COUNTY OF TARRANT §

Tax Abatement Agreement
Real Property Improvements

THIS Agreement is executed by and between **GENERAL MOTORS, LLC**, an entity duly authorized to do business in the State of Texas, acting by and through its authorized officer (hereafter referred to as "**OWNER**"), and **TARRANT COUNTY, TEXAS**, acting by and through its County Judge or his designee, (hereafter referred to as "**COUNTY**").

WITNESSETH:

WHEREAS, the Tarrant County Commissioners Court has resolved that the COUNTY may elect to participate in tax abatement

WHEREAS, the Commissioners Court, in accordance with law, has adopted a Policy Statement for Tax Abatement, herein contained as **Exhibit "E"**, which constitutes appropriate guidelines and criteria governing tax abatement agreements to be entered into by the COUNTY; and

WHEREAS, the Premises (as hereafter defined) and the Eligible Property (as hereafter defined) are located in the Reinvestment Zone Number Forty-Two in the City of Arlington, Texas, established by City Ordinance No. 15-016, being a commercial-industrial reinvestment zone for the purpose of tax abatement as authorized by Chapter 311 and 312 of the Texas Tax Code, as amended; and

WHEREAS, on the 28th day of April, 2015, the City Council of the City of Arlington approved and authorized the execution and delivery of a Tax Abatement Agreement (the "Agreement") as to the Eligible Property thereon; and

WHEREAS, OWNER submitted an application for tax abatement to the County concerning the contemplated Improvements to the Premises (the "Application for Tax Abatement"), attached hereto and incorporated herein as **Exhibit "D"**, in order to provide for expansion and retooling of their existing vehicle assembly plant; and

WHEREAS, the Commissioners Court finds that the contemplated use of the Premises, the Eligible Property and the terms of this Agreement are consistent with encouraging development of the Zone in accordance with the purposes for its creation and are in compliance with the Policy Statement and other applicable law;

NOW THEREFORE, the COUNTY and OWNER, for and in consideration of the mutual premises and promises contained herein, do hereby agree, covenant and contract as set forth below:

I.
Definitions

- A. "Added Market Value" is defined as the value of Eligible Property on the Premises above the Base Year Value, as finally determined by the Tarrant Appraisal District.
- B. "Base Year Value" is defined as the tax year 2015 taxable value of OWNER's existing real property improvements located on the Premises in Reinvestment Zone Number Forty-Two, on January 1, 2015. Such amount shall be \$57,227,020 for the purpose of this Agreement (TAD Account Number: 01182080).
- C. "Eligible Property" is defined as taxable Real Property Improvements as described in **Exhibit "A"**.
- D. "Job" is defined as a permanent, full-time employment position with OWNER or its affiliates operating on the Premises that results in employment on the Premises of at least one thousand, eight hundred and twenty (1,820) hours per position in a year. Part-time positions shall not be included in this definition. Outsourced or contracted positions shall not be included in this definition.
- E. "Premises" are defined as the real property (land and improvements) as described by metes and bounds in **Exhibit "B"** which existed on January 1, 2015, within Reinvestment Zone Number Forty-Two, that are owned by and operated by OWNER. **Exhibit "B"** is attached hereto and incorporated for all purposes.
- F. "Reinvestment Zone Number Forty-Two" is defined as the real property located in the City of Arlington and described by City of Arlington Ordinance No. 15-016 (attached hereto as **Exhibit "C"**).
- G. "Real Property Improvements" are defined as improvements to the Premises and shall include buildings, structures or fixtures erected or affixed to land, as described in **Exhibit "A"**.

II.
General Provisions

- A. The Premises are not in an improvement project financed by tax increment bonds.
- B. Neither the Premises nor any of the Improvements covered by this Agreement are owned or leased by any member of the Commissioners Court, or any member of the governing body of any taxing units joining in or adopting this Agreement.

III.
Improvement Conditions and Requirements

- A. OWNER shall improve the Premises by (i.) completing the Eligible Property described in **Exhibit "A"** in accordance with this Agreement, and (ii.) completing construction of Real Property Improvements of approximately 1,200,000 square foot expansion to the facility.

- B. OWNER's completion of the Eligible Property described in **Exhibit "A"** of this Agreement must result in Added Market Value of not less than Five Million Dollars (\$5,000,000) not later than January 1, 2018 and result in an additional Added Market Value of not less than Eleven Million Dollars (\$11,000,000) not later than January 1, 2020, for a total cumulative Added Market Value of value of \$16,000,000 not later than January 1, 2020.
- C. OWNER shall maintain employment of a least 3,179 Jobs on the Premises during the term of the abatement.
- D. Upon completion, OWNER shall operate and maintain on the Premises the Eligible Property described in Exhibit "A" for the duration of this agreement except for any casualty, condemnation or the replacement, disposal or obsolescence of any Eligible Property in the ordinary course of business.
- E. All proposed Eligible Property shall conform to the applicable building codes, zoning ordinances and all other ordinances and regulations of the City of Arlington and/or Tarrant County.
- F. OWNER agrees and covenants that it will diligently and faithfully pursue the completion of the Eligible Property. OWNER further covenants and agrees that it will use all reasonable efforts to cause the Eligible Property to be constructed in a good and workmanlike manner and in accordance with all applicable state and local laws and regulations.
- G. The Premises and all Improvements must conform in all material respects to all applicable state and federal laws and regulations to air pollution and air quality.
- H. OWNER shall not allow the ad valorem taxes owed to COUNTY on any property owned by OWNER and located within Tarrant County to become delinquent beyond the last day they can be paid without assessment of penalty, as such date is generally extended to allow for any appeal. Nor shall OWNER fail to render for taxation any property owned by OWNER and located within Tarrant County, unless such property is exempt from taxation pursuant to applicable law.
- I. OWNER covenants and certifies that OWNER does not and will not knowingly employ an undocumented worker as that term is defined by section 2264.001(4) of the Texas Government Code. In accordance with section 2264.052 of the Texas Government Code, if OWNER is convicted of a violation under 8 U.S.D. Section 1324a(f), OWNER shall repay to the CITY the full amount of the taxes abated or grant payment(s) made under sections IV and V of this Agreement, plus 10% per annum from the date the grant payment(s) was made. Repayment shall be paid within 120 days after the date following such conviction that OWNER receives notice of violation from the CITY as provided by 2264.101(c) of the Texas Government Code. OWNER shall not be liable for a violation by a subsidiary, affiliate, or franchisee of OWNER or by a person or entity with whom OWNER contracts.

IV.
Abatement Allowed

- A. As set forth in this section, tax abatement allowed herein shall be for Tarrant County and Tarrant County Hospital District ad valorem real property taxes, relative to Added Market Value of the Eligible Property located on the Premises, subject to the following terms and conditions.
- B. If the Improvement Conditions and Requirements set forth in Section III herein are met, COUNTY agrees to exempt from taxation up to seventy percent (70%) of the Added Market Value of the Eligible Property in accordance with the various requirements established by terms of this Agreement and to be calculated as set forth below. The abatement period shall be from tax year beginning January 1, 2018 through and including tax year January 1, 2027.
1. **Base Abatement** - If OWNER (i.) improves the Premises and adds the required Eligible Property to the Premises as set forth in Section III A. and B., (ii.) maintains employment as set forth in Section III.C., and (iii.) employs Tarrant County residents for a minimum twenty-five percent (25%) of all Jobs, COUNTY shall exempt from taxation fifty-five percent (55%) of the Added Market Value of the Eligible Property. Failure to meet the above requirements for Jobs and Tarrant County resident employment shall be cause for a reduction in the percentage abatement for any year in which the requirements are not met, as set forth in Section IV.B.2.
 2. **Reduction to Base Abatement** - In any year that employment levels do not meet the minimum requirements set forth in Section IV.B.1.(ii.) and (iii.), the COUNTY shall reduce the base abatement percentage for that year as follows:
 - a. If the actual number of Jobs falls below the minimum Jobs requirement, OWNER will receive a one percent (1%) reduction for up to each one percent (1%) deficiency from the minimum Jobs requirement. (Example: One percent (1%) of the minimum Jobs requirement is 32. For total Jobs of 3,178 down to 3,147, the base abatement would be reduced by 1%. For total Jobs of 3,129, which would be 50 Jobs less than the minimum Jobs requirement, the base abatement would be reduced by 2%.)
 - b. If less than twenty-five percent (25%) of all Jobs are filled by Tarrant County residents, OWNER will receive a fifteen percent (15%) reduction.
 3. **Additional Percentage Abatement** - In any year that OWNER is eligible to receive a tax exemption under Sections IV.B.1 and 2, COUNTY agrees to exempt from taxation up to an additional fifteen percent (15%) of the Added Market Value of the Eligible Improvements in any year that OWNER meets one or more of the additional requirements as follows:
 - a. For total Jobs above 3,179, OWNER will receive an additional one percent (1%) abatement for each 20 jobs added, up to a maximum of fifteen percent (15%) additional abatement.

(Example: A total of 3,220 Jobs would be 41 additional jobs, which would provide for 2% additional abatement; a total of 3,480 Jobs would be 301 additional jobs, which would provide for 15% additional abatement.)

- b. For employment of Tarrant County residents for more than sixty-five percent (65%) of all Jobs, OWNER will receive an additional 5% abatement.
- c. For use of Disadvantaged Business Enterprise (as defined in the Tarrant County Tax Abatement Police Guidelines and Criteria attached hereto as Exhibit "E") contractors for greater than twenty percent (20%) of the total Construction Costs of the Real Property Improvements, OWNER will receive an additional five percent (5%) abatement for each year of the term of the abatement.
- d. For use of Tarrant County contractors (defined as a contractor with an office location or business address in Tarrant County) for greater than thirty percent (30%) of the total Construction Costs of the Real Property Improvements, OWNER will receive an additional five percent (5%) abatement for each year of the term of the abatement.

For purposes of this Section, "Construction Costs" shall mean site development and building costs, including, without limitation, actual construction costs, signage costs, contractor fees, the costs of supplies and materials, engineering fees, architectural fees and other professional costs, and development and permitting fees expended directly in connection with the construction of the Real Property Improvements.

V.

Reports, Audits and Inspections

- A. Annual Certification and Reports - Pursuant to state law, OWNER shall certify annually to taxing units that, to the best of OWNER's actual knowledge, OWNER is in compliance in all material respects with the terms of this Agreement, and shall provide taxing units with reports and records reasonably necessary to support each year of the agreement, as follows:
 - 1. Certification - OWNER shall complete and certify a Tax Abatement Certification to be provided by COUNTY for each year of this Agreement, to be due annually not later than April 30. This certification shall include information supporting job creation and retention requirements, reports on Eligible Property values and costs, a narrative description of the project's progress, and other submittals required by the tax abatement agreement.
 - 2. Eligible Property Reports - At a minimum, OWNER shall make available on request the following information annually on all Eligible Property for which OWNER seeks tax abatement:
 - a. Property description;

- b. Asset number;
 - c. Payment date for property located on Premises; and
 - d. Cost.
3. Eligible Property Reports for Projects in Progress - For projects in progress for which fixed asset numbers have not been assigned, the Eligible Property report shall provide information in sufficient detail to identify the Eligible Property to be installed on the Premises. At a minimum, this information shall include:
- a. Description of materials, machinery and equipment;
 - b. Vendor name, invoice date, invoice number and invoice amount; and
 - c. Payment date for property located on Premises.
4. Reports on Equipment Replaced or Removed - Additionally, OWNER agrees to provide COUNTY, on request, information on Eligible Property for which OWNER has received tax abatement and which has been replaced or removed from the Premises. At a minimum, this information shall include:
- a. Property description;
 - b. Asset number; and
 - c. Approximate date of disposal.
5. Report Upon Project Completion - Within one-hundred eighty (180) days of completion of the Eligible Property, OWNER shall provide COUNTY with a final Eligible Property Report that shall describe all Eligible Property for which the owner is granted tax abatement. This report shall be accompanied by the opinion of an independent certified public accountant as to its accuracy and completeness. The report may contemplate a reconciliation of the general ledger to the personal property rendition to satisfy this requirement.
6. Additional Reports - Additionally, throughout the term of this agreement, OWNER shall furnish COUNTY any additional records and information reasonably requested to support the reports required by this agreement.
- B. Right to Audit Books and Records - COUNTY shall have the right, no more than once per calendar year (unless OWNER is in default beyond any applicable notice and cure period hereunder), to audit the books and records related to the Eligible Property and supporting the Eligible Property reports in OWNER's headquarters, Detroit, Michigan. COUNTY shall notify OWNER at least five (5) business days in advance in writing of their intent to audit in order to allow OWNER adequate time to make such books and records available. COUNTY shall, subject to applicable law, keep all such information strictly confidential.
- C. Inspection - At all times throughout the term of this Agreement, COUNTY and the Tarrant Appraisal District (TAD) shall have reasonable access (subject to OWNER's

access, safety and security requirements) to the Premises for the purpose of inspecting the Premises to ensure that the Eligible Property is constructed, installed, maintained and operated in accordance with the terms of this Agreement. All inspections shall be conducted in a manner as to not unreasonably interfere with the installation of the Eligible Property, OWNER's business operations or the operation of the Premises. The inspections shall be conducted within a reasonable time period after notice by COUNTY or TAD to OWNER, provided, however, that all inspections shall be made with one (1) or more representative(s) of OWNER present and in accordance with the safety standards of OWNER.

VI. **Use of Premises**

The Premises at all times shall be used in a manner that is consistent with the City of Arlington zoning ordinances and consistent with the general purpose of encouraging development within the Reinvestment Zone. Both parties acknowledge that the use of the Premises for the assembly of trucks or automobiles and related activities in accordance with this Agreement is consistent with such purposes.

VII. **Breach and Recapture**

- A. **Breach** - A breach of this Agreement may result in termination or modification of this Agreement and recapture by COUNTY of taxes which otherwise would have been paid since the execution of this Agreement to COUNTY without the benefit of the Abatement, as set forth in Sections VII(B) and VII(C). Penalty and interest on recaptured taxes will be charged at the statutory rate for delinquent taxes as determined by Section 33.01 of the Property Tax Code of the State of Texas, and such taxes shall become due sixty (60) days following notice of breach and after the expiration of any cure period as provided in Section VII(B). The following conditions shall constitute a breach of this Agreement:
1. OWNER terminates the use of the Premises for the assembly of trucks or automobiles and related activities at any time during the term of the Agreement; or
 2. OWNER fails to meet the Abatement Conditions and Requirements as specified in Section III A., B., D., E., F., or G. above; or
 3. OWNER allows its ad valorem taxes on any property located within Tarrant County owed to COUNTY to become delinquent (except in the event of an appeal by OWNER in accordance with applicable law); or
 4. OWNER fails to comply with the requirements and provisions described in Sections V of this Agreement.
- B. **Notice of Breach** - In the event that COUNTY makes a reasonable determination that OWNER has breached this Agreement, then COUNTY shall give OWNER written notice of such default. OWNER has sixty (60) days following receipt of said written notice to reasonably cure such breach, or this Agreement may be terminated by COUNTY, and recapture of abated taxes may occur; provided, however, that if a breach

cannot be reasonably cured within such 60-day period then OWNER shall have an additional 60 days so long as OWNER has promptly commenced and is diligently pursuing a cure to completion. Notice of default shall be in writing and shall be delivered by personal delivery or certified mail to OWNER at its address provided in Section IX of this Agreement. It shall be the duty of COUNTY to determine whether to require recapture and payment of abated taxes and to demand payment of such.

- C. Recapture - During the first five (5) years of this Agreement, should OWNER commit a breach of this Agreement according to items A(1), (2) (3) or (4) of this Section VII, and OWNER does not cure as provided in VII.B. above during the cure period, COUNTY may terminate this Agreement and recapture all taxes abated under this Agreement up to the time of breach. During years six (6) through ten (10) of this Agreement, should OWNER commit a breach of this Agreement according to Items A(1), (2), (3) or (4) of this Section VII, and OWNER does not cure as provided in VII.B. above during the cure period, COUNTY may terminate this Agreement and recapture taxes abated for the calendar year during which the breach is committed. It shall be the duty of COUNTY to determine whether to require recapture and payment of abated taxes and to demand payment of such. The COUNTY's right to require recapture and demand payment of abated taxes and/or waived fees and OWNER's obligation to repay such shall survive the termination of this Agreement.
- D. Tax Lien Not Impaired - It is expressly agreed and acknowledged between the parties to this Agreement that nothing in this Agreement shall be deemed or construed to affect the lien for taxes against the property established by Section 32.01 of the Tax Code of the State of Texas. Such lien shall secure the payment of all taxes, penalties and interest ultimately imposed on the property, including any taxes abated and subject to recapture under this Agreement. Any such lien may be fully enforced pursuant to the provisions of the Code. For purposes of this Subsection, "property" refers to the Premises and Eligible Property described herein.

VIII.

Effect of Sale or Lease of Property

The abatement granted by this Agreement shall not be assignable to any new owner or lessee of all or a portion of the Premises or Eligible Property unless such assignment is to an affiliate of OWNER that will operate the Premises or is approved in writing by the COUNTY, which shall not be unreasonably denied, conditioned or delayed.

IX.

Notice

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

OWNER: General Motors LLC
2525 East Abram Street
Arlington, Texas 76010-1346
Attention: Finance Manager

General Motors Company – Tax Staff
Mail Code: 482-C16-B16
P.O. Box 300
Detroit, Michigan 48265
Attn: Troy Kennedy

COUNTY: Tarrant County
County Administrator's Office
100 E. Weatherford
Fort Worth, Texas 76196
Attention: G.K. Maenius

X.
Commissioners Court Authorization

This Agreement was authorized by resolution of the Commissioners Court authorizing the County Judge or his designee to execute this Tax Abatement Agreement on behalf of the COUNTY.

XI.
Severability

In the event any section, subsection, paragraph, sentence, phrase or word is held invalid, illegal or unconstitutional, the balance of this Agreement shall stand, shall be enforceable and shall be read as if the parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase or word.

XII.
Estoppel Certificate

Any party hereto may request an estoppel certificate from another party hereto, so long as the certificate is requested in connection with a bona fide business purpose. The certificate, which if requested will be addressed to a subsequent purchaser or assignee of OWNER, shall include, but not necessarily be limited to statements that this Agreement is in full force and effect without default (or if default exists the nature of same), the remaining term of this Agreement, the levels and remaining term of the abatement in effect and such other matters reasonably requested by the party(ies) to receive the certificates.

XIII.
Owner's Standing

OWNER, as a party to this Agreement, shall be deemed a proper and necessary party in any litigation questioning or challenging the validity of this Agreement or any of the underlying ordinances, resolutions or Commissioners Court actions authorizing same, and OWNER shall be entitled to intervene in said litigation.

XIV.
Applicable Law

This Agreement shall be construed under the laws of the State of Texas. Venue for any action under this Agreement shall be the State's District Court of Tarrant County, Texas. This Agreement is performable in Tarrant County, Texas.

XV.
Force Majeure

It is expressly understood and agreed by the parties to this Agreement that the parties shall not be found in default of this Agreement if any party's failure to meet the requirements of this Agreement is delayed by reason of war, Act of God, fire or other casualty of a similar nature.

XVI.
No Other Agreement

This Agreement embodies all of the agreements of the parties relating to its subject matter as specifically set out herein, supersedes all prior understandings and agreements regarding such subject matter, and may be amended, modified or supplemented only by an instrument or instruments in writing executed by the parties.

XVII.
Recordation of Agreement

A certified copy of this Agreement in recordable form shall be recorded in the Deed Records of Tarrant County, Texas.

XIII.
Signatories

This Agreement is effective and binding on those parties that have duly signed below.

XIX.
Procurement of Goods and Services from Tarrant County Businesses and/or Disadvantaged Businesses Enterprises

OWNER agrees to make all commercially reasonable efforts to satisfy the provisions and requirements as set forth in the Tarrant County Tax Abatement Policy, including those relating to Tarrant County and DBE contracting requirements. The percentage requirements pertain only to those contracts/supply/services that are within the local control of GM Arlington Plant, and does not include contracts/supplies/services that are sole source and/or purchased via a General Motors national contract. OWNER shall complete and submit all information reasonably necessary to determine to what extent these contracting percentages were met each year during the abatement period.

XX.
Headings

The headings of this Agreement are for the convenience of reference only and shall not affect in any manner any of the terms and conditions hereof.

XXI.
Successors and Assigns

The parties to this Agreement each bind themselves and their successors, executors, administrators and assigns to the other party of this Agreement and to the successors, executors, administrators and assigns of such other party in respect to all covenants of this Agreement.

No successor, executor, administrator or assign is valid in the place of the parties to this Agreement without the written consent of COUNTY and such consent shall not be unreasonably withheld, provided however, the procedures set out in Section VIII, Effect of Sale or Lease of Property, is binding for the assignment situation specifically described in Section VIII. Notwithstanding the foregoing, the OWNER may assign this Agreement to any entity which is an affiliate of OWNER, without the consent of the COUNTY, in which case the benefits and obligations under this Agreement shall apply to the property and premises owned by such assignee. For purposes of the Section, an affiliate shall mean any entity which is related to OWNER through direct or indirect common ownership or control.

XXII.
Counterparts

This Agreement may be executed in any number of counterparts, each of which may be executed by any one or more of the parties hereto, but all of which shall constitute one instrument, and shall be binding and effective when all of the parties hereto have executed at least one counterpart.

XXIII.
Remedies

No right or remedy granted herein or reserved to the parties is exclusive of any right or remedy herein by law or equity provided or permitted; but each shall be cumulative of every right or remedy given hereunder. No covenant or condition of this agreement may be waived without consent of the parties. Forbearance or indulgence by either party shall not constitute a waiver of any covenant or condition to be performed pursuant to this agreement.

XXIV.
No Third-Party Beneficiaries

For purposes of this agreement, including its intended operation and effect, the parties specifically agree that: (1) the agreement only affects matters/disputes between the parties to this agreement (other than as specifically set forth herein with respect to assignment of this Agreement by OWNER to an affiliate of OWNER), and is in no way intended by the parties to benefit or otherwise affect any third person or entity, notwithstanding the fact that such third person or entities may be in a contractual relationship with CITY or OWNER or both; and (2) the terms of this agreement are not intended to release, either by contract or operation of law, any third person or entity from obligations owing by them to either CITY or OWNER.

XXV.
Termination

This Agreement shall terminate, in accordance with the terms of this Agreement, unless extended by written agreement of the parties or a written instrument signed by all parties evidencing a delay by force majeure; provided however, that the period of abatement may not extend beyond ten (10) years.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year written above.

GENERAL MOTORS, LLC

BY _____
Signature

Typed or Printed Name

Typed or Printed Title

Date

WITNESS:

TARRANT COUNTY, TEXAS

BY B. Glen Whitley
B. Glen Whitley
County Judge

July 7, 2015
Date

ATTEST:

Debbie Gordon, Deputy
Deputy County Clerk

APPROVED AS TO FORM:

Criminal District Attorney's Office*

**By law, the Criminal District Attorney's Office may only approve contracts for its clients. We reviewed this document as to form from our client's legal perspective. Other parties may not rely on this approval. Instead those parties should seek contract review from independent counsel.*

THE STATE OF §
COUNTY OF §

General Motors, LLC
Acknowledgment

BEFORE ME, the undersigned authority, a Notary Public in and for the State of _____, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed same for and as the act and deed of GENERAL MOTORS, LLC, and as the _____ thereof, and for the purposes and consideration therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the _____ day of _____, 2015.

Notary Public in and for
The State of _____

My Commission Expires

Notary's Printed Name

THE STATE OF TEXAS §
COUNTY OF TARRANT §

Tarrant County, Texas
Acknowledgment

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared B. GLEN WHITLEY, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for and as the act and deed of TARRANT COUNTY, TEXAS, as the County Judge thereof, and for the purposes and consideration therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 7th day of July, 2011-2015

Kathryn Louise Rotter
Notary Public in and for

The State of Texas
Kathryn Louise Rotter
Notary's Printed Name

11-7-16
My Commission Expires

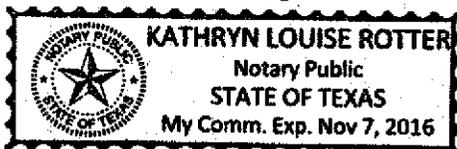


EXHIBIT "A"

DESCRIPTION OF ELIGIBLE REAL PROPERTY IMPROVEMENTS

Exhibit "A"

(Description of Eligible Real Property Improvements)

An expansion of the existing Arlington Assembly Plant to include 1,200,000 square feet of new space.

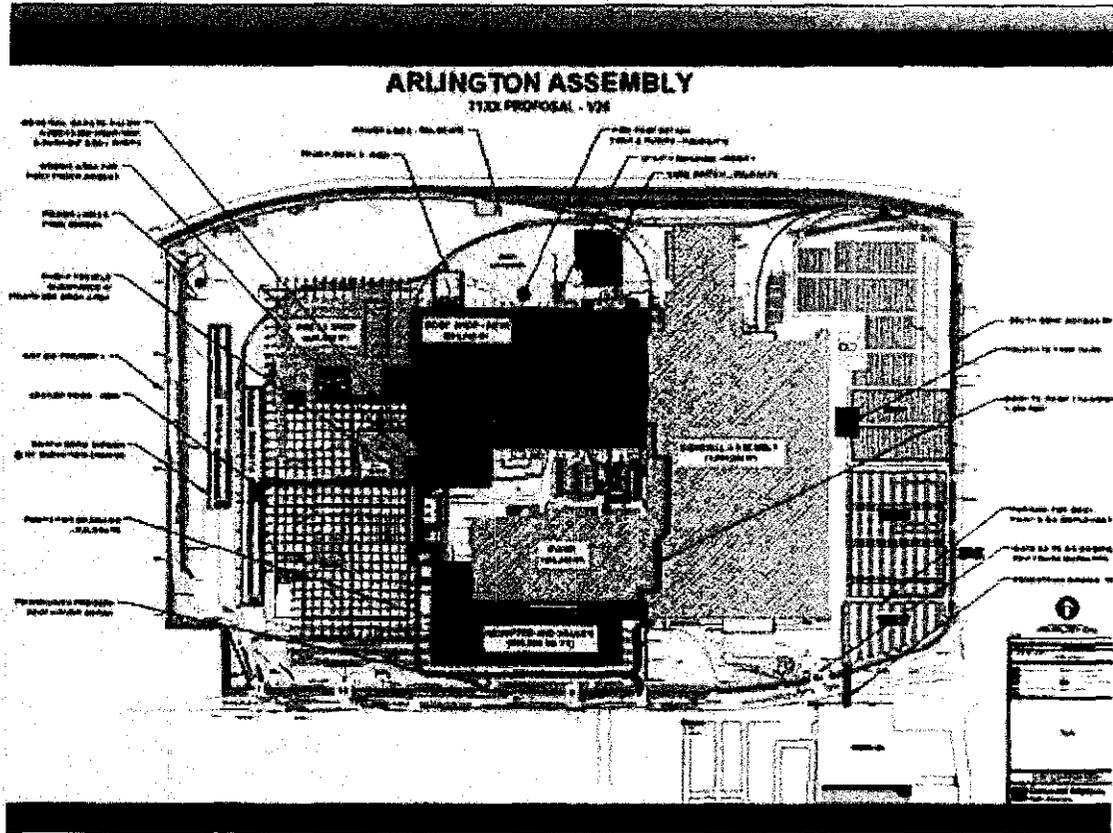


EXHIBIT "B"

DESCRIPTION OF PREMISES

Exhibit "B"

(Legal Description of Premises)

BEING a 205.699 acre portion of that certain called 248.984 acre lot, tract or parcel of land lying and being situated in the Mahalda Harris Survey, Abstract No. 704, in the City of Arlington, Tarrant County, Texas, and being Lot 1-A, M. Harris Addition, an addition to the City of Arlington, Tarrant County, Texas, according to the plat thereof recorded in Volume 388-88, Page 49, Plat Records, Tarrant County, Texas (PRTCT), SAVE and EXCEPT all that certain lot, tract or parcel of land conveyed by Special Warranty Deed from General Motors Corporation, a Delaware corporation, to the City of Arlington, a municipal corporation, dated December 03, 1999, filed December 09, 1999, as recorded in Volume 14133, Page 306, Real Property Records, Tarrant County, Texas (RPRTCT), and being a portion of that certain tract of land described in Deed without Warranty from General Motors Corporation, a Delaware corporation, to General Motors Company, a Delaware corporation, as recorded in Instrument No. D209231978, said RPRTCT, and being more particularly described as follows:

COMMENCING at a 1/2 inch iron rod found for the most southerly southwest corner of said Lot 1-A, same being the southeast corner of Harris Acres, an addition to the City of Arlington, Tarrant County, Texas, according to the plat thereof recorded in Volume 388-32, Page 34, said PRTCT, same being in the north right-of-way line of Abram Street (a 100' right-of-way at this point);

THENCE South 89 deg. 55 min. 00 sec. East, along the common line of said Lot 1-A, and the north right-of-way line of said Abram Street, a distance of 165.76 feet to a point for the southwest corner of the herein described tract, same being the POINT OF BEGINNING;

THENCE North 00 deg. 05 min. 05 sec. East, through the interior of said Lot 1-A, a distance of 2556.81 feet to a point for the northwest corner of the herein described tract, same being in the north line of said Lot 1-A, same being in the south right-of-way line of Union Pacific Railroad (a variable width right-of-way), same being in a non-tangent curve to the right having a radius of 2,753.12 feet, and a delta angle of 15 deg. 22 min. 13 sec.;

THENCE along the common line of said Lot 1-A and the south right-of-way line of said Union Pacific Railroad as follows:

In a northeasterly direction, and along said non-tangent curve to the right, an arc distance of 738.55 feet, and a chord bearing and distance of North 82 deg. 04 min. 26 sec. East, 736.34 feet to a point for the end of said curve;

South 89 deg. 46 min. 55 sec. East, a distance of 2,100.00 feet to a point for the beginning of a curve to the right having a radius of 4,288.82 feet, and a delta angle of 05 deg. 15 min. 30 sec.;

In a southeasterly direction, and along said curve to the right, an arc distance of 393.61 feet, and a chord bearing and distance of South 87 deg. 09 min. 10 sec. East, 393.47 feet to a point;

South 84 deg. 32 min. 55 sec. East, a distance of 93.30 feet to a point;

South 03 deg. 33 min. 05 sec. West, a distance of 20.10 feet to a point;

South 89 deg. 24 min. 55 sec. East, a distance of 50.20 feet to a point;

South 87 deg. 06 min. 55 sec. East, a distance of 44.93 feet to a point for the northeast corner of the herein described tract;

THENCE South 00 deg. 05 min. 05 sec. West, through the interior of said Lot 1-A, a distance of 2432.09 feet to a point for the southeast corner of the herein described tract, same being in the south line of said Lot 1-A, same being in the north right-of-way line of aforesaid Abram Street, same being in the north side of a corner clip at the intersection of the west right-of-way line of said State Highway 360 with the north right-of-way line of said Abram Street, said corner being the most easterly southeast corner of said Lot 1-A, same being the beginning of a non-tangent curve to the right having a radius of 250.00 feet, and a delta angle of 56 deg. 45 min. 52 sec.;

THENCE along said corner clip as follows:

South 71 deg 52 min. 05 sec. West, a distance of 149.84 feet to a point for the beginning of a curve to the right having a radius of 1,422.40 feet, and a delta angle of 09 deg. 24 min. 38 sec.;

In a southwesterly direction, and along said curve to the right, an arc distance of 233.62 feet, and a chord bearing and distance of South 76 deg. 34 min. 46 sec. West, 233.36 feet to point;

South 81 deg. 17 min. 05 sec. West, a distance of 242.01 feet to a point for the beginning of a curve to the right having a radius of 2,810.79 feet, and a delta angle of 06 deg. 43 min. 30 sec.;

In a southwesterly direction, and along said curve to the right, an arc distance of South 85 deg. 11 min. 52 sec. West, 329.72 feet to a 'Y' cut found in concrete;

South 88 deg. 33 min. 37 sec. West, a distance of 208.92 feet to a point for the west end of said corner clip;

THENCE North 89 deg. 55 min. 00 sec. West, along the common line of said Lot 1-A, and the north right-of-way line of said Abram Street, a distance of 1,972.20 feet to a point for the southeast end of aforesaid SAVE & EXCEPT parcel to the City of Arlington;

THENCE along said City of Arlington tract as follows:

North 84 deg. 40 min. 50 sec. West, a distance of 109.58 feet to a point;

North 89 deg. 55 min. 00 sec. West, a distance of 126.26 feet to a point;

South 00 deg. 05 min. 00 sec. West, a distance of 10.00 feet to a point for the southwest corner of said City of Arlington tract, same being in the original south line of said Lot 1-A;

THENCE North 89 deg. 55 min. 00 sec. West, along the common line of said Lot 1-A, and the north right-of-way line of said Abram Street, a distance of 55.56 feet to the POINT OF BEGINNING and containing 205.699 acres of computed land, more or less.

The foregoing legal description was created using record documents, plats, deeds, and other recorded matters of record. This is not intended for legal subdivision or title purposes. No field work was completed in creating this legal description.

EXHIBIT "C"

**ORDINANCE # 15-016 CREATING
REINVESTMENT ZONE NUMBER FORTY-TWO**

Ordinance No. _____

An ordinance establishing Reinvestment Zone Number Forty-Two; providing this ordinance be cumulative; providing for severability; providing for governmental immunity; providing for injunctions; and becoming effective upon second reading

WHEREAS, the City Council of the City of Arlington, Texas, desires to promote the development or redevelopment of a certain strategic priority area within its jurisdiction by the establishment of Reinvestment Zone Number Forty-Two for commercial-industrial tax abatement; and

WHEREAS, on April 7, 2009, the City Council of the City of Arlington, Texas passed Resolution No. 09-079 authorizing staff, following a briefing to City Council regarding creation of the zone, to give notice required by law to call public hearings relative to creation of reinvestment zones for tax abatement; and

WHEREAS, on March 17, 2015, staff briefed City Council on the creation of Reinvestment Zone Number Forty-Two; and

WHEREAS, on April 14, 2015, a public hearing was held at which time interested persons were entitled to speak and present evidence for or against the designation of the property described in Exhibit "A" as Reinvestment Zone Number Forty-Two, and notice of such public hearing was published in a newspaper of general circulation in the City of Arlington not later than the seventh day before the date of the scheduled hearing; and

WHEREAS, the City Council of the City of Arlington has established guidelines and criteria governing tax abatement agreements and has stated that the City elects to become eligible to participate in tax abatement; NOW THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON, TEXAS:

1.

That all of the recitals contained in the preambles of this ordinance are found to be true and are adopted as findings of fact by this governing body and as part of its official record.

2.

The City Council, after conducting a public hearing and having considered all relevant evidence and testimony, has made the following findings and determinations based on such evidence and testimony:

- A. That a public hearing on the designation of Reinvestment Zone Number Forty-Two has been properly called, held and conducted, and that notice of such hearing was published in accordance with the law; and
- B. That the boundaries of Reinvestment Zone Number Forty-Two should be the proposed area of land more fully described in the property description attached hereto as Exhibit "A" and depicted on the map attached hereto as Exhibit "B"; and
- C. That the improvements sought to be made in Reinvestment Zone Number Forty-Two are feasible and practical and would be a benefit to the land to be included in the Zone and to the City of Arlington following the expiration of an executed Tax Abatement Agreement; and
- D. That the proposed area of land to be designated Reinvestment Zone Number Forty-Two is reasonably likely, as a result of this designation, to contribute to the retention or expansion of primary employment or to attract major investment in the Zone that would be a benefit to the property, thereby contributing to the economic development of the City of Arlington.

3.

In accordance with State law, the City of Arlington hereby officially creates Reinvestment Zone Number Forty-Two for commercial-industrial tax abatement, which Zone shall hereafter encompass only that certain area of land more fully described in the property description attached hereto as Exhibit "A" and depicted on the map attached hereto as Exhibit "B"; and such Reinvestment Zone shall be officially designated as Tax Abatement Reinvestment Zone Number Forty-Two of the City of Arlington, Texas.

4.

The designation of Reinvestment Zone Number Forty-Two of the City of Arlington, Texas shall expire Five (5) years after the effective date of its designation and may be renewed.

5.

This ordinance shall be and is hereby declared to be cumulative of all other ordinances of the City of Arlington; and this ordinance shall not operate to repeal or affect any of such other ordinances except insofar as the provisions thereof might be

inconsistent or in conflict with the provisions of this ordinance, in which event such conflicting provisions, if any, in such other ordinance or ordinances are hereby repealed.

6.

If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be unconstitutional, such holding shall not affect the validity of the remaining portions of this ordinance.

7.

All of the regulations provided in this ordinance are hereby declared to be governmental and for the health, safety and welfare of the general public. Any member of the City Council or any City official or employee charged with the enforcement of this ordinance, acting for the City of Arlington in the discharge of his/her duties, shall not thereby render himself/herself personally liable; and he/she is hereby relieved from all personal liability for any damage that might accrue to persons or property as a result of any act required or permitted in the discharge of his/her said duties.

8.

Any violation of this ordinance can be enjoined by a suit filed in the name of the City of Arlington in a court of competent jurisdiction, and this remedy shall be in addition to any penal provision in this ordinance or in the Code of the City of Arlington.

9.

This ordinance shall become effective upon second reading.

PRESENTED AND GIVEN FIRST READING on the _____ day of _____, 2015, at a regular meeting of the City Council of the City of Arlington, Texas; and GIVEN SECOND READING, passed and approved on the _____ day of _____, 2015, by a vote of _____ ayes and _____ nays at a regular meeting of the City Council of the City of Arlington, Texas.

ROBERT N. CLUCK, Mayor

ATTEST:

MARY W. SUPINO, City Secretary

APPROVED AS TO FORM:
TERIS SOLIS, City Attorney

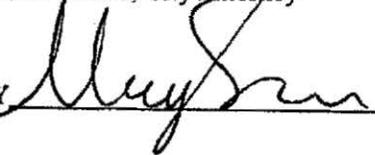
BY 

Exhibit "A"

Legal Property Description

BEING a 205.699 acre portion of that certain called 248.984 acre lot, tract or parcel of land lying and being situated in the Mahalda Harris Survey, Abstract No. 704, in the City of Arlington, Tarrant County, Texas, and being Lot 1-A, M. Harris Addition, an addition to the City of Arlington, Tarrant County, Texas, according to the plat thereof recorded in Volume 388-88, Page 49, Plat Records, Tarrant County, Texas (PRTCT), SAVE and EXCEPT all that certain lot, tract or parcel of land conveyed by Special Warranty Deed from General Motors Corporation, a Delaware corporation, to the City of Arlington, a municipal corporation, dated December 03, 1999, filed December 09, 1999, as recorded in Volume 14133, Page 306, Real Property Records, Tarrant County, Texas (RPRTCT), and being a portion of that certain tract of land described in Deed without Warranty from General Motors Corporation, a Delaware corporation, to General Motors Company, a Delaware corporation, as recorded in Instrument No. D209231978, said RPRTCT, and being more particularly described as follows:

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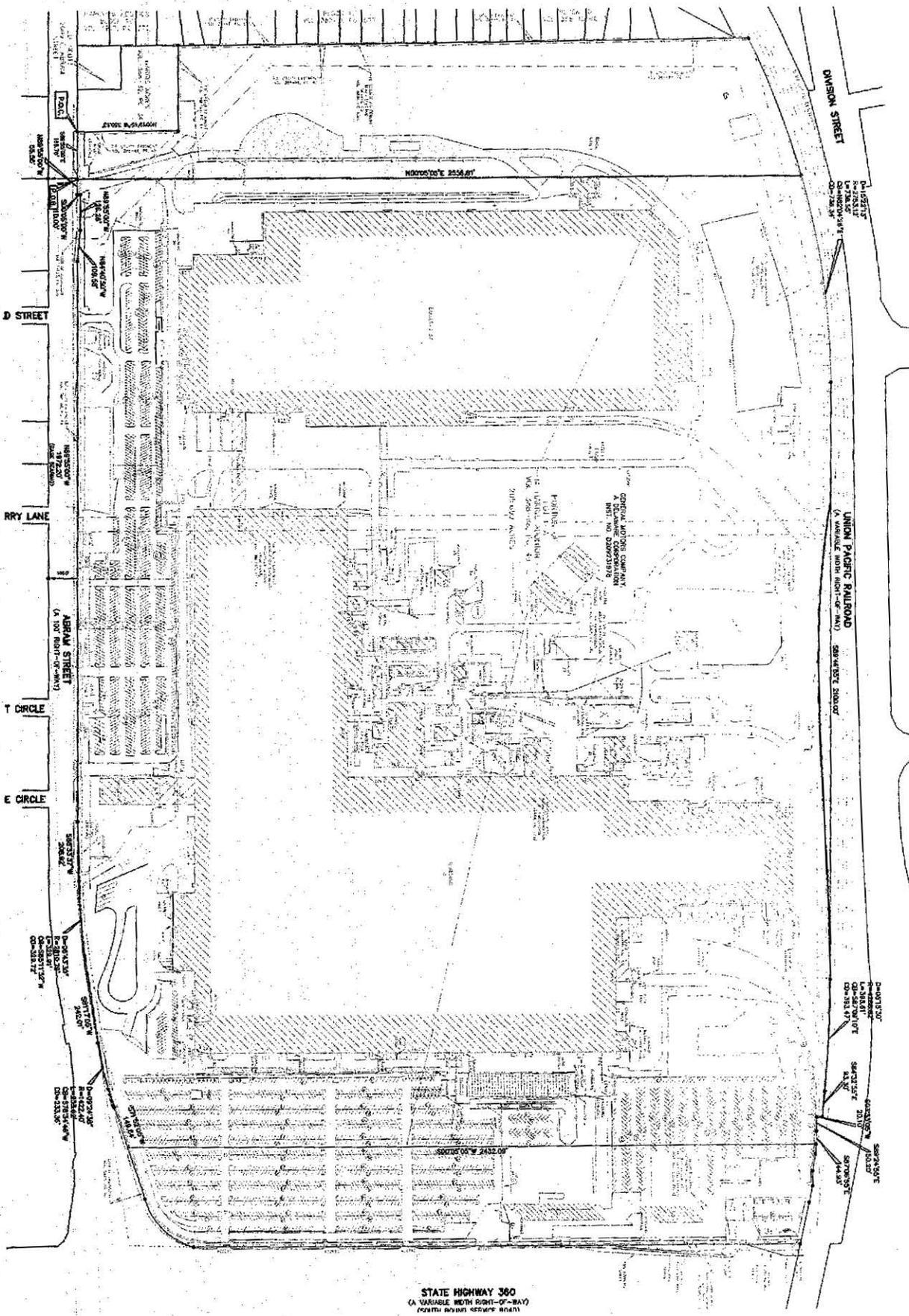
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The foregoing legal description was created using record documents, plats, deeds, and other recorded matters of record. This is not intended for legal subdivision or title purposes. No field work was completed in creating this legal description.

Exhibit "B"

Map



STATE HIGHWAY 360
 (A VARIABLE WIDTH RIGHT-OF-WAY)
 FROM THE NORTH SIDE OF THE ROAD

EXHIBIT "D"
APPLICATION FOR TAX ABATEMENT



Tarrant County

Application for Tax Abatement/Reinvestment Zone

I. APPLICANT INFORMATION

Applicant/Property Owner: Garland, Inc.
 Company/Project Name: Expansion of Plant Mailing Address: 27510 Abram Street, Arlington, TX 76010
 Telephone: 817-635-2318 Fax: 817-635-2318

Applicant's Representative for contact regarding abatement request:
 Name and Title: Ray Kemp, Director of Operations
 Mailing Address: 27510 Abram Street, Arlington, TX 76010
 Telephone: 817-635-2318 Fax: 817-635-2318 E-mail: Ray.Kemp@garland.com

II. PROPERTY AND PROJECT DESCRIPTION

Address and legal description of property to be considered for Tax Abatement/Reinvestment Zone: 27510 Abram Street, Arlington, TX
 Project Description: see above/attached
 Description of activities, products, or services produced and/or provided at project location: manufacture of products
 Current Assessed Value: Real Property: \$ *61,000,000 Personal Property: \$ *470,901,674 Gross
 Estimated start date of construction/site improvements: 2018-03
 Projected date of occupancy/commencement of operations at project site: 2020-01 Phased commencement
 Please indicate dates for phases if applicable: Equipment installation 03-2018
 Location of existing company facilities: 27510 Abram Street, Arlington, TX 76010
 Requested level of Tax Abatement: 100% of eligible property for 10 years.
 Explain why tax abatement is necessary for the success of this project. Include business pro-formas or other information to substantiate your request. Expansion of plant to meet current process and objectives of the parent company's strategic plan.

III. PROJECTED VALUE OF IMPROVEMENTS

Estimated Value of Real Property Improvements \$ 100
 Estimated Value of Personal Property Improvements \$ 100
 Will any infrastructure improvements (roads, drainage, etc.) be requested of Tarrant County for this project?

Yes No (TBD)

If yes, describe requested infrastructure improvements: TBD

Detail any direct benefits to Tarrant County as a result of this project (i.e., inventory tax, etc.): ~~See attached~~

~~See attached for details on the benefits of this project. The project will generate a significant amount of tax revenue for the county.~~

~~See attached for details on the benefits of this project.~~

IV. EMPLOYMENT IMPACT AT PROJECT LOCATION

A. NEW EMPLOYMENT (NOTE: THIS PROJECT WILL ENABLE THE RETENTION OF 3,179 EMPLOYEES)

Projected number of new jobs created as a result of the proposed improvements:

Full-time 0 or more Part-Time 0

Provide types of jobs created and average salary levels: n/a

Start date and annual payroll of new permanent positions (if positions to be phased in, provide figures for each phase year): n/a

Percentage of new jobs too be filled be Tarrant County residents: 100%

Number of employees transferring from other company locations: ~~See attached workforce practices and sites~~

~~See attached for details on the benefits of this project.~~

B. CONSTRUCTION RELATED EMPLOYMENTS

Projected number of construction related jobs: 0

Estimated total construction payroll: \$ 0

Commitment as to percentage of construction dollars to be spent with Tarrant County contractors or subcontractors: ~~See attached~~ 0%

Commitment as to percentage & total dollars of construction contracts to be awarded to DBE: ~~See attached~~

~~See attached~~ 0%

C. CURRENT COMPANY/PROJECT LOCATION EMPLOYMENT

Current Number of Employees: Full-time 5026 Part-time 0

Average annual payroll: \$ 63,375/employee

Detail on workforce diversity - percentage breakdown of current employees by gender and ethnicity:

Male 70%/Female 30%. Caucasian-35.6%, African American 49.7%, Hispanic 12.9%, Asian 1.1%, Other 0.7%

D. COMPANY SPONSORED HEALTH CARE BENEFITS ARE AVAILABLE

Full-time Employees x Part-time Employees Employee Dependents x Not Available

Average monthly employee cost for health care benefits: Individual: \$ 100.00 Family: \$ 100.00

Other employee benefits provided or offered: ~~See attached for details on the benefits of this project.~~

~~See attached for details on the benefits of this project.~~

V. LOCAL BUSINESS & DISADVANTAGED BUSINESS ENTERPRISES (DBE) IMPACT

Estimated amount of annual supply and services expenses: \$ **See Attached Exhibit**

Detail any supply/services expenses that are sole source: **See Attached Exhibit**

Percentage of total supplier/services expenses committed to Tarrant County businesses: **See Attached Exhibit**

Percentage of total supplier and services expenses committed to DBE: **See Attached Exhibit** %

VI. ENVIRONMENTAL IMPACT OF PROJECT

Indicate if development, construction, equipment, distribution methods, and/or operational processes may impact the environment in the following areas, attach detail if necessary:

- Air Quality Water Quality Solid Waste Disposal Storm/Water Runoff
Floodplain/Wetlands Noise levels Other (specify) **See Attached Exhibit**

Provide detail on existing and new fleet vehicles, specifying types of vehicles, quantities and fuel used (gasoline, diesel, LP gas, CNG, etc.): **See Attached Exhibit**

VII. ADDITIONAL INFORMATION (TO BE ATTACHED)

- Letter addressing Economic Qualifications and additional criteria for abatement, Section III (h) and (i) of Tarrant County Tax Abatement Policy
- Descriptive list and value of real and personal property improvements (exhibit B)
- Plat/Map of Project Location (Exhibit E)
- Project Time Schedule (exhibit C)
- Owner's policy regarding use of disadvantaged Business Enterprises (exhibit A)
- Owner's policy addressing regional air quality/non-attainment status (use of alternative fuels, employee trip reduction, etc.) and plan for participation in regional Ozone Action Program (exhibit B1)
- Tax Certificate showing property taxes paid for most recent year (exhibit D)

Note: City of Arlington Abatement Application and Exhibits attached.

VIII. CERTIFICATION

Upon receipt of a completed application, Tarrant County may require such financial and other information as may be deemed appropriate for evaluating the financial capacity and other factors of the applicant.*

I certify the information contained in this application (including all attachments) to be true and correct to the best of my knowledge. I further certify that I have read the "Tarrant County Tax Abatement Policy" and agree to comply with the guidelines and criteria stated therein.



Signature

Vice President - Tax and Audit

Title

Victoria McInnis

March 11, 2015

Printed Name

Date

Return completed application and attachments to:

Economic Development Coordinator
Tarrant County Administrator's Office
100 E. Weatherford Street, Suite 404
Fort Worth, Texas 76196-0609

You may also forward an electronic copy of the completed report to:

lmcmillan@tarrantcounty.com

Please note that if you do submit this form electronically, you must also submit an original hard copy of the report to the above stated physical address for proper filing and review.

For assistance call: (817) 884-2643

* As per Section IV (f) of the Tarrant County Tax Abatement Policy Guidelines and Criteria, this application must be filed prior to commencement of construction or installation of improvements in order to be eligible for County tax abatement.



Arlington Assembly

General Motors LLC
Arlington Assembly
2525 E. Abram
Arlington, TX 76010-1346

March 12, 2015

Exhibit A

Ms. Lisa McMillan
Economic Development Coordinator
Tarrant County Administrators Office
100 E. Weatherford, Suite 404
Fort Worth, TX 76196-0609

Dear Ms. McMillan:

This letter is intended to supplement General Motors' application for tax abatement with respect to Section V - Local Business & Disadvantaged Business Enterprise (DBE) Impact.

It will be very difficult for the GM Arlington Plant to meet the specific percentages in the Tarrant County Abatement Policy relating to purchasing transactions with Tarrant County Businesses and Disadvantaged Enterprises. As you know, GM's purchasing activities are conducted on a global basis. While this enables the company to procure materials competitively, individual plants such as Arlington are afforded minimal opportunities for establishing local contracts.

Although it will be difficult to achieve 25% of our expenditures with Tarrant County businesses, we currently do significant business within the County. For example, Lear Corporation provides the seats for our vehicles annually costing over \$683 million. Additionally, Android Industries operates from three locations in the County to sequence production parts to our assembly line at an annual cost of over \$72 million. Further, Hagemeyer, located on site, provides all of our daily indirect materials, supplies and services at an annual cost of over \$24 million. GM purchases from Tarrant County businesses continue to be significant. Faurecia provides exhaust systems totaling \$152 million and Flex-N-Gate provides fascias worth \$134 million.

The Abatement Policy also requests 15% of our spending with Disadvantage Business Enterprises. Again, our Global Purchasing & Supply Chain organization prepares the contracts for our various suppliers. Hagemeyer (noted above), has a contractual obligation to apply best efforts to seek low cost suppliers and to direct 5% of total purchases to Minority suppliers. For reference, in 2014, GM spent \$3.3 billion on direct purchases from certified minority companies in the US.

At this time, per Section IV (h), General Motors respectfully requests a deviation from Section III (1)(1) concerning use of DBE and Tarrant County businesses. The project will, however, provide for some utilization of DBE and Tarrant County businesses for construction and future supply and service contracts. GM is committed to working with our supplier partners to identify and obtain DBE contracts that meet cost and quality criteria to increase our participation in this area.

I hope this detail helps in understanding our business situation and our request for a deviation from the provisions of the policy. General Motors' appreciates the County's support and your assistance in this matter. If additional information is required, please contact me on 817-652-2248.

Very truly yours,

James C. Bellis
Plant Controller

**GM Arlington Assembly Plant
Proposed Investment for Expansion and Retooling**

A proposed expansion of the Arlington Assembly Plant is contemplated to be approximately 1,200,000 square feet. This expansion, as well as retooling in areas of the existing facility, will allow the plant to remain competitive in an industry where innovation and new technologies continue to be introduced in the global marketplace. Machinery, equipment, special tooling and dies will be installed in various areas of the facility including, but not limited to, the Press Shop, Body Shop, Paint Shop and General Assembly.

GENERAL MOTORS-ARLINGTON, TEXAS

Local Air Quality:

GM Arlington operates thermal oxidizers to destroy vapors from its automated prime, base coat, and clear coat painting operations; including the curing ovens which follow the automated application processes.

100% of GM Arlington's vehicles are equipped with onboard refueling vapor recovery.

GM Arlington provides several programs which improve local air quality:

- On-site cafeterias to reduce lunchtime traffic
- On-site training, educational, and meeting facilities to reduce travel
- On-site drivers license renewal, local event registration, cell phone sign-up, and other services
- Staggered shift "off" and "on" times to reduce traffic congestion
- Shift times that allow commuters to miss the peak traffic jam hours in DFW
- Preferred parking close to the entrances for motorcycle riders
- Telecommuting and leveraging for people to cover several GM sites from one location

Beyond Compliance: Community

GM Arlington supports local environmental interests by participating in:

- Arlington City Council's Citizen's Environmental Committee
- Arlington Chamber of Commerce's Environmental Subcommittee
- Tarrant County's Local Emergency Planning Committee
- North Central Texas Council of Governments' Clean Air programs
- State public hearings on environmental issues
- On-site environmental training programs for new State and Federal inspectors
- TCEQ Clean Texas program
- City of Arlington Green Team

Based on a determination by the U.S. Environmental Protection Agency, most 2014 model year GM trucks meet standards that are at least as stringent as the Federal Clean Fuel Vehicle Low Emission Vehicle (LEV) standards.

**GM Arlington Assembly Plant
Proposed Timing of Facility Expansion and Retooling Project**

2015 - Q3	Begin Facility Expansion
2018 - Q3	Begin Equipment Installation
2019 - Q1	Start of Production
2020 - Q1	Construction Complete

Ex. D



RON WRIGHT
TARRANT COUNTY
TAX ASSESSOR-COLLECTOR

@TarrantCoTax

Facebook.com/TarrantCountyTAC

100 E. Weatherford, Fort Worth, TX 76196
(817) 884-1100
e-mail:taxoffice@tarrantcounty.com
web:www.tarrantcounty.com

DATE: 01/23/2015

2014 TAX STATEMENT

ACCOUNT: 00008113971

LEGAL: BUSINESS PERSONAL PROPERTY
USMO-ARLINGTON
ASSY

e-STATEMENT

IMPORTANT - Legislative Changes
5 - Year Comparison on back of statement.
IMPORTANTE - Cambios Legislativos
Comparación de 5 - Años detrás del Cobro.

OWNER: GENERAL MOTORS CORP

PARCEL ADDRESS: 0002525 E ABRAM ST

EXEMPTIONS:

TAXING ENTITIES	APPRAISED VALUE	EXEMPTION AMOUNT	TAXABLE VALUE	TAX RATE PER \$100	BASE TAX	TAXES DUE CURRENTLY
0						
TOTAL TAXES						

TOTAL AMOUNT DUE 0.00
INCLUDES PAYMENTS RECEIVED

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(in person only)

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Or by phone at 817-884-7116

IN GOD WE TRUST

YOUR CHECK WILL BE CONVERTED INTO AN ELECTRONIC FUND TRANSFER

GENERAL MOTORS CORP

RETURN WITH PAYMENT

00008113971
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PAY THIS AMOUNT \$0.00
Delinquent after: #Error

00008113971 2014

64597370

64597370

IF PAID IN	AMOUNT DUE
FEB	0.00
MAR	0.00

H 0

Make checks payable to:
RON WRIGHT, TAX-ASSESSOR-COLLECTOR

GENERAL MOTORS CORP TAX STAFF MC
482-C14-C66
PO BOX 9024
DETROIT, MI 48202-9024

PO BOX 961018
FORT WORTH TX 76161-0018

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"Ex. D"



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(817) 884-1100
e-mail:taxoffice@tarrantcounty.com
web:www.tarrantcounty.com

DATE: 02/19/2015

2014 TAX STATEMENT

ACCOUNT: 00001182080

LEGAL: HARRIS, M ADDITION BLK
LOT 1A1

e-STATEMENT

IMPORTANT - Legislative Changes
5 - Year Comparison on back of statement.
IMPORTANTE - Cambios Legislativos
Comparación de 5 - Años detrás del Cobro.

OWNER: GENERAL MOTORS CO
PARCEL ADDRESS: 0002525 E ABRAM ST
EXEMPTIONS:

LAND VALUE 6,772,980	IMPROVEMENT VAL 54,227,020	APPRAISED VAL 61,000,000				
TAXING ENTITIES	APPRAISED VALUE	EXEMPTION AMOUNT	TAXABLE VALUE	TAX RATE PER \$100	BASE TAX	TAXES DUE CURRENTLY
ARLINGTON CITY	61,000,000	0	61,000,000	0.648000	395280.00	0.00
TARRANT COUNTY	61,000,000	0	61,000,000	0.264000	161040.00	0.00
T C HOSPITAL	61,000,000	0	61,000,000	0.227897	139017.17	0.00
T C COLLEGE	61,000,000	0	61,000,000	0.148500	91195.00	0.00
ARLINGTON ISD	61,000,000	0	61,000,000	1.348110	822347.10	0.00
TOTAL TAXES						0.00

TOTAL AMOUNT DUE 0.00
INCLUDES PAYMENTS RECEIVED

Pay by Credit Card or eCheck



Pay online with these cards.
Or by phone at 817-884-1100

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GENERAL MOTORS CO

RETURN WITH PAYMENT

00001182080
00001182080

PAY THIS AMOUNT \$0.00
Delinquent after: 1/31/2015

00001182080 2014

65064817

65064817

IF PAID IN	AMOUNT DUE
MAR	0.00
APR	0.00

H 0

GENERAL MOTORS CO
200 RENAISSANCE CTR
DETROIT, MI 48243-1300

Make checks payable to:
RON WRIGHT, TAX-ASSESSOR-COLLECTOR

PO BOX 061018
FORT WORTH TX 76161-0018

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Cc:pej



Arlington Assembly

General Motors LLC
Arlington Assembly
2525 E. Abram
Arlington, TX 76010-1346

March 12, 2015

Mr. Bruce Payne, Economic Development Manager
City of Arlington
101 W. Abram Street
P.O. Box 231
Arlington, TX 76004-0231

Re: General Motors LLC - Application for Tax Abatement

Dear Mr. Payne:

The General Motors - Arlington Assembly Plant respectfully requests tax abatement for a proposed \$1.2 billion investment to expand and retool its existing facility as outlined in the attached "Application for Incentives". The information required in Section III, Item E of the City of Arlington's "Policy Statement for Tax Abatement" is as follows:

1. Applicant believes the project meets the objectives of the City's Economic Development Strategic Plan.
2. The project will expand and retool the Arlington plant to allow the facility to remain competitive in the global marketplace.
3. This project will enable us to retain employment.
4. Favorable tax abatement will enhance the overall business case for this program and the project will generate various other incomes to the benefit of local taxing jurisdictions.

Additional information required by the City will be provided on request by Mr. Troy Kennedy, U.S. Property Tax Manager. He can be reached at 313-665-4054 or troy.d.kennedy@gm.com. We appreciate your thoughtful consideration and respectfully request your favorable action on this request for tax abatement.

Sincerely,

Jim Bellis
Controller
GM - Arlington Assembly



APPLICATION FOR INCENTIVES

Applicant Information

1. Beneficiary of Incentives General Motors LLC - Arlington Assembly
Property Owner x, Business Owner x, Leaseholder x (check all that apply)
Mailing address General Motors LLC, MC482-C16-B16, P.O. Box 300, Detroit, MI 48265
Telephone 313-665-4054 Fax 313-665-4125
Cell Phone 313-418-5569 Email troy.d.kennedy@gm.com

2. Contact Information Troy D. Kennedy
Title U. S. Property Tax Manager
Mailing address Same as Above
Telephone Same as Above Fax Same as Above
Cell Phone Same as Above Email Same as Above
Relationship to Beneficiary: Same as above x, Authorized Representative

3. Property address 2525 E. Abrams Street, Arlington, TX 76010

4. Property legal description (metes & bounds) See Attached Exhibit A (Arlington Assembly Site)

5. Attach a complete description of the project including: See Attached Exhibit B
 - A. Method of financing - Cash
 - B. Primary business activity at this site - Vehicle Assembly
 - C. Complete description of all land uses - Vehicle Mfg & Assy; Nat Gas Production (3rd Party)
 - D. Time schedule for completion of improvements - See Attached Exhibit C
 - E. NAICS Industry Code - 336111
 - F. Descriptive list of improvements
 1. Construct and equip new and existing space (see Exhibit E)
 2. Cost of real property construction: \$306.7 Million
 3. Cost of Personal Property:
 - a. Inventory: \$9,860,283 (2014 actual)
What percent is eligible for Freeport Exemption (exported from Texas within 175 days) 86.4 % (2014 Actual)
 - b. Cost of Equipment, machinery, furnishings, special tools, etc.
Machinery & Equipment: \$554.0M
Special Tooling and Dies: \$432.0M
Total Personal Property Cost: \$986.0 M
 - G. What taxable sales will be generated at this location \$ TBD per year

6. These documents must be submitted prior to the City staff's review of the application:
 - Property tax statement from the County Tax Office - See Attached Exhibit D
 - Plat/map of project location - See Attached Exhibit E

7. Level of abatement requested 100% 10 Years on x Real Property and x Business Personal Property

8. Describe, in detail, all other incentives sought from the City- other economic incentives, fee waivers, fast-track review of civil prep work, SWPPP, and any other front end reviews to allow quick start to



initial work on site, plans review, etc. as well as permit fee reductions/eliminations. GM will also apply for Training Funds and other incentives from the State of Texas.

9. Estimated taxable value of property improvements: Real TBD Personal TBD
Estimated taxable value is the value of the improvements on January 1 of the year after the improvements are made.

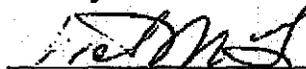
10. Job Creation & Retention:

Number of Full Time Equivalent Jobs	Avg. Annual, Monthly or Hourly Wage	Benefits Provided	# of Positions Created	# of Positions Retained
Executive				
Professional				
Managerial				
Administrative				
General Labor				
Other				
Total	\$63,375/year	Health Care, Workers Compensation, Vacation, etc.		3,179

* For confidentiality purposes, the above numbers are shown in total.

11. Infrastructure improvements/modifications sought: TBD
12. Will application be made to Tarrant County? Yes No
If yes, please contact Tarrant County Administrator's Office (817-884-2643) for separate application
13. On an attachment, describe why incentives are necessary for the success of this project and, how the improvements will benefit the property at the conclusion of the incentives (Include any documentation necessary to substantiate your request and if any other locations are under consideration). Refer to Cover Letter
14. I am authorized to sign this application for incentives and to certify through my signature below that the business for whom I am authorized to sign, or a branch, division, or department of the business, does not and will not knowingly employ an undocumented worker. If, after receiving an incentive or a "public subsidy" as defined in Government Code § 2264.001(3), the business or a branch, division, or department of the business, is convicted of a violation under 8 U.S.C. § 1324a(f), the business shall repay the amount of the incentive or the public subsidy with interest, at the rate and according to the other terms provided by an agreement required under Government Code § 2264.053, not later than the 120th day after the date the City notifies the business of the violation.

I certify that the information contained herein is true and correct.


 Name Victoria McInnis
March 11, 2015
 Date

Vice President – Tax and Audit
 Title (Must be signed by a corporate officer with signature authority)

This application must be completed and returned for consideration prior to the submission of an application for a building permit or the issuance of a certificate of occupancy, whichever comes first. Upon receipt of this application, the City of Arlington shall require such financial and other information as may be deemed appropriate for evaluating the financial capacity and other factors of the applicant.



An electronic copy of this application is available. For more information, please call (817) 459-6112

Completed requests should be submitted to:

*City Manager's Office
City of Arlington, M/S 03-0310
P.O. Box 90231
Arlington, TX 76004-0231*

**GM Arlington Assembly Plant
Proposed Investment for Expansion and Retooling**

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GENERAL MOTORS-ARLINGTON, TEXAS

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- **City of Arlington Green Team**

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Proposed Timing of Facility Expansion and Retooling Project**

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2018 - Q3	Begin Equipment Installation
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2020 - Q1	Construction Complete

Ex. D



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TAX ASSESSOR-COLLECTOR

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100 E. Weatherford, Fort Worth, TX 76196
(817) 884-1100
e-mail:taxoffice@tarrantcounty.com
web:www.tarrantcounty.com

DATE: 01/23/2015
ACCOUNT: 00008113971
LEGAL: BUSINESS PERSONAL PROPERTY
USMC-ARLINGTON
ASSY
OWNER: GENERAL MOTORS CORP
PARCEL ADDRESS: 0002525 E ABRAM ST
EXEMPTIONS:

2014 TAX STATEMENT

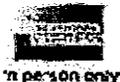
e-STATEMENT

IMPORTANT - Legislative Changes
5 - Year Comparison on back of statement.
IMPORTANTE - Cambios Legislativos
Comparación de 5 - Años detrás del Cobre.

TAXING ENTITIES	APPRAISED VALUE	EXEMPTION AMOUNT	TAXABLE VALUE	TAX RATE PER \$100	BASE TAX	TAXES DUE CURRENTLY
0						
TOTAL TAXES						

TOTAL AMOUNT DUE 0.00
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****YOUR CHECK WILL BE CONVERTED INTO AN ELECTRONIC FUND TRANSFER****

GENERAL MOTORS CORP

RETURN WITH PAYMENT

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PAY THIS AMOUNT \$0.00
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64597370
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IF PAID IN	AMOUNT DUE
FEB	0.00
MAR	0.00

H0

Make checks payable to:
RON WRIGHT, TAX-ASSESSOR-COLLECTOR

GENERAL MOTORS CORP TAX STAFF MC
482-C14-C66
PO BOX 9024
DETROIT, MI 48202-9024

PO BOX 961018
FORT WORTH TX 76181-0018

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"Ex. D"



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TARRANT COUNTY
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@TarrantCoTax

Facebook.com/TarrantCountyTAC

100 E. Weatherford, Fort Worth, TX 76198
(617) 884-1100
e-mail:taxoffice@tarrantcounty.com
web:www.tarrantcounty.com

DATE: 02/19/2015

2014 TAX STATEMENT

ACCOUNT: 00001182080

LEGAL: HARRIS, M ADDITION BLK
LOT 1A1

e-STATEMENT

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Comparación de 5 - Años detrás del Cobro.

OWNER: GENERAL MOTORS CO
PARCEL ADDRESS: 0002525 E ABRAM ST
EXEMPTIONS:

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T C COLLEGE	61,000,000	0	61,000,000	0.149500	91195.00	0.00
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APR	0.00

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GENERAL MOTORS CO
200 RENAISSANCE CTR
DETROIT, MI 48243-1300

Make checks payable to:
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PO BOX 961018
FORT WORTH TX 76161-0018

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EXHIBIT "E"

TARRANT COUNTY TAX ABATEMENT POLICY AND GUIDELINES



TARRANT COUNTY

TAX ABATEMENT POLICY GUIDELINES AND CRITERIA

I. GENERAL PURPOSE AND OBJECTIVES

As authorized under Chapter 312 of the Texas Tax Code, Tarrant County has established this policy so as to work in concert with other taxing authorities as part of an overall publicly supported incentive program designed to create job opportunities that bring new economic advantages or strengthen the current economic base of our community.

It is the intent of the Commissioners Court to consider approval or denial of any request for tax abatement for projects in unincorporated Tarrant County or participation in any tax abatement agreement agreed to and adopted by an incorporated city, which meets the minimum eligibility criteria as set forth in this policy, following the filing of a formal application for tax abatement from the County. As prescribed by Section 312.206 of the Tax Code, the Commissioners Court may approve participation with a municipality in a tax abatement agreement no later than the 90th day after the date the municipal agreement is executed. Further it is the intent of Tarrant County that the County will not approve nor join an abatement agreement that provides one Tarrant County city a competitive advantage over another Tarrant County city seeking the same project or encourages an applicant to move from one Tarrant County city to another, unless such agreement is agreeable to both such incorporated cities and both parties have indicated their approval in writing to Tarrant County.

In the case where the property is located within a municipality's extraterritorial jurisdiction, the municipality shall be the initiating taxing entity unless expressly deferred to the County. For those areas within Tarrant County that are not located within the boundaries of an incorporated municipality and a municipality has deferred to the County or in unincorporated areas not located in a municipality's extraterritorial jurisdiction, the guidelines and criteria contained in this policy will be applied by the Commissioners Court when considering the establishment of a reinvestment zone and the adoption of an abatement agreement.

II. DEFINITIONS

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

- (b) **"Eligible Jurisdiction"** means Tarrant County and any municipality, school district, college district, or other entity, which is located in Tarrant County, that levies ad valorem taxes upon and provides services to property located within the proposed or existing reinvestment zone.
- (c) **"Agreement"** means a contractual agreement between a property owner and/or lessee and an eligible jurisdiction for the purposes of tax abatement.
- (d) **"Base Year Value"** means the assessed value of the applicant's real and personal property located in a designated reinvestment zone on January 1 of the year of the execution of the agreement, plus the agreed upon value of real and personal property improvements made after January 1, but before the execution of the agreement.
- (e) **"Economic Life"** means the number of years a property improvement is expected to be in service in a facility.
- (f) **"Deferred Maintenance"** means improvements necessary for continued operations which do not improve productivity or alter the process technology.
- (g) **"Disadvantaged Business Enterprise (DBE)"** means:
 - (1) a corporation formed for the purpose of making a profit and at least 51 percent of all classes of the shares of stock or other equitable securities of which are owned by one or more persons who are socially or economically disadvantaged because of their identification as members of certain groups that have been subject to racial or ethnic prejudice or cultural bias without regard to their qualities as individuals or capabilities as a business, and whose ability to compete in the free enterprise system is impaired due to diminished opportunities to obtain capital and credit as compared to others in the same line of business who are not socially disadvantaged. "DBE" includes the State of Texas definition of historically underutilized businesses (HUBs) as defined in Texas Government Code 407.101 and as it may be updated.
 - (2) a sole proprietorship formed for the purpose of making a profit that is owned, operated, and controlled exclusively by one or more persons described in paragraph (1);
 - (3) a partnership that is formed for the purpose of making a profit in which 51 percent of the assets and interest in the partnership is owned by one or more persons described by paragraph (1), and in which minority or women partners have proportionate interest in the control, operation, and management of the partnership affairs.

- (h) **"Expansion"** means the addition of buildings, structures, fixed machinery and equipment, and fixed personal property for the purposes of increasing production capacity.
- (i) **"Facility"** means property improvements completed or in the process of construction which together comprise an integral whole.
- (j) **"Fixed Machinery and Equipment and/or Personal Property"** means tangible machinery, equipment, or personal property that is securely placed or fastened and stationary within a building or structure, or which is movable but remains at and is used solely at the project site.
- (k) **"Manufacturing Facility"** means buildings and structures, including fixed machinery and equipment, and fixed personal property, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.
- (l) **"Modernization"** means the replacement and upgrading of existing facilities which increases the productive input or output, updates the technology or substantially lowers the unit cost of the operation, and extends the economic life of the facility. Modernization may result from the construction, alteration or installation of buildings, structures, fixed machinery and equipment, and fixed personal property. It shall not be for the purpose of reconditioning, refurbishing, repairing, or completion of deferred maintenance.
- (m) **"New Facility"** means a property previously undeveloped which is placed into service by means other than or in conjunction with expansion or modernization.
- (n) **"Other Basic Industry"** means buildings and structures including fixed machinery and equipment, and fixed personal property not elsewhere described, used or to be used for the production of products or services which primarily serve a market outside Tarrant County [or the Fort Worth Consolidated Metropolitan Statistical Area] and result in the creation of new permanent jobs and bring new wealth in to Tarrant County.
- (o) **"Regional Distribution Center Facility"** means building and structures, including fixed machinery and equipment, and fixed personal property, used or to be used primarily to receive, store, service or distribute goods or materials owned by the facility operator.
- (p) **"Non-Manufacturing Facilities"** means buildings and structures, used to service and/or house individuals on a permanent or temporary basis.
- (q) **"Regional Service Facility"** means building and structures, including fixed machinery and equipment, and fixed personal property, used or to be used to service goods.

- (r) **"Reinvestment Zone"** is an area designated as such for the purpose of tax abatement as authorized by Chapter 312 of the Texas Tax Code.
- (s) **"Regional Entertainment Facility"** means buildings and structures, including machinery and equipment, used or to be used to provide entertainment through the admission of the general public where the majority of the users reside at least 100 miles from its location in the County.
- (t) **"Regional Retail Facility"** means buildings and structures including fixed machinery and equipment used or to be used to provide retail services from which a large portion of the revenues generated by the activity at the facility are derived from users outside the County.
- (u) **"Research Facility"** means building and structures, including fixed machinery and equipment, and fixed personal property, used or to be used primarily for research or experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes thereto.

III. ABATEMENT AUTHORIZED

- (a) **Authorized Facility.** A facility may be eligible for abatement if it is a Manufacturing Facility, a Research Facility, a Regional Distribution Center Facility, A Regional Service Facility, a Regional Entertainment Facility, Regional Retail Facility, a Non-Manufacturing Facility, or Other Basic Industry as defined. The economic life of a facility and any improvements must exceed the life of the abatement agreement.
- (b) **Creation of New Value.** Abatement may be only granted for the additional value of eligible property improvements made subsequent to and listed in an abatement agreement between the County and the property owner and lessee, subject to such limitations as Commissioners Court may require.
- (c) **New and Existing Facilities.** Abatement may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion.
- (d) **Eligible Property.** Abatement may be extended to the value above the Base Year Value of buildings, structures, fixed machinery and equipment, fixed personal property, and site improvements plus that office space and related fixed improvements necessary to the operation and administration of the facility.
- (e) **Ineligible Property.** The following types of property shall be fully taxable and ineligible for abatement: land; inventories; supplies; tools; furnishings, and other forms of movable personal property; vehicles; vessels; private aircraft; deferred maintenance investments; property to be rented or leased except as provided in Section 3 (f); also, any property included in the calculation of base year value as defined.

- (f) **Owned/Leased Facilities.** If a leased facility is granted abatement the agreement shall be executed with the lessor and the lessee.
- (g) **Value and Term of Abatement.** Abatement shall be granted effective with the execution of the agreement. The value of the abatement will be determined based on the merits of the project, including, but not limited to, total capital investment value and added employment. Up to one hundred percent of the value of new eligible properties may be abated for a total term of abatement not to exceed ten years. However, a project must provide an extraordinary economic benefit to the County to be considered for a one hundred percent abatement.
- (h) **Economic Qualification.** In order to be eligible for designation as a County reinvestment zone and/or receive County tax abatement, the planned improvement:
- (1) for new businesses, must be reasonably expected to produce a minimum added value of Five Million Dollars (\$5,000,000) in real and personal property to Tarrant County and create and sustain a minimum of 25 new full-time jobs.
 - (2) for expansions or modernizations of existing businesses, must be reasonably expected to produce a minimum added value of Three Million Dollars (\$3,000,000) in real and personal property improvements to Tarrant County, and sustain existing employment levels.
 - (3) must not be expected to solely or primarily have the effect of transferring employment from one part of Tarrant County to another without a majority vote of approval from the Commissioners Court.
 - (4) must be necessary for expansion and/or modernization because the capacity cannot be provided efficiently utilizing existing improved property when reasonable allowance is made for necessary improvements.
 - (5) the above investment and employment minimums may be waived at the discretion of the Commissioners Court for projects located in Federal or State designated Enterprise Zones.
- (i) **Additional Criteria For Abatement.** To be eligible for abatement, the project must be expected to meet the specific goals and requirements as noted below. If a company is unable to meet the minimum requirements of this section, a variance must be requested with a detailed explanation as to the circumstances that preclude the company from meeting the minimum requirements.
- (1) **Use of DBE and Tarrant County Businesses.** The project must provide for the utilization of Disadvantaged Business Enterprises for a minimum of 15% of the total costs for construction contracts and annual supply and service contracts.

Additionally, the project must provide for the utilization of Tarrant County businesses for a minimum of 25% of the total costs for construction contracts and annual supply and services contracts.

- (2) **Tarrant County Employment.** The company must hire Tarrant County residents for a minimum of 25% of the new full time jobs to be created by the project. Residents, for the purpose of this policy, are those employees who reside in Tarrant County, whether through relocation or existing residency.
 - (3) **Environmental Impacts.** Environmental impact information must be provided, noting any anticipated impacts of the project on the environment, including, but not limited to, water quality, storm water and runoff, floodplain and wetlands, solid waste disposal, noise levels, and air quality. Additionally, the company must provide a written company policy on air quality mitigation, the company's plan for participation in the region's Ozone Action Program, and a report of employer assistance in encouraging alternative commute programs and employee trip reductions. For companies new to the region, the above policies and plan must be completed and presented within the first year of the abatement.
 - (4) **Employee Benefits.** The company must offer a health benefit plan to its full-time employees at a rate that is reasonable to the majority of its employees and which allows access to the plan by the employees' dependents. For additional consideration, the company may provide information on other employee benefits provided, such as retirement/pension programs and subsidies for education, job-training, transportation assistance and child/elderly care.
- (j) **Taxability.** From the execution of the abatement to the end of the agreement period taxes shall be payable as follows:
- (1) The value of ineligible property as provided in Section III (e) shall be fully taxable;
 - (2) The base year value of existing eligible property shall be fully taxable, as well as the value of any existing personal property currently on the tax rolls in Tarrant County that is either moved to a new abated location or is replaced due to modernization or expansion.
 - (3) The additional value of new eligible property shall be taxable in the manner and for the period provided for in the abatement agreement, subject to the terms described in Section III (g); and
 - (4) The additional value of new eligible property shall be fully taxable at the end of the abatement period.

IV. APPLICATION

- (a) Any present or potential owner of taxable property in Tarrant County may request the creation of a reinvestment zone and/or tax abatement by filing a written request with the County Judge.**
- (b) The application shall consist of a completed application form including, but not limited to: a general description of the new improvements to be undertaken; a descriptive list of the improvements for which an abatement is requested; a list of the kind, number and location of all proposed improvements of the property; a map and property description; a time schedule for undertaking and completing the proposed improvements; employment and contract information; the location of existing company locations in Tarrant County and the surrounding counties and the expected number of transferring employees; details of the environmental impacts of the project, and employee benefit information. In the case of modernization a statement of the assessed value of the facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application. The County may require such financial and other information as deemed appropriate for evaluating the financial capacity and other factors pertaining to the applicant, to be attached to the application.**
- (c) All applications for creation of reinvestment zones or abatements shall incorporate a feasibility study estimating the economic effect of the proposed reinvestment zone and tax abatement on Tarrant County, other eligible participating jurisdictions, and the applicant.**
- (d) Upon receipt of a completed application for creation of a reinvestment zone, the County Judge shall notify in writing and provide a copy of the application to the presiding officer of the governing body of each eligible jurisdiction.**
- (e) Upon receipt of a completed application and/or request to participate with a municipality in an abatement agreement, Tarrant County Administrator's Office must review and provide recommendation to the Commissioners Court within 30 days and before the public hearing.**
- (f) The County shall not establish a reinvestment zone, nor participate in an abatement, if it finds that the application for County reinvestment zone/tax abatement was filed after the commencement of construction, alteration, or installation of improvements related to the proposed modernization, expansion or new facility.**
- (g) Variance. Request for variance from the provisions of this policy must be made in written form to the County Judge and submitted with the application for abatement, provided, however, the total duration of an abatement shall in no instance exceed ten years. Such request shall include a complete description of the circumstances explaining why the applicant should be granted a variance. Request for variance must**

be approved by a majority vote of the Commissioners Court.

V. PUBLIC HEARINGS AND APPROVAL

- (a) For projects in unincorporated Tarrant County, the Commissioners Court may not adopt a resolution designating a County reinvestment zone until it has held a public hearing at which interested persons are entitled to speak and present evidence for or against the designation. Notice of the hearing shall be clearly identified on the Commissioners Court agenda at least 30 days prior to the hearing. The presiding officers of eligible jurisdictions shall be notified in writing at least 15 days prior to the hearing.
- (b) Prior to entering into a tax abatement agreement the Commissioners Court may, at its option, hold a public hearing at which interested persons shall be entitled to speak and present written materials for or against the approval of the tax abatement agreement.
- (c) In order to enter into a tax abatement agreement, the Commissioners Court must find that the terms of the proposed agreement meet these Guidelines and Criteria and that:
 - (1) there will be no substantial adverse affect on the provision of the jurisdiction's service or tax base: and
 - (2) the planned use of the property will not constitute a hazard to public safety, health or morals.
- (d) Any application requesting a variance under Section IV (g) shall be approved by a majority vote of the Commissioners Court. No application which deviates from the requirements of these Guidelines and Criteria shall be approved unless accompanied by a request for variance as provided under Section IV (g).

VI. AGREEMENT

- (a) After approval the County shall formally pass a resolution and execute an agreement with the owner of the facility and lessee as required. The Court Order shall include:
 - (1) estimated value of real and personal property to be abated and the base year value;
 - (2) percent of value to be abated each year as provided in Section III (g);
 - (3) the commencement date and the termination date of abatement;
 - (4) the proposed use of the facility; nature of construction, time schedule, map, property description and improvement list as provide in Section IV (b);

- (5) contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, recapture, administration and assignment as provided in Sections III (a), III (e), III (g) VII, VIII, and IX, or other provisions that may be required for uniformity or by state law, and;
- (6) a statement of the facility owner's policy regarding Disadvantaged Business Enterprises (DBEs), and the estimated dollar amount and percentage of total contracts to be awarded to DBEs for construction, professional services, purchases of equipment and supplies and other services required for the abated improvements;
- (7) amount of investment and average number of jobs involved; and
- (8) an assessment of the environmental impacts of the project, including a statement of the owner's policy addressing regional air quality and information on the use of alternative fuels in fleet vehicles.
- (9) a statement indicating the provision of a health care benefit plan for employees and dependents.

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

- (b) Participation in tax abatement agreements with municipalities requires additional information to be included in the Court Order approving the agreement, as follows:
 - (1) a copy of the agreement between the applicant and municipality shall be attached and made apart of the Court Order for all purposes;
 - (2) authorization for the County Judge to execute a signatory page on behalf of the Commissioners Court which shall be attached and made part of the original agreement.

VII. RECAPTURE

Commissioners Court reserves the right to review compliance for full or partial recapture in the event that the applicant fails to perform in "good faith." If a project is not completed as specified in the tax abatement agreement, the County has the right to cancel the abatement agreement and abated taxes shall become due to the County and other affected taxing units as provided by law. If any of the provisions contained in the tax abatement agreement, i.e., employment, amount of investment, etc., are not met, the County shall have the right to reduce or cancel the abatement agreement. If a project granted a tax abatement ceases to operate or is no longer in conformance with the tax abatement agreement, the agreement shall not be in

effect for the period of time during which the project is not operating or is not in conformance.

VIII. ADMINISTRATION

- (a) **The Chief Appraiser of the County shall annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year, the company or individual receiving abatement shall furnish the assessor with such information as may be necessary for the abatement. Once value has been established, the chief Appraiser shall notify the affected jurisdictions which levies taxes of the amount of the assessment.**
- (b) **The agreement shall stipulate that employees and/or designated representatives of the County will have access to the reinvestment zone during the term of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the company or individual and in accordance with its safety standards.**
- (c) **Upon completion of construction the County and/or the jurisdiction creating the reinvestment zone shall annually (or at such other times as deemed appropriate by the Commissioners Court) evaluate each facility receiving abatement to ensure compliance with the agreement and report possible violations to the contract and agreement to the Commissioners Court and the District Attorney. On or before April 30th of every year during the life of the abatement agreement, the company or individual receiving the abatement shall complete and file a Tax Abatement Evaluation Report, along with other required written documentation, detailing and certifying the abatement recipient's compliance with the terms of the abatement agreement. Failure to provide information requested in the compliance evaluation by the prescribed deadline may result in taxes abated in the prior year being due and payable. The company or individual receiving a tax abatement shall provide information to the County for the evaluation which shall include, but not be limited to, the following:**
 - (1) **the number and dollar amounts of all construction contracts and subcontracts awarded on the project;**
 - (2) **the total number of employees of the company, their gross salaries, and the number of employees residing in Tarrant County and their gross salaries, reported in job classifications appropriate to the employee;**
 - (3) **the gross dollars spent on supplier and professional service contracts, indicating the amounts by contract awarded and performed by Tarrant County business and individuals;**

- (4) the dollar amount of contracts awarded to Disadvantaged Business Enterprises;
- (5) detail of actions taken to mitigate any adverse environmental impacts of the project, if applicable; and
- (6) should the dollars, percentages, or actions not meet the original or modified requirements of the abatement agreement, a statement shall be provided explaining the reason for the failure to meet the requirements and a recommended course of rectification.

IX. ASSIGNMENT

Tax abatement agreements may be assigned to a new owner or lessee of the facility with the written consent of the Commissioners Court, which consent shall not be unreasonably withheld. Any assignment shall provide that the assignee shall irrevocably and unconditionally assume all the duties and obligations of the assignor upon the same terms and conditions as set out in the agreement. Any assignment of a tax abatement agreement shall be to an entity that contemplates the same improvements or repairs to the property, except to the extent such improvements or repairs have been completed. No assignment shall be approved if the assignor or the assignee are indebted to the County for ad valorem taxes or other obligations.

X. SUNSET PROVISION

These Guidelines and Criteria are effective on January 1 of the year following the date of their adoption and will remain in force for two years, at which time all reinvestment zones and tax abatement contracts created pursuant to its provisions will be reviewed by the County to determine whether the goals have been achieved. Based on that review, the guidelines and Criteria will be modified, renewed or eliminated. These Guidelines and Criteria may be amended by Commissioners Court at any time during their effective period.

THE STATE OF TEXAS §

COUNTY OF TARRANT §

Tax Abatement Agreement
Business Personal Property Improvements

THIS Agreement is executed by and between **GENERAL MOTORS, LLC**, an entity duly authorized to do business in the State of Texas, acting by and through its authorized officer (hereafter referred to as "**OWNER**"), and **TARRANT COUNTY, TEXAS**, acting by and through its County Judge or his designee, (hereafter referred to as "**COUNTY**").

WITNESSETH:

WHEREAS, the Tarrant County Commissioners Court has resolved that the COUNTY may elect to participate in tax abatement

WHEREAS, the Commissioners Court, in accordance with law, has adopted a Policy Statement for Tax Abatement, herein contained as **Exhibit "E"**, which constitutes appropriate guidelines and criteria governing tax abatement agreements to be entered into by the COUNTY; and

WHEREAS, the Premises (as hereafter defined) and the Eligible Property (as hereafter defined) are located in the Reinvestment Zone Number Forty-Two in the City of Arlington, Texas, established by City Ordinance No. 15-016, being a commercial-industrial reinvestment zone for the purpose of tax abatement as authorized by Chapter 311 and 312 of the Texas Tax Code, as amended; and

WHEREAS, on the 28th day of April, 2015, the City Council of the City of Arlington approved and authorized the execution and delivery of a Tax Abatement Agreement (the "Agreement") as to the Eligible Property thereon; and

WHEREAS, OWNER submitted an application for tax abatement to the County concerning the contemplated Improvements to the Premises (the "Application for Tax Abatement"), attached hereto and incorporated herein as **Exhibit "D"**, in order to provide for expansion and retooling of their existing vehicle assembly plant; and

WHEREAS, the Commissioners Court finds that the contemplated use of the Premises, the Eligible Property and the terms of this Agreement are consistent with encouraging development of the Zone in accordance with the purposes for its creation and are in compliance with the Policy Statement and other applicable law;

NOW THEREFORE, the COUNTY and OWNER, for and in consideration of the mutual premises and promises contained herein, do hereby agree, covenant and contract as set forth below:

I.
Definitions

- A. "Added Market Value" is defined as the value of Eligible Property on the Premises above the Base Year Value, as finally determined by the Tarrant Appraisal District.
- B. "Base Year Value" is defined as the tax year 2015 taxable value of OWNER's existing business personal property improvements located on the Premises in Reinvestment Zone Number Forty-Two, on January 1, 2015. Such amount shall be \$0 for the purpose of this Agreement.
- C. "Business Personal Property Improvements" are defined as tangible personal property (except inventory and supplies) delivered to, installed or located on the Premises between January 1, 2016 and December 31, 2020.
- D. "Eligible Property" is defined as taxable Business Personal Property Improvements as described in **Exhibit "A"**.
- E. "Job" is defined as a permanent, full-time employment position with OWNER or its affiliates operating on the Premises that results in employment on the Premises of at least one thousand, eight hundred and twenty (1,820) hours per position in a year. Part-time positions shall not be included in this definition. Outsourced or contracted positions shall not be included in this definition.
- F. "Premises" are defined as the real property (land and improvements) as described by metes and bounds in **Exhibit "B"** which existed on January 1, 2015, within Reinvestment Zone Number Forty-Two, that are owned by and operated by OWNER. **Exhibit "B"** is attached hereto and incorporated for all purposes.
- G. "Reinvestment Zone Number Forty-Two" is defined as the real property located in the City of Arlington and described by City of Arlington Ordinance No. 15-016 (attached hereto as **Exhibit "C"**).

II.
General Provisions

- A. The Premises are not in an improvement project financed by tax increment bonds.
- B. Neither the Premises nor any of the Improvements covered by this Agreement are owned or leased by any member of the Commissioners Court, or any member of the governing body of any taxing units joining in or adopting this Agreement.

III.
Improvement Conditions and Requirements

- A. OWNER shall improve the Premises by (i.) acquiring or completing the Eligible Property described in **Exhibit "A"** in accordance with this Agreement, and (ii.)

completing construction of Real Property Improvements of approximately 1,200,000 square foot expansion to the facility.

- B. OWNER's acquisition or completion of the Eligible Property described in Exhibit "A" of this Agreement must result in Added Market Value for Business Personal Property Improvements of not less than Five Million Dollars (\$5,000,000) not later than January 1, 2017 and result in additional Added Market Value of not less than One Hundred Fifteen Million Dollars (\$115,000,000) not later than January 1, 2019, for a total cumulative value of One Hundred Twenty Million Dollars (\$120,000,000) not later than January 1, 2019. The cumulative value shall be calculated by adding each tax years' first year acquisitions (acquired in 2016 through 2018) multiplied by the applicable Tarrant Appraisal District multiplier. (Example: machinery and equipment acquired in 2016 through 2018 multiplied by the applicable Tarrant Appraisal District multiplier, the process would be repeated for each other class of personal property and added together in total for the applicable tax years to meet \$120,000,000.)
- C. OWNER shall maintain employment of a least 3,179 Jobs on the Premises during the term of the abatement.
- D. Upon completion, OWNER shall operate and maintain on the Premises the Eligible Property described in Exhibit "A" for the duration of this agreement except for any casualty, condemnation or the replacement, disposal or obsolescence of any Eligible Property in the ordinary course of business.
- E. All proposed Eligible Property shall conform to the applicable building codes, zoning ordinances and all other ordinances and regulations of the City of Arlington and/or Tarrant County.
- F. OWNER agrees and covenants that it will diligently and faithfully pursue the completion of the Eligible Property. OWNER further covenants and agrees that it will use all reasonable efforts to cause the Eligible Property to be constructed in a good and workmanlike manner and in accordance with all applicable state and local laws and regulations.
- G. The Premises and all Improvements must conform in all material respects to all applicable state and federal laws and regulations to air pollution and air quality.
- H. OWNER shall not allow the ad valorem taxes owed to COUNTY on any property owned by OWNER and located within Tarrant County to become delinquent beyond the last day they can be paid without assessment of penalty, as such date is generally extended to allow for any appeal. Nor shall OWNER fail to render for taxation any property owned by OWNER and located within Tarrant County, unless such property is exempt from taxation pursuant to applicable law.
- I. OWNER covenants and certifies that OWNER does not and will not knowingly employ an undocumented worker as that term is defined by section 2264.001(4) of the Texas Government Code. In accordance with section 2264.052 of the Texas Government Code, if OWNER is convicted of a violation under 8 U.S.D. Section 1324a(f), OWNER shall repay to the CITY the full amount of the taxes abated or grant payment(s) made under sections IV and V of this Agreement, plus 10% per annum from the date the grant payment(s) was made. Repayment shall be paid within 120 days after the date following

such conviction that OWNER receives notice of violation from the CITY as provided by 2264.101(c) of the Texas Government Code. OWNER shall not be liable for a violation by a subsidiary, affiliate, or franchisee of OWNER or by a person or entity with whom OWNER contracts.

IV.
Abatement Allowed

- A. As set forth in this section, tax abatement allowed herein shall be for Tarrant County and Tarrant County Hospital District ad valorem business personal property taxes, relative to Added Market Value of the Eligible Property located on the Premises, subject to the following terms and conditions.
- B. If the Improvement Conditions and Requirements set forth in Section III herein are met, COUNTY agrees to exempt from taxation up to seventy percent (70%) of the Added Market Value of the Eligible Property in accordance with the various requirements established by terms of this Agreement and to be calculated as set forth below. The abatement period shall be from tax year beginning January 1, 2017 through and including tax year January 1, 2026.
1. **Base Abatement** - If OWNER (i.) improves the Premises and adds the required Eligible Property to the Premises as set forth in Section III A. and B., (ii.) maintains employment as set forth in Section III.C., and (iii.) employs Tarrant County residents for a minimum twenty-five percent (25%) of all Jobs, COUNTY shall exempt from taxation fifty-five percent (55%) of the Added Market Value of the Eligible Property. Failure to meet the above requirements for Jobs and Tarrant County resident employment shall be cause for a reduction in the percentage abatement for any year in which the requirements are not met, as set forth in Section IV.B.2.
 2. **Reduction to Base Abatement** - In any year that employment levels do not meet the minimum requirements set forth in Section IV.B.1.(ii.) and (iii.), the COUNTY shall reduce the base abatement percentage for that year as follows:
 - a. If the actual number of Jobs falls below the minimum Jobs requirement, OWNER will receive a one percent (1%) reduction for up to each one percent (1%) deficiency from the minimum Jobs requirement. (Example: One percent (1%) of the minimum Jobs requirement is 32. For total Jobs of 3,178 down to 3,147, the base abatement would be reduced by 1%. For total Jobs of 3,129, which would be 50 Jobs less than the minimum Jobs requirement, the base abatement would be reduced by 2%.)
 - b. If less than twenty-five percent (25%) of all Jobs are filled by Tarrant County residents, OWNER will receive a fifteen percent (15%) reduction.
 3. **Additional Percentage Abatement** - In any year that OWNER is eligible to receive a tax exemption under Sections IV.B.1 and 2, COUNTY agrees to exempt from taxation up to an additional fifteen percent (15%) of the Added

Market Value of the Eligible Improvements in any year that OWNER meets one or more of the additional requirements as follows:

- a. For total Jobs above 3,179, OWNER will receive an additional one percent (1%) abatement for each 20 jobs added, up to a maximum of fifteen percent (15%) additional abatement.

(Example: A total of 3,220 Jobs would be 41 additional jobs, which would provide for 2% additional abatement; a total of 3,480 Jobs would be 301 additional jobs, which would provide for 15% additional abatement.)

- b. For employment of Tarrant County residents for more than sixty-five percent (65%) of all Jobs, OWNER will receive an additional 5% abatement.
- c. For use of Disadvantaged Business Enterprise (as defined in the Tarrant County Tax Abatement Police Guidelines and Criteria attached hereto as **Exhibit "E"**) contractors for greater than twenty percent (20%) of the total Construction Costs of the Real Property Improvements, OWNER will receive an additional five percent (5%) abatement for each year of the term of the abatement.
- d. For use of Tarrant County contractors (defined as a contractor with an office location or business address in Tarrant County) for greater than thirty percent (30%) of the total Construction Costs of the Real Property Improvements, OWNER will receive an additional five percent (5%) abatement for each year of the term of the abatement.

For purposes of this Section, "**Construction Costs**" shall mean site development and building costs, including, without limitation, actual construction costs, signage costs, contractor fees, the costs of supplies and materials, engineering fees, architectural fees and other professional costs, and development and permitting fees expended directly in connection with the construction of the Real Property Improvements.

V.

Reports, Audits and Inspections

- A. Annual Certification and Reports - Pursuant to state law, OWNER shall certify annually to taxing units that, to the best of OWNER's actual knowledge, OWNER is in compliance in all material respects with the terms of this Agreement, and shall provide taxing units with reports and records reasonably necessary to support each year of the agreement, as follows:
 1. Certification - OWNER shall complete and certify a Tax Abatement Certification to be provided by COUNTY for each year of this Agreement, to be due annually not later than April 30. This certification shall include information supporting job creation and retention requirements, reports on Eligible Property values and costs, a narrative description of the project's progress, and other submittals required by the tax abatement agreement.

2. Eligible Property Reports - At a minimum, OWNER shall make available on request the following information annually on all Eligible Property for which OWNER seeks tax abatement:
 - a. Property description;
 - b. Asset number;
 - c. Payment date for property located on Premises; and
 - d. Cost.
 3. Eligible Property Reports for Projects in Progress - For projects in progress for which fixed asset numbers have not been assigned, the Eligible Property report shall provide information in sufficient detail to identify the Eligible Property to be installed on the Premises. At a minimum, this information shall include:
 - a. Description of materials, machinery and equipment;
 - b. Vendor name, invoice date, invoice number and invoice amount; and
 - c. Payment date for property located on Premises.
 4. Reports on Equipment Replaced or Removed - Additionally, OWNER agrees to provide COUNTY, on request, information on Eligible Property for which OWNER has received tax abatement and which has been replaced or removed from the Premises. At a minimum, this information shall include:
 - a. Property description;
 - b. Asset number; and
 - c. Approximate date of disposal.
 5. Report Upon Project Completion - Within one-hundred eighty (180) days of completion of the Eligible Property, OWNER shall provide COUNTY with a final Eligible Property Report that shall describe all Eligible Property for which the owner is granted tax abatement. This report shall be accompanied by the opinion of an independent certified public accountant as to its accuracy and completeness. The report may contemplate a reconciliation of the general ledger to the personal property rendition to satisfy this requirement.
 6. Additional Reports - Additionally, throughout the term of this agreement, OWNER shall furnish COUNTY any additional records and information reasonably requested to support the reports required by this agreement.
- B. Right to Audit Books and Records - COUNTY shall have the right, no more than once per calendar year (unless OWNER is in default beyond any applicable notice and cure period hereunder), to audit the books and records related to the Eligible Property and supporting the Eligible Property reports in OWNER's headquarters, Detroit, Michigan.

COUNTY shall notify OWNER at least five (5) business days in advance in writing of their intent to audit in order to allow OWNER adequate time to make such books and records available. COUNTY shall, subject to applicable law, keep all such information strictly confidential.

- C. Inspection - At all times throughout the term of this Agreement, COUNTY and the Tarrant Appraisal District (TAD) shall have reasonable access (subject to OWNER's access, safety and security requirements) to the Premises for the purpose of inspecting the Premises to ensure that the Eligible Property is constructed, installed, maintained and operated in accordance with the terms of this Agreement. All inspections shall be conducted in a manner as to not unreasonably interfere with the installation of the Eligible Property, OWNER's business operations or the operation of the Premises. The inspections shall be conducted within a reasonable time period after notice by COUNTY or TAD to OWNER, provided, however, that all inspections shall be made with one (1) or more representative(s) of OWNER present and in accordance with the safety standards of OWNER.

VI. Use of Premises

The Premises at all times shall be used in a manner that is consistent with the City of Arlington zoning ordinances and consistent with the general purpose of encouraging development within the Reinvestment Zone. Both parties acknowledge that the use of the Premises for the assembly of trucks or automobiles and related activities in accordance with this Agreement is consistent with such purposes.

VII. Breach and Recapture

- A. Breach - A breach of this Agreement may result in termination or modification of this Agreement and recapture by COUNTY of taxes which otherwise would have been paid since the execution of this Agreement to COUNTY without the benefit of the Abatement, as set forth in Sections VII(B) and VII(C). Penalty and interest on recaptured taxes will be charged at the statutory rate for delinquent taxes as determined by Section 33.01 of the Property Tax Code of the State of Texas, and such taxes shall become due sixty (60) days following notice of breach and after the expiration of any cure period as provided in Section VII(B). The following conditions shall constitute a breach of this Agreement:

1. OWNER terminates the use of the Premises for the assembly of trucks or automobiles and related activities at any time during the term of the Agreement; or
2. OWNER fails to meet the Abatement Conditions and Requirements as specified in Section III A., B., D., E., F., or G. above; or
3. OWNER allows its ad valorem taxes on any property located within Tarrant County owed to COUNTY to become delinquent (except in the event of an appeal by OWNER in accordance with applicable law); or

4. OWNER fails to comply with the requirements and provisions described in Sections V of this Agreement.
- B. Notice of Breach - In the event that COUNTY makes a reasonable determination that OWNER has breached this Agreement, then COUNTY shall give OWNER written notice of such default. OWNER has sixty (60) days following receipt of said written notice to reasonably cure such breach, or this Agreement may be terminated by COUNTY, and recapture of abated taxes may occur; provided, however, that if a breach cannot be reasonably cured within such 60-day period then OWNER shall have an additional 60 days so long as OWNER has promptly commenced and is diligently pursuing a cure to completion. Notice of default shall be in writing and shall be delivered by personal delivery or certified mail to OWNER at its address provided in Section IX of this Agreement. It shall be the duty of COUNTY to determine whether to require recapture and payment of abated taxes and to demand payment of such.
- C. Recapture - During the first five (5) years of this Agreement, should OWNER commit a breach of this Agreement according to items A(1), (2) (3) or (4) of this Section VII, and OWNER does not cure as provided in VII.B. above during the cure period, COUNTY may terminate this Agreement and recapture all taxes abated under this Agreement up to the time of breach. During years six (6) through ten (10) of this Agreement, should OWNER commit a breach of this Agreement according to Items A(1), (2), (3) or (4) of this Section VII, and OWNER does not cure as provided in VII.B. above during the cure period, COUNTY may terminate this Agreement and recapture taxes abated for the calendar year during which the breach is committed. It shall be the duty of COUNTY to determine whether to require recapture and payment of abated taxes and to demand payment of such. The COUNTY's right to require recapture and demand payment of abated taxes and/or waived fees and OWNER's obligation to repay such shall survive the termination of this Agreement.
- D. Tax Lien Not Impaired - It is expressly agreed and acknowledged between the parties to this Agreement that nothing in this Agreement shall be deemed or construed to affect the lien for taxes against the property established by Section 32.01 of the Tax Code of the State of Texas. Such lien shall secure the payment of all taxes, penalties and interest ultimately imposed on the property, including any taxes abated and subject to recapture under this Agreement. Any such lien may be fully enforced pursuant to the provisions of the Code. For purposes of this Subsection, "property" refers to the Premises and Eligible Property described herein.

VIII. **Effect of Sale or Lease of Property**

The abatement granted by this Agreement shall not be assignable to any new owner or lessee of all or a portion of the Premises or Eligible Property unless such assignment is to an affiliate of OWNER that will operate the Premises or is approved in writing by the COUNTY, which shall not be unreasonably denied, conditioned or delayed.

IX. **Notice**

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

OWNER: General Motors LLC
2525 East Abram Street
Arlington, Texas 76010-1346
Attention: Finance Manager

General Motors Company – Tax Staff
Mail Code: 482-C16-B16
P.O. Box 300
Detroit, Michigan 48265
Attn: Troy Kennedy

COUNTY: Tarrant County
County Administrator's Office
100 E. Weatherford
Fort Worth, Texas 76196
Attention: G.K. Maenius

X.

Commissioners Court Authorization

This Agreement was authorized by resolution of the Commissioners Court authorizing the County Judge or his designee to execute this Tax Abatement Agreement on behalf of the COUNTY.

XI.

Severability

In the event any section, subsection, paragraph, sentence, phrase or word is held invalid, illegal or unconstitutional, the balance of this Agreement shall stand, shall be enforceable and shall be read as if the parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase or word.

XII.

Estoppel Certificate

Any party hereto may request an estoppel certificate from another party hereto, so long as the certificate is requested in connection with a bona fide business purpose. The certificate, which if requested will be addressed to a subsequent purchaser or assignee of OWNER, shall include, but not necessarily be limited to statements that this Agreement is in full force and effect without default (or if default exists the nature of same), the remaining term of this Agreement, the levels and remaining term of the abatement in effect and such other matters reasonably requested by the party(ies) to receive the certificates.

XIII.

Owner's Standing

OWNER, as a party to this Agreement, shall be deemed a proper and necessary party in any litigation questioning or challenging the validity of this Agreement or any of the underlying ordinances, resolutions or Commissioners Court actions authorizing same, and OWNER shall be entitled to intervene in said litigation.

XIV.
Applicable Law

This Agreement shall be construed under the laws of the State of Texas. Venue for any action under this Agreement shall be the State's District Court of Tarrant County, Texas. This Agreement is performable in Tarrant County, Texas.

XV.
Force Majeure

It is expressly understood and agreed by the parties to this Agreement that the parties shall not be found in default of this Agreement if any party's failure to meet the requirements of this Agreement is delayed by reason of war, Act of God, fire or other casualty of a similar nature.

XVI.
No Other Agreement

This Agreement embodies all of the agreements of the parties relating to its subject matter as specifically set out herein, supersedes all prior understandings and agreements regarding such subject matter, and may be amended, modified or supplemented only by an instrument or instruments in writing executed by the parties.

XVII.
Recordation of Agreement

A certified copy of this Agreement in recordable form shall be recorded in the Deed Records of Tarrant County, Texas.

XIII.
Signatories

This Agreement is effective and binding on those parties that have duly signed below.

XIX.
Procurement of Goods and Services from Tarrant County Businesses and/or Disadvantaged Businesses Enterprises

OWNER agrees to make all commercially reasonable efforts to satisfy the provisions and requirements as set forth in the Tarrant County Tax Abatement Policy, including those relating to Tarrant County and DBE contracting requirements. The percentage requirements pertain only to those contracts/supply/services that are within the local control of GM Arlington Plant, and does not include contracts/supplies/services that are sole source and/or purchased via a General Motors national contract. OWNER shall complete and submit all information reasonably necessary to determine to what extent these contracting percentages were met each year during the abatement period.

XX.
Headings

The headings of this Agreement are for the convenience of reference only and shall not affect in any manner any of the terms and conditions hereof.

XXI.
Successors and Assigns

The parties to this Agreement each bind themselves and their successors, executors, administrators and assigns to the other party of this Agreement and to the successors, executors, administrators and assigns of such other party in respect to all covenants of this Agreement.

No successor, executor, administrator or assign is valid in the place of the parties to this Agreement without the written consent of COUNTY and such consent shall not be unreasonably withheld, provided however, the procedures set out in Section VIII, Effect of Sale or Lease of Property, is binding for the assignment situation specifically described in Section VIII. Notwithstanding the foregoing, the OWNER may assign this Agreement to any entity which is an affiliate of OWNER, without the consent of the COUNTY, in which case the benefits and obligations under this Agreement shall apply to the property and premises owned by such assignee. For purposes of the Section, an affiliate shall mean any entity which is related to OWNER through direct or indirect common ownership or control.

XXII.
Counterparts

This Agreement may be executed in any number of counterparts, each of which may be executed by any one or more of the parties hereto, but all of which shall constitute one instrument, and shall be binding and effective when all of the parties hereto have executed at least one counterpart.

XXIII.
Remedies

No right or remedy granted herein or reserved to the parties is exclusive of any right or remedy herein by law or equity provided or permitted; but each shall be cumulative of every right or remedy given hereunder. No covenant or condition of this agreement may be waived without consent of the parties. Forbearance or indulgence by either party shall not constitute a waiver of any covenant or condition to be performed pursuant to this agreement.

XXIV.
No Third-Party Beneficiaries

For purposes of this agreement, including its intended operation and effect, the parties specifically agree that: (1) the agreement only affects matters/disputes between the parties to this agreement (other than as specifically set forth herein with respect to assignment of this Agreement by OWNER to an affiliate of OWNER), and is in no way intended by the parties to benefit or otherwise affect any third person or entity, notwithstanding the fact that such third person or entities may be in a contractual relationship with CITY or OWNER or both; and (2)

the terms of this agreement are not intended to release, either by contract or operation of law, any third person or entity from obligations owing by them to either CITY or OWNER.

XXV.
Termination

This Agreement shall terminate, in accordance with the terms of this Agreement, unless extended by written agreement of the parties or a written instrument signed by all parties evidencing a delay by force majeure; provided however, that the period of abatement may not extend beyond ten (10) years.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year written above.

GENERAL MOTORS, LLC

BY _____
Signature

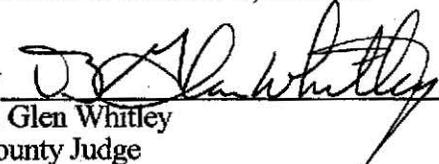
Typed or Printed Name

Typed or Printed Title

Date

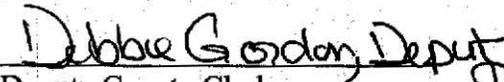
WITNESS:

TARRANT COUNTY, TEXAS

BY 
B. Glen Whitley
County Judge

July 7, 2015
Date

ATTEST:


Deputy County Clerk

APPROVED AS TO FORM:

Criminal District Attorney's Office*

**By law, the Criminal District Attorney's Office may only approve contracts for its clients. We reviewed this document as to form from our client's legal perspective. Other parties may not rely on this approval. Instead those parties should seek contract review from independent counsel.*

THE STATE OF §
COUNTY OF §

General Motors, LLC
Acknowledgment

BEFORE ME, the undersigned authority, a Notary Public in and for the State of _____, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed same for and as the act and deed of GENERAL MOTORS, LLC, and as the _____ thereof, and for the purposes and consideration therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the _____ day of _____, 2015.

Notary Public in and for
The State of _____

My Commission Expires

Notary's Printed Name

THE STATE OF TEXAS §
COUNTY OF TARRANT §

Tarrant County, Texas
Acknowledgment

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared B. GLEN WHITLEY, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for and as the act and deed of TARRANT COUNTY, TEXAS, as the County Judge thereof, and for the purposes and consideration therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 7th day of July, ~~2011~~ 2015

Kathryn Louise Rotten
Notary Public in and for

Kathryn Louise Rotten
The State of Texas
Notary's Printed Name

11-7-16

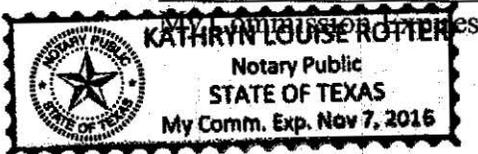


EXHIBIT "A"

**DESCRIPTION OF ELIGIBLE BUSINESS PERSONAL
PROPERTY IMPROVEMENTS**

Exhibit "A"

(Description of Eligible Business Personal Property Improvements)

Press Shop

Dies and Die Storage for the Future Product

Body Shop

Building for M & E and Tooling to Manufacture the Future All New Product

Under Body System M & E and Tooling for the Future Product

Body Side System M & E and Tooling for the Future Product

Framing System M & E and Tooling for the Future Product

Closure Systems M & E and Tooling for the Future Product

Conveyors for all Systems Above

Infrastructure to Accommodate the Above Systems

Paint Shop

Building for M & E and Tooling to Manufacture the Future All New Product

Phosphate System M & E for the Future Product

Prime System M & E for the Future Product

Sealer System M & E for the Future Product

Conveyors for All Systems Above

General Assembly

Trim System M & E and Tooling for the Future Product

Chassis System M & E and Tooling for the Future Product

Final System M & E and Tooling for the Future Product

Facility & Infrastructure

Building Construction Requires New and Revised Infrastructure

Central Utilities Building and Equipment Complex

Reroute Utilities

Trestle for Conveyor Delivery to New Paint

Revise Roadways and Truck Gates

IT Infrastructure for New Buildings

EXHIBIT "B"

DESCRIPTION OF PREMISES

Exhibit "B"

(Legal Description of Premises)

BEING a 205.699 acre portion of that certain called 248.984 acre lot, tract or parcel of land lying and being situated in the Mahalda Harris Survey, Abstract No. 704, in the City of Arlington, Tarrant County, Texas, and being Lot 1-A, M. Harris Addition, an addition to the City of Arlington, Tarrant County, Texas, according to the plat thereof recorded in Volume 388-88, Page 49, Plat Records, Tarrant County, Texas (PRTCT), SAVE and EXCEPT all that certain lot, tract or parcel of land conveyed by Special Warranty Deed from General Motors Corporation, a Delaware corporation, to the City of Arlington, a municipal corporation, dated December 03, 1999, filed December 09, 1999, as recorded in Volume 14133, Page 306, Real Property Records, Tarrant County, Texas (RPRTCT), and being a portion of that certain tract of land described in Deed without Warranty from General Motors Corporation, a Delaware corporation, to General Motors Company, a Delaware corporation, as recorded in Instrument No. D209231978, said RPRTCT, and being more particularly described as follows:

COMMENCING at a 1/2 inch iron rod found for the most southerly southwest corner of said Lot 1-A, same being the southeast corner of Harris Acres, an addition to the City of Arlington, Tarrant County, Texas, according to the plat thereof recorded in Volume 388-32, Page 34, said PRTCT, same being in the north right-of-way line of Abram Street (a 100' right-of-way at this point);

THENCE South 89 deg. 55 min. 00 sec. East, along the common line of said Lot 1-A, and the north right-of-way line of said Abram Street, a distance of 165.76 feet to a point for the southwest corner of the herein described tract, same being the POINT OF BEGINNING;

THENCE North 00 deg. 05 min. 05 sec. East, through the interior of said Lot 1-A, a distance of 2556.81 feet to a point for the northwest corner of the herein described tract, same being in the north line of said Lot 1-A, same being in the south right-of-way line of Union Pacific Railroad (a variable width right-of-way), same being in a non-tangent curve to the right having a radius of 2,753.12 feet, and a delta angle of 15 deg. 22 min. 13 sec.;

THENCE along the common line of said Lot 1-A and the south right-of-way line of said Union Pacific Railroad as follows:

In a northeasterly direction, and along said non-tangent curve to the right, an arc distance of 738.55 feet, and a chord bearing and distance of North 82 deg. 04 min. 26 sec. East, 736.34 feet to a point for the end of said curve;

South 89 deg. 46 min. 55 sec. East, a distance of 2,100.00 feet to a point for the beginning of a curve to the right having a radius of 4,288.82 feet, and a delta angle of 05 deg. 15 min. 30 sec.;

In a southeasterly direction, and along said curve to the right, an arc distance of 393.61 feet, and a chord bearing and distance of South 87 deg. 09 min. 10 sec. East, 393.47 feet to a point;

South 84 deg. 32 min. 55 sec. East, a distance of 93.30 feet to a point;

South 03 deg. 33 min. 05 sec. West, a distance of 20.10 feet to a point;

South 89 deg. 24 min. 55 sec. East, a distance of 50.20 feet to a point;

South 87 deg. 06 min. 55 sec. East, a distance of 44.93 feet to a point for the northeast corner of the herein described tract;

THENCE South 00 deg. 05 min. 05 sec. West, through the interior of said Lot 1-A, a distance of 2432.09 feet to a point for the southeast corner of the herein described tract, same being in the south line of said Lot 1-A, same being in the north right-of-way line of aforesaid Abram Street, same being in the north side of a corner clip at the intersection of the west right-of-way line of said State Highway 360 with the north right-of-way line of said Abram Street, said corner being the most easterly southeast corner of said Lot 1-A, same being the beginning of a non-tangent curve to the right having a radius of 250.00 feet, and a delta angle of 56 deg. 45 min. 52 sec.;

THENCE along said corner clip as follows:

South 71 deg 52 min. 05 sec. West, a distance of 149.84 feet to a point for the beginning of a curve to the right having a radius of 1,422.40 feet, and a delta angle of 09 deg. 24 min. 38 sec.;

In a southwesterly direction, and along said curve to the right, an arc distance of 233.62 feet, and a chord bearing and distance of South 76 deg. 34 min. 46 sec. West, 233.36 feet to point;

South 81 deg. 17 min. 05 sec. West, a distance of 242.01 feet to a point for the beginning of a curve to the right having a radius of 2,810.79 feet, and a delta angle of 06 deg. 43 min. 30 sec.;

In a southwesterly direction, and along said curve to the right, an arc distance of South 85 deg. 11 min. 52 sec. West, 329.72 feet to a 'Y' cut found in concrete;

South 88 deg. 33 min. 37 sec. West, a distance of 208.92 feet to a point for the west end of said corner clip;

THENCE North 89 deg. 55 min. 00 sec. West, along the common line of said Lot 1-A, and the north right-of-way line of said Abram Street, a distance of 1,972.20 feet to a point for the southeast end of aforesaid SAVE & EXCEPT parcel to the City of Arlington;

THENCE along said City of Arlington tract as follows:

North 84 deg. 40 min. 50 sec. West, a distance of 109.58 feet to a point;

North 89 deg. 55 min. 00 sec. West, a distance of 126.26 feet to a point;

South 00 deg. 05 min. 00 sec. West, a distance of 10.00 feet to a point for the southwest corner of said City of Arlington tract, same being in the original south line of said Lot 1-A;

THENCE North 89 deg. 55 min. 00 sec. West, along the common line of said Lot 1-A, and the north right-of-way line of said Abram Street, a distance of 55.56 feet to the POINT OF BEGINNING and containing 205.699 acres of computed land, more or less.

The foregoing legal description was created using record documents, plats, deeds, and other recorded matters of record. This is not intended for legal subdivision or title purposes. No field work was completed in creating this legal description.

EXHIBIT "C"

**ORDINANCE # 15-016 CREATING
REINVESTMENT ZONE NUMBER FORTY-TWO**

Ordinance No. _____

An ordinance establishing Reinvestment Zone Number Forty-Two; providing this ordinance be cumulative; providing for severability; providing for governmental immunity; providing for injunctions; and becoming effective upon second reading

WHEREAS, the City Council of the City of Arlington, Texas, desires to promote the development or redevelopment of a certain strategic priority area within its jurisdiction by the establishment of Reinvestment Zone Number Forty-Two for commercial-industrial tax abatement; and

WHEREAS, on April 7, 2009, the City Council of the City of Arlington, Texas passed Resolution No. 09-079 authorizing staff, following a briefing to City Council regarding creation of the zone, to give notice required by law to call public hearings relative to creation of reinvestment zones for tax abatement; and

WHEREAS, on March 17, 2015, staff briefed City Council on the creation of Reinvestment Zone Number Forty-Two; and

WHEREAS, on April 14, 2015, a public hearing was held at which time interested persons were entitled to speak and present evidence for or against the designation of the property described in Exhibit "A" as Reinvestment Zone Number Forty-Two, and notice of such public hearing was published in a newspaper of general circulation in the City of Arlington not later than the seventh day before the date of the scheduled hearing; and

WHEREAS, the City Council of the City of Arlington has established guidelines and criteria governing tax abatement agreements and has stated that the City elects to become eligible to participate in tax abatement; NOW THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON, TEXAS:

1.

That all of the recitals contained in the preambles of this ordinance are found to be true and are adopted as findings of fact by this governing body and as part of its official record.

2.

The City Council, after conducting a public hearing and having considered all relevant evidence and testimony, has made the following findings and determinations based on such evidence and testimony:

- A. That a public hearing on the designation of Reinvestment Zone Number Forty-Two has been properly called, held and conducted, and that notice of such hearing was published in accordance with the law; and
- B. That the boundaries of Reinvestment Zone Number Forty-Two should be the proposed area of land more fully described in the property description attached hereto as Exhibit "A" and depicted on the map attached hereto as Exhibit "B"; and
- C. That the improvements sought to be made in Reinvestment Zone Number Forty-Two are feasible and practical and would be a benefit to the land to be included in the Zone and to the City of Arlington following the expiration of an executed Tax Abatement Agreement; and
- D. That the proposed area of land to be designated Reinvestment Zone Number Forty-Two is reasonably likely, as a result of this designation, to contribute to the retention or expansion of primary employment or to attract major investment in the Zone that would be a benefit to the property, thereby contributing to the economic development of the City of Arlington.

3.

In accordance with State law, the City of Arlington hereby officially creates Reinvestment Zone Number Forty-Two for commercial-industrial tax abatement, which Zone shall hereafter encompass only that certain area of land more fully described in the property description attached hereto as Exhibit "A" and depicted on the map attached hereto as Exhibit "B"; and such Reinvestment Zone shall be officially designated as Tax Abatement Reinvestment Zone Number Forty-Two of the City of Arlington, Texas.

4.

The designation of Reinvestment Zone Number Forty-Two of the City of Arlington, Texas shall expire Five (5) years after the effective date of its designation and may be renewed.

5.

This ordinance shall be and is hereby declared to be cumulative of all other ordinances of the City of Arlington; and this ordinance shall not operate to repeal or affect any of such other ordinances except insofar as the provisions thereof might be

inconsistent or in conflict with the provisions of this ordinance, in which event such conflicting provisions, if any, in such other ordinance or ordinances are hereby repealed.

6.

If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be unconstitutional, such holding shall not affect the validity of the remaining portions of this ordinance.

7.

All of the regulations provided in this ordinance are hereby declared to be governmental and for the health, safety and welfare of the general public. Any member of the City Council or any City official or employee charged with the enforcement of this ordinance, acting for the City of Arlington in the discharge of his/her duties, shall not thereby render himself/herself personally liable; and he/she is hereby relieved from all personal liability for any damage that might accrue to persons or property as a result of any act required or permitted in the discharge of his/her said duties.

8.

Any violation of this ordinance can be enjoined by a suit filed in the name of the City of Arlington in a court of competent jurisdiction, and this remedy shall be in addition to any penal provision in this ordinance or in the Code of the City of Arlington.

9.

This ordinance shall become effective upon second reading.

PRESENTED AND GIVEN FIRST READING on the _____ day of _____, 2015, at a regular meeting of the City Council of the City of Arlington, Texas; and GIVEN SECOND READING, passed and approved on the _____ day of _____, 2015, by a vote of _____ ayes and _____ nays at a regular meeting of the City Council of the City of Arlington, Texas.

ROBERT N. CLUCK, Mayor

ATTEST:

MARY W. SUPINO, City Secretary

APPROVED AS TO FORM:
TERIS SOLIS, City Attorney

BY

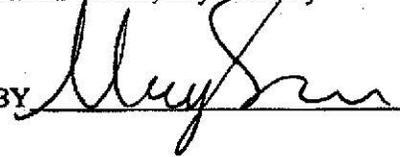


Exhibit "A"

Legal Property Description

BEING a 205.699 acre portion of that certain called 248.984 acre lot, tract or parcel of land lying and being situated in the Mahalda Harris Survey, Abstract No. 704, in the City of Arlington, Tarrant County, Texas, and being Lot 1-A, M. Harris Addition, an addition to the City of Arlington, Tarrant County, Texas, according to the plat thereof recorded in Volume 388-88, Page 49, Plat Records, Tarrant County, Texas (PRTCT), SAVE and EXCEPT all that certain lot, tract or parcel of land conveyed by Special Warranty Deed from General Motors Corporation, a Delaware corporation, to the City of Arlington, a municipal corporation, dated December 03, 1999, filed December 09, 1999, as recorded in Volume 14133, Page 306, Real Property Records, Tarrant County, Texas (RPRTCT), and being a portion of that certain tract of land described in Deed without Warranty from General Motors Corporation, a Delaware corporation, to General Motors Company, a Delaware corporation, as recorded in Instrument No. D209231978, said RPRTCT, and being more particularly described as follows:

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THENCE South 89 deg. 55 min. 00 sec. East, along the common line of said Lot 1-A, and the north right-of-way line of said Abram Street, a distance of 165.76 feet to a point for the southwest corner of the herein described tract, same being the POINT OF BEGINNING;

THENCE North 00 deg. 05 min. 05 sec. East, through the interior of said Lot 1-A, a distance of 2556.81 feet to a point for the northwest corner of the herein described tract, same being in the north line of said Lot 1-A, same being in the south right-of-way line of Union Pacific Railroad (a variable width right-of-way), same being in a non-tangent curve to the right having a radius of 2,753.12 feet, and a delta angle of 15 deg. 22 min. 13 sec.;

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In a northeasterly direction, and along said non-tangent curve to the right, an arc distance of 738.55 feet, and a chord bearing and distance of North 82 deg. 04 min. 26 sec. East, 736.34 feet to a point for the end of said curve;

South 89 deg. 46 min. 55 sec. East, a distance of 2,100.00 feet to a point for the beginning of a curve to the right having a radius of 4,288.82 feet, and a delta angle of 05 deg. 15 min. 30 sec.;

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THENCE along said corner clip as follows:

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In a southwesterly direction, and along said curve to the right, an arc distance of 233.62 feet, and a chord bearing and distance of South 76 deg. 34 min. 46 sec. West, 233.36 feet to point;

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South 88 deg. 33 min. 37 sec. West, a distance of 208.92 feet to a point for the west end of said corner clip;

THENCE North 89 deg. 55 min. 00 sec. West, along the common line of said Lot 1-A, and the north right-of-way line of said Abram Street, a distance of 1,972.20 feet to a point for the southeast end of aforesaid SAVE & EXCEPT parcel to the City of Arlington;

THENCE along said City of Arlington tract as follows:

North 84 deg. 40 min. 50 sec. West, a distance of 109.58 feet to a point;

North 89 deg. 55 min. 00 sec. West, a distance of 126.26 feet to a point;

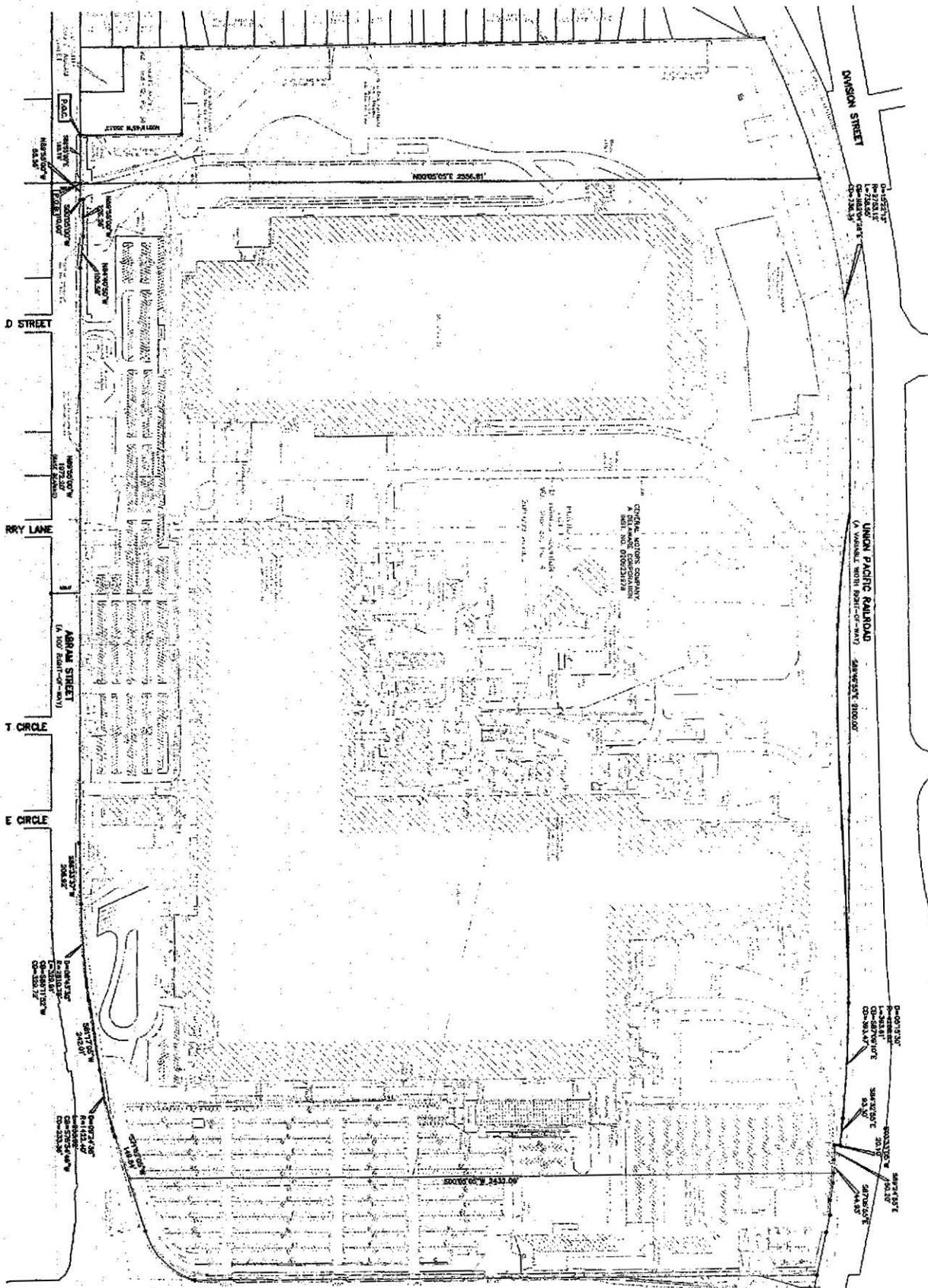
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The foregoing legal description was created using record documents, plats, deeds, and other recorded matters of record. This is not intended for legal subdivision or title purposes. No field work was completed in creating this legal description.

Exhibit "B"

Map



STATE HIGHWAY 360
 (A VARIABLE WIDTH RIGHT-OF-WAY)
 NORTH FROM STATE HIGHWAY 360

EXHIBIT "D"

APPLICATION FOR TAX ABATEMENT



Tarrant County Application for Tax Abatement/Reinvestment Zone

I. APPLICANT INFORMATION

Applicant/Property Owner: Crown Robotics LLC

Company/Project Name: Expansion of Existing Mailing Address: 2525 E. Abram Street, Arlington, TX 76010

Telephone: 817-521-2218

Fax: 817-552-3180

Applicant's Representative for contact regarding abatement request:

Name and Title: Troy Kennedy - US Representative, Marsha

Mailing Address: Mail Station 2346, P.O. Box 300, Detroit, MI 48265

Telephone: 313-665-1051

Fax: 313-665-1125

E-mail: roy.kennedy@congress.com

II. PROPERTY AND PROJECT DESCRIPTION

Address and legal description of property to be considered for Tax Abatement/Reinvestment Zone: 2525 E.

Abram Street, Arlington, TX

Project Description: see above/attachment

Description of activities, products, or services produced and/or provided at project location: manufacture

parts/vehicles

Current Assessed Value: Real Property: \$ *61,000,000

Personal Property: \$ *470,901,874 Gross

Appraised Value

Estimated start date of construction/site improvements: 2015-03

Projected date of occupancy/commencement of operations at project site: 01/2017-01 Phase 1 commencement

Please indicate dates for phases if applicable: Equipment installation 03/2018

Location of existing company facilities: 2525 E. Abram Street, Arlington, TX 76010

Requested level of Tax Abatement: 100% of eligible property for 10 years.

Explain why tax abatement is necessary for the success of this project. Include business pro-formas or other information to substantiate your request. Please refer to attached the general purposes and objectives of the Tarrant County Tax Abatement Policy

County Tax Abatement Policy

III. PROJECTED VALUE OF IMPROVEMENTS

Estimated Value of Real Property Improvements \$ 100

Estimated Value of Personal Property Improvements \$ 100

Will any infrastructure improvements (roads, drainage, etc.) be requested of Tarrant County for this project?

Yes No (TBD)

If yes, describe requested infrastructure improvements: TBD

Detail any direct benefits to Tarrant County as a result of this project (i.e., inventory tax, etc.): ~~See attached~~

~~Estimated total annual payroll for all employees for the project and all general services will be approximately \$100,000,000.00.~~

IV. EMPLOYMENT IMPACT AT PROJECT LOCATION

A. NEW EMPLOYMENT (NOTE: THIS PROJECT WILL ENABLE THE RETENTION OF 3,179 EMPLOYEES)

Projected number of new jobs created as a result of the proposed improvements:

Full-time 0 or more Part-Time 0

Provide types of jobs created and average salary levels: n/a

Start date and annual payroll of new permanent positions (if positions to be phased in, provide figures for each phase year): n/a

Percentage of new jobs to be filled by Tarrant County residents: 0%

Number of employees transferring from other company locations: ~~All County workforce practices are subject to provisions of the LAW/GM National and local labor agreements. (TBD)~~

B. CONSTRUCTION RELATED EMPLOYMENTS

Projected number of construction related jobs: ~~See~~

Estimated total construction payroll: \$ ~~See~~

Commitment as to percentage of construction dollars to be spent with Tarrant County contractors or subcontractors: ~~See Attached~~ 0%

Commitment as to percentage & total dollars of construction contracts to be awarded to DBE: ~~See Attached~~ 0%

C. CURRENT COMPANY/PROJECT LOCATION EMPLOYMENT

Current Number of Employees: Full-time ~~3,179~~ Part-time 0

Average annual payroll: \$ 63,375/employee

Detail on workforce diversity - percentage breakdown of current employees by gender and ethnicity:

Male 70%/Female 30%. Caucasian-35.6%, African American 49.7%, Hispanic 12.9%, Asian 1.1%, Other 0.7%

D. COMPANY SPONSORED HEALTH CARE BENEFITS ARE AVAILABLE

Full-time Employees x Part-time Employees Employee Dependents x Not Available

Average monthly employee cost for health care benefits: Individual: \$ ~~See below~~ Family: \$ ~~See below~~

Other employee benefits provided or offered: ~~See below~~

V. LOCAL BUSINESS & DISADVANTAGED BUSINESS ENTERPRISES (DBE) IMPACT

Estimated amount of annual supply and services expenses: \$ See Attached Exhibit A

Detail any supply/services expenses that are sole source: See Attached Exhibit A

Percentage of total supplier/services expenses committed to Tarrant County businesses: See Attached Exhibit A

Percentage of total supplier and services expenses committed to DBE: See Attached Exhibit B%

VI. ENVIRONMENTAL IMPACT OF PROJECT

Indicate if development, construction, equipment, distribution methods, and/or operational processes may impact the environment in the following areas, attach detail if necessary:

Air Quality Water Quality Solid Waste Disposal Storm/Water Runoff

Floodplain/Wetlands Noise levels Other (specify) See Attached Exhibit B

Provide detail on existing and new fleet vehicles, specifying types of vehicles, quantities and fuel used (gasoline, diesel, LP gas, CNG, etc.): See Attached Exhibit B

VII. ADDITIONAL INFORMATION (TO BE ATTACHED)

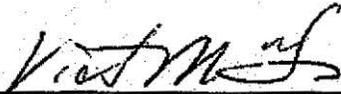
- Letter addressing Economic Qualifications and additional criteria for abatement, Section III (h) and (i) of Tarrant County Tax Abatement Policy
- Descriptive list and value of real and personal property improvements (exhibit B)
- Plat/Map of Project Location (Exhibit E)
- Project Time Schedule (exhibit C)
- Owner's policy regarding use of disadvantaged Business Enterprises (exhibit A)
- Owner's policy addressing regional air quality/non-attainment status (use of alternative fuels, employee trip reduction, etc.) and plan for participation in regional Ozone Action Program (exhibit B1)
- Tax Certificate showing property taxes paid for most recent year (exhibit D)

Note: City of Arlington Abatement Application and Exhibits attached.

VIII. CERTIFICATION

Upon receipt of a completed application, Tarrant County may require such financial and other information as may be deemed appropriate for evaluating the financial capacity and other factors of the applicant.*

I certify the information contained in this application (including all attachments) to be true and correct to the best of my knowledge. I further certify that I have read the "Tarrant County Tax Abatement Policy" and agree to comply with the guidelines and criteria stated therein.



Signature

Vice President – Tax and Audit

Title

Victoria McInnis

Printed Name

March 11, 2015

Date

Return completed application and attachments to:

Economic Development Coordinator
Tarrant County Administrator's Office
100 E. Weatherford Street, Suite 404
Fort Worth, Texas 76196-0609

You may also forward an electronic copy of the completed report to:

lmcmillan@tarrantcounty.com

Please note that if you do submit this form electronically, you must also submit an original hard copy of the report to the above stated physical address for proper filing and review.

For assistance call: (817) 884-2643

* As per Section IV (f) of the Tarrant County Tax Abatement Policy Guidelines and Criteria, this application must be filed prior to commencement of construction or installation of improvements in order to be eligible for County tax abatement.



Arlington Assembly

General Motors LLC
Arlington Assembly
2525 E. Abram
Arlington, TX 76010-1346

March 12, 2015

Exhibit A

Ms. Lisa McMillan
Economic Development Coordinator
Tarrant County Administrators Office
100 E. Weatherford, Suite 404
Fort Worth, TX 76196-0609

Dear Ms. McMillan:

This letter is intended to supplement General Motors' application for tax abatement with respect to Section V - Local Business & Disadvantaged Business Enterprise (DBE) Impact.

It will be very difficult for the GM Arlington Plant to meet the specific percentages in the Tarrant County Abatement Policy relating to purchasing transactions with Tarrant County Businesses and Disadvantaged Enterprises. As you know, GM's purchasing activities are conducted on a global basis. While this enables the company to procure materials competitively, individual plants such as Arlington are afforded minimal opportunities for establishing local contracts.

Although it will be difficult to achieve 25% of our expenditures with Tarrant County businesses, we currently do significant business within the County. For example, Lear Corporation provides the seats for our vehicles annually costing over \$683 million. Additionally, Android Industries operates from three locations in the County to sequence production parts to our assembly line at an annual cost of over \$72 million. Further, Hagemeyer, located on site, provides all of our daily indirect materials, supplies and services at an annual cost of over \$24 million. GM purchases from Tarrant County businesses continue to be significant. Faurecia provides exhaust systems totaling \$152 million and Flex-N-Gate provides fascias worth \$134 million.

The Abatement Policy also requests 15% of our spending with Disadvantage Business Enterprises. Again, our Global Purchasing & Supply Chain organization prepares the contracts for our various suppliers. Hagemeyer (noted above), has a contractual obligation to apply best efforts to seek low cost suppliers and to direct 5% of total purchases to Minority suppliers. For reference, in 2014, GM spent \$3.3 billion on direct purchases from certified minority companies in the US.

At this time, per Section IV (h), General Motors respectfully requests a deviation from Section III (i)(1) concerning use of DBE and Tarrant County businesses. The project will, however, provide for some utilization of DBE and Tarrant County businesses for construction and future supply and service contracts. GM is committed to working with our supplier partners to identify and obtain DBE contracts that meet cost and quality criteria to increase our participation in this area.

I hope this detail helps in understanding our business situation and our request for a deviation from the provisions of the policy. General Motors' appreciates the County's support and your assistance in this matter. If additional information is required, please contact me on 817-652-2248.

Very truly yours,

James C. Bellis
Plant Controller

**GM Arlington Assembly Plant
Proposed Investment for Expansion and Retooling**

A proposed expansion of the Arlington Assembly Plant is contemplated to be approximately 1,200,000 square feet. This expansion, as well as retooling in areas of the existing facility, will allow the plant to remain competitive in an industry where innovation and new technologies continue to be introduced in the global marketplace. Machinery, equipment, special tooling and dies will be installed in various areas of the facility including, but not limited to, the Press Shop, Body Shop, Paint Shop and General Assembly.

GENERAL MOTORS-ARLINGTON, TEXAS

Local Air Quality:

GM Arlington operates thermal oxidizers to destroy vapors from its automated prime, base coat, and clear coat painting operations; including the curing ovens which follow the automated application processes.

100% of GM Arlington's vehicles are equipped with onboard refueling vapor recovery.

GM Arlington provides several programs which improve local air quality:

- On-site cafeterias to reduce lunchtime traffic
- On-site training, educational, and meeting facilities to reduce travel
- On-site drivers license renewal, local event registration, cell phone sign-up, and other services
- Staggered shift "off" and "on" times to reduce traffic congestion
- Shift times that allow commuters to miss the peak traffic jam hours in DFW
- Preferred parking close to the entrances for motorcycle riders
- Telecommuting and leveraging for people to cover several GM sites from one location

Beyond Compliance: Community

GM Arlington supports local environmental interests by participating in:

- Arlington City Council's Citizen's Environmental Committee
- Arlington Chamber of Commerce's Environmental Subcommittee
- Tarrant County's Local Emergency Planning Committee
- North Central Texas Council of Governments' Clean Air programs
- State public hearings on environmental issues
- On-site environmental training programs for new State and Federal Inspectors
- TCEQ Clean Texas program
- City of Arlington Green Team

Based on a determination by the U.S. Environmental Protection Agency, most 2014 model year GM trucks meet standards that are at least as stringent as the Federal Clean Fuel Vehicle Low Emission Vehicle (LEV) standards.

**GM Arlington Assembly Plant
Proposed Timing of Facility Expansion and Retooling Project**

2015 - Q3	Begin Facility Expansion
2018 - Q3	Begin Equipment Installation
2019 - Q1	Start of Production
2020 - Q1	Construction Complete

Ex. D



RON WRIGHT
TARRANT COUNTY
TAX ASSESSOR-COLLECTOR

@TarrantCoTax
Facebook.com/TarrantCountyTAC

100 E. Weatherford, Fort Worth, TX 76196
(817) 884-1100
e-mail:taxoffice@tarrantcounty.com
web:www.tarrantcounty.com

DATE: 01/23/2015

2014 TAX STATEMENT

ACCOUNT: 00008113971

LEGAL: BUSINESS PERSONAL PROPERTY
USMC-ARLINGTON
ASSY

e-STATEMENT

IMPORTANT - Legislative Changes
5 - Year Comparison on back of statement.
IMPORTANTE - Cambios Legislativos
Comparación de 5 - Años detrás del Cobro.

OWNER: GENERAL MOTORS CORP
PARCEL ADDRESS: 0002525 E ABRAM ST
EXEMPTIONS:

TAXING ENTITIES	APPRAISED VALUE	EXEMPTION AMOUNT	TAXABLE VALUE	TAX RATE PER \$100	BASE TAX	TAXES DUE CURRENTLY
0						
TOTAL TAXES						

TOTAL AMOUNT DUE 0.00
INCLUDES PAYMENTS RECEIVED

Pay by Credit Card or eCheck



****YOUR CHECK WILL BE CONVERTED INTO AN ELECTRONIC FUND TRANSFER****

GENERAL MOTORS CORP

RETURN WITH PAYMENT

00008113971
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PAY THIS AMOUNT
Delinquent after: #Error
\$0.00

00008113971 2014
64597370
64597370

IF PAID IN	AMOUNT DUE
FEB	0.00
MAR	0.00

H0

Make checks payable to:
RON WRIGHT, TAX-ASSESSOR-COLLECTOR

GENERAL MOTORS CORP TAX STAFF MC
482-C14-C66
PO BOX 9024
DETROIT, MI 48202-9024

PO BOX 961018
FORT WORTH TX 76161-0018

00008113971 0000000000 0000000000 0000000000 0123201500000



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 Facebook.com/TarrantCountyTAC

100 E. Weatherford, Fort Worth, TX 76196
 (817) 884-1100
 e-mail: taxoffice@tarrantcounty.com
 web: www.tarrantcounty.com

"Ex. D"

DATE: 02/19/2015

2014 TAX STATEMENT

ACCOUNT: 00001182080

LEGAL: HARRIS, M ADDITION BLK
 LOT 1A1

e-STATEMENT

IMPORTANT - Legislative Changes
 5 - Year Compenson on back of statement.
IMPORTANTE - Cambios Legislativos
 Comparación de 5 - Años detrás del Cobro.

OWNER: GENERAL MOTORS CO
 PARCEL ADDRESS: 0002526 E ABRAM ST
 EXEMPTIONS:

LAND VALUE 6,772,980	IMPROVEMENT VAL 54,227,020	APPRAISED VAL 61,000,000				
TAXING ENTITIES	APPRAISED VALUE	EXEMPTION AMOUNT	TAXABLE VALUE	TAX RATE PER \$100	BASE TAX	TAXES DUE CURRENTLY
ARLINGTON CITY	61,000,000	0	61,000,000	0.648000	395280.00	0.00
TARRANT COUNTY	61,000,000	0	61,000,000	0.264000	161040.00	0.00
T C HOSPITAL	61,000,000	0	61,000,000	0.227897	139017.17	0.00
T C COLLEGE	61,000,000	0	61,000,000	0.149500	91195.00	0.00
ARLINGTON ISD	61,000,000	0	61,000,000	1.348110	822347.10	0.00
TOTAL TAXES						0.00

TOTAL AMOUNT DUE 0.00
INCLUDES PAYMENTS RECEIVED

Pay by Credit Card or eCheck



Pay online with Texas eCheck
 Or by phone at 817-884-1100

****YOUR CHECK WILL BE CONVERTED INTO AN ELECTRONIC FUND TRANSFER****

GENERAL MOTORS CO

RETURN WITH PAYMENT

00001182080
 00001182080

PAY THIS AMOUNT \$0.00
 Delinquent after: 1/31/2015

00001182080 2014
 65064817
 65064817

IF PAID IN	AMOUNT DUE
MAR	0.00
APR	0.00

H 0

GENERAL MOTORS CO
 200 RENAISSANCE CTR
 DETROIT, MI 48243-1300

Make checks payable to:
 RON WRIGHT, TAX-ASSESSOR-COLLECTOR

PO BOX 961018
 FORT WORTH TX 76161-0018

00001182080 0000000000 0000000000 0000000000 021920150000



Copy

Arlington Assembly

General Motors LLC
Arlington Assembly
2525 E. Abram
Arlington, TX 76010-1346

March 12, 2015

Mr. Bruce Payne, Economic Development Manager
City of Arlington
101 W. Abram Street
P.O. Box 231
Arlington, TX 76004-0231

Re: General Motors LLC - Application for Tax Abatement

Dear Mr. Payne:

The General Motors - Arlington Assembly Plant respectfully requests tax abatement for a proposed \$1.2 billion investment to expand and retool its existing facility as outlined in the attached "Application for Incentives". The information required in Section III, Item E of the City of Arlington's "Policy Statement for Tax Abatement" is as follows:

1. Applicant believes the project meets the objectives of the City's Economic Development Strategic Plan.
2. The project will expand and retool the Arlington plant to allow the facility to remain competitive in the global marketplace.
3. This project will enable us to retain employment.
4. Favorable tax abatement will enhance the overall business case for this program and the project will generate various other incomes to the benefit of local taxing jurisdictions.

Additional information required by the City will be provided on request by Mr. Troy Kennedy, U.S. Property Tax Manager. He can be reached at 313-665-4054 or troy.d.kennedy@gm.com. We appreciate your thoughtful consideration and respectfully request your favorable action on this request for tax abatement.

Sincerely,

Jim Bellis
Controller
GM - Arlington Assembly



ARLINGTON APPLICATION FOR INCENTIVES

Applicant Information

1. Beneficiary of Incentives General Motors LLC - Arlington Assembly
Property Owner , Business Owner , Leaseholder (check all that apply)
Mailing address General Motors LLC, MC482-C16-B16, P.O. Box 300, Detroit, MI 48265
Telephone 313-665-4054 Fax 313-665-4125
Cell Phone 313-418-5569 Email troy.d.kennedy@gm.com
2. Contact Information Troy D. Kennedy
Title U. S. Property Tax Manager
Mailing address Same as Above
Telephone Same as Above Fax Same as Above
Cell Phone Same as Above Email Same as Above
Relationship to Beneficiary: Same as above , Authorized Representative
3. Property address 2525 E. Abrams Street, Arlington, TX 76010
4. Property legal description (metes & bounds) See Attached Exhibit A (Arlington Assembly Site)
5. Attach a complete description of the project including: See Attached Exhibit B
 - A. Method of financing - Cash
 - B. Primary business activity at this site - Vehicle Assembly
 - C. Complete description of all land uses - Vehicle Mfg & Assy; Nat Gas Production (3rd Party)
 - D. Time schedule for completion of improvements - See Attached Exhibit C
 - E. NAICS Industry Code - 336111
 - F. Descriptive list of improvements
 1. Construct and equip new and existing space (see Exhibit E)
 2. Cost of real property construction: \$306.7 Million
 3. Cost of Personal Property:
 - a. Inventory: \$9,860,283 (2014 actual)
What percent is eligible for Freeport Exemption (exported from Texas within 175 days) 86.4 % (2014 Actual)
 - b. Cost of Equipment, machinery, furnishings, special tools, etc.
Machinery & Equipment: \$554.0M
Special Tooling and Dies: \$432.0M
Total Personal Property Cost: \$986.0 M
 - G. What taxable sales will be generated at this location \$ TBD per year
6. These documents must be submitted prior to the City staff's review of the application:
 - Property tax statement from the County Tax Office - See Attached Exhibit D
 - Plat/map of project location - See Attached Exhibit E
7. Level of abatement requested 100% 10 Years on Real Property and Business Personal Property
8. Describe, in detail, all other incentives sought from the City- other economic incentives, fee waivers, fast-track review of civil prep work, SWPPP, and any other front end reviews to allow quick start to



initial work on site, plans review, etc. as well as permit fee reductions/eliminations. GM will also apply for Training Funds and other incentives from the State of Texas.

9. Estimated taxable value of property improvements: Real TBD Personal TBD
Estimated taxable value is the value of the improvements on January 1 of the year after the improvements are made.

10. Job Creation & Retention:

Number of Full Time Equivalent Jobs	Avg. Annual, Monthly or Hourly Wage	Benefits Provided	# of Positions Created	# of Positions Retained
Executive				
Professional				
Managerial				
Administrative				
General Labor				
Other				
Total	\$63,375/year	Health Care, Workers Compensation, Vacation, etc.		3,179

* For confidentiality purposes, the above numbers are shown in total.

11. Infrastructure improvements/modifications sought: TBD

12. Will application be made to Tarrant County? x Yes No
If yes, please contact Tarrant County Administrator's Office (817-884-2643) for separate application

13. On an attachment, describe why incentives are necessary for the success of this project and, how the improvements will benefit the property at the conclusion of the incentives (Include any documentation necessary to substantiate your request and if any other locations are under consideration). Refer to Cover Letter

14. I am authorized to sign this application for incentives and to certify through my signature below that the business for whom I am authorized to sign, or a branch, division, or department of the business, does not and will not knowingly employ an undocumented worker. If, after receiving an incentive or a "public subsidy" as defined in Government Code § 2264.001(3), the business or a branch, division, or department of the business, is convicted of a violation under 8 U.S.C. § 1324a(f), the business shall repay the amount of the incentive or the public subsidy with interest, at the rate and according to the other terms provided by an agreement required under Government Code § 2264.053, not later than the 120th day after the date the City notifies the business of the violation.

I certify that the information contained herein is true and correct.

Victoria McInnis
 Name
March 11, 2015
 Date

Vice President - Tax and Audit
 Title (Must be signed by a corporate officer with signature authority)

This application must be completed and returned for consideration prior to the submission of an application for a building permit or the issuance of a certificate of occupancy, whichever comes first. Upon receipt of this application, the City of Arlington shall require such financial and other information as may be deemed appropriate for evaluating the financial capacity and other factors of the applicant.



ARLINGTON

An electronic copy of this application is available. For more information, please call (817) 459-6112

Completed requests should be submitted to:

*City Manager's Office
City of Arlington, M/S 03-0310
P.O. Box 90231
Arlington, TX 76004-0231*

**GM Arlington Assembly Plant
Proposed Investment for Expansion and Retooling**

A proposed expansion of the Arlington Assembly Plant is contemplated to be approximately 1,200,000 square feet. This expansion, as well as retooling in areas of the existing facility, will allow the plant to remain competitive in an industry where innovation and new technologies continue to be introduced in the global marketplace. Machinery, equipment, special tooling and dies will be installed in various areas of the facility including, but not limited to, the Press Shop, Body Shop, Paint Shop and General Assembly.

GENERAL MOTORS-ARLINGTON, TEXAS

Local Air Quality:

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- **Shift times that allow commuters to miss the peak traffic jam hours in DFW**
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- **Telecommuting and leveraging for people to cover several GM sites from one location**

Beyond Compliance: Community

GM Arlington supports local environmental interests by participating in:

- **Arlington City Council's Citizen's Environmental Committee**
- **Arlington Chamber of Commerce's Environmental Subcommittee**
- **Tarrant County's Local Emergency Planning Committee**
- **North Central Texas Council of Governments' Clean Air programs**
- **State public hearings on environmental issues**
- **On-site environmental training programs for new State and Federal inspectors**
- **TCEQ Clean Texas program**
- **City of Arlington Green Team**

Based on a determination by the U.S. Environmental Protection Agency, most 2014 model year GM trucks meet standards that are at least as stringent as the Federal Clean Fuel Vehicle Low Emission Vehicle (LEV) standards.

**GM Arlington Assembly Plant
Proposed Timing of Facility Expansion and Retooling Project**

2015 - Q3	Begin Facility Expansion
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 e-mail:taxoffice@tarrantcounty.com
 web:www.tarrantcounty.com

Ex. D

DATE: 01/23/2015

2014 TAX STATEMENT

ACCOUNT: 00008113971

IMPORTANT - Legislative Changes
 5 - Year Comparison on back of statement.
IMPORTANTE - Cambios Legislativos
 Comparación de 5 - Años detrás del Cobro.

LEGAL: BUSINESS PERSONAL PROPERTY
 USMO-ARLINGTON
 ASSY

e-STATEMENT

OWNER: GENERAL MOTORS CORP

PARCEL ADDRESS: 0002525 E ABRAM ST

EXEMPTIONS:

TAXING ENTITIES	APPRAISED VALUE	EXEMPTION AMOUNT	TAXABLE VALUE	TAX RATE PER \$100	BASE TAX	TAXES DUE CURRENTLY
0						
TOTAL TAXES						

TOTAL AMOUNT DUE 0.00
INCLUDES PAYMENTS RECEIVED

Pay by Credit Card or eCheck



Pay online with these cards
 Or by phone at 817-884-1110

****YOUR CHECK WILL BE CONVERTED INTO AN ELECTRONIC FUND TRANSFER****

GENERAL MOTORS CORP

RETURN WITH PAYMENT

00008113971
 00008113971

PAY THIS AMOUNT	\$0.00
Delinquent after: #Error	

00008113971 2014
 64597370
 64597370

IF PAID IN	AMOUNT DUE
FEB	0.00
MAR	0.00

H0

Make checks payable to:
RON WRIGHT, TAX-ASSESSOR-COLLECTOR

GENERAL MOTORS CORP TAX STAFF MC
 482-C14-C66
 PO BOX 9024
 DETROIT, MI 48202-9024

PO BOX 861018
 FORT WORTH TX 76161-0018

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"Ex. D"



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web:www.tarrantcounty.com

DATE: 02/19/2015

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ACCOUNT: 00001182080

LEGAL: HARRIS, M ADDITION BLK
LOT 1A1

e-STATEMENT

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IMPORTANTE - Cambios Legislativos
Comparación de 5 - Años detrás del Cobro.

OWNER: GENERAL MOTORS CO
PARCEL ADDRESS: 0002625 E ABRAM ST
EXEMPTIONS:

LAND VALUE 6,772,980	IMPROVEMENT VAL 54,227,020	APPRAISED VAL 61,000,000				
TAXING ENTITIES	APPRAISED VALUE	EXEMPTION AMOUNT	TAXABLE VALUE	TAX RATE PER \$100	BASE TAX	TAXES DUE CURRENTLY
ARLINGTON CITY	61,000,000	0	61,000,000	0.648000	395280.00	0.00
TARRANT COUNTY	61,000,000	0	61,000,000	0.264000	161040.00	0.00
T C HOSPITAL	61,000,000	0	61,000,000	0.227897	138017.17	0.00
T C COLLEGE	61,000,000	0	61,000,000	0.149500	91195.00	0.00
ARLINGTON ISD	61,000,000	0	61,000,000	1.348110	822347.10	0.00
TOTAL TAXES						0.00

TOTAL AMOUNT DUE 0.00
INCLUDES PAYMENTS RECEIVED

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Or by phone at 817-551-1110

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RETURN WITH PAYMENT

00001182080
00001182080

PAY THIS AMOUNT \$0.00
Delinquent after: 1/31/2015

00001182080 2014
65064817
65064817

IF PAID IN	AMOUNT DUE
MAR	0.00
APR	0.00

H0

Make checks payable to:
RON WRIGHT, TAX-ASSESSOR-COLLECTOR

GENERAL MOTORS CO
200 RENAISSANCE CTR
DETROIT, MI 48243-1300

PO BOX 961018
FORT WORTH TX 76161-0018

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EXHIBIT "E"

TARRANT COUNTY TAX ABATEMENT POLICY AND GUIDELINES



TARRANT COUNTY

TAX ABATEMENT POLICY GUIDELINES AND CRITERIA

I. GENERAL PURPOSE AND OBJECTIVES

As authorized under Chapter 312 of the Texas Tax Code, Tarrant County has established this policy so as to work in concert with other taxing authorities as part of an overall publicly supported incentive program designed to create job opportunities that bring new economic advantages or strengthen the current economic base of our community.

It is the intent of the Commissioners Court to consider approval or denial of any request for tax abatement for projects in unincorporated Tarrant County or participation in any tax abatement agreement agreed to and adopted by an incorporated city, which meets the minimum eligibility criteria as set forth in this policy, following the filing of a formal application for tax abatement from the County. As prescribed by Section 312.206 of the Tax Code, the Commissioners Court may approve participation with a municipality in a tax abatement agreement no later than the 90th day after the date the municipal agreement is executed. Further it is the intent of Tarrant County that the County will not approve nor join an abatement agreement that provides one Tarrant County city a competitive advantage over another Tarrant County city seeking the same project or encourages an applicant to move from one Tarrant County city to another, unless such agreement is agreeable to both such incorporated cities and both parties have indicated their approval in writing to Tarrant County.

In the case where the property is located within a municipality's extraterritorial jurisdiction, the municipality shall be the initiating taxing entity unless expressly deferred to the County. For those areas within Tarrant County that are not located within the boundaries of an incorporated municipality and a municipality has deferred to the County or in unincorporated areas not located in a municipality's extraterritorial jurisdiction, the guidelines and criteria contained in this policy will be applied by the Commissioners Court when considering the establishment of a reinvestment zone and the adoption of an abatement agreement.

II. DEFINITIONS

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

- (b) **"Eligible Jurisdiction" means Tarrant County and any municipality, school district, college district, or other entity, which is located in Tarrant County, that levies ad valorem taxes upon and provides services to property located within the proposed or existing reinvestment zone.**
- (c) **"Agreement" means a contractual agreement between a property owner and/or lessee and an eligible jurisdiction for the purposes of tax abatement.**
- (d) **"Base Year Value" means the assessed value of the applicant's real and personal property located in a designated reinvestment zone on January 1 of the year of the execution of the agreement, plus the agreed upon value of real and personal property improvements made after January 1, but before the execution of the agreement.**
- (e) **"Economic Life" means the number of years a property improvement is expected to be in service in a facility.**
- (f) **"Deferred Maintenance" means improvements necessary for continued operations which do not improve productivity or alter the process technology.**
- (g) **"Disadvantaged Business Enterprise (DBE)" means:**
 - (1) **a corporation formed for the purpose of making a profit and at least 51 percent of all classes of the shares of stock or other equitable securities of which are owned by one or more persons who are socially or economically disadvantaged because of their identification as members of certain groups that have been subject to racial or ethnic prejudice or cultural bias without regard to their qualities as individuals or capabilities as a business, and whose ability to compete in the free enterprise system is impaired due to diminished opportunities to obtain capital and credit as compared to others in the same line of business who are not socially disadvantaged. "DBE" includes the State of Texas definition of historically underutilized businesses (HUBs) as defined in Texas Government Code 407.101 and as it may be updated.**
 - (2) **a sole proprietorship formed for the purpose of making a profit that is owned, operated, and controlled exclusively by one or more persons described in paragraph (1);**
 - (3) **a partnership that is formed for the purpose of making a profit in which 51 percent of the assets and interest in the partnership is owned by one or more persons described by paragraph (1), and in which minority or women partners have proportionate interest in the control, operation, and management of the partnership affairs.**

- (h) **"Expansion"** means the addition of buildings, structures, fixed machinery and equipment, and fixed personal property for the purposes of increasing production capacity.
- (i) **"Facility"** means property improvements completed or in the process of construction which together comprise an integral whole.
- (j) **"Fixed Machinery and Equipment and/or Personal Property"** means tangible machinery, equipment, or personal property that is securely placed or fastened and stationary within a building or structure, or which is movable but remains at and is used solely at the project site.
- (k) **"Manufacturing Facility"** means buildings and structures, including fixed machinery and equipment, and fixed personal property, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.
- (l) **"Modernization"** means the replacement and upgrading of existing facilities which increases the productive input or output, updates the technology or substantially lowers the unit cost of the operation, and extends the economic life of the facility. Modernization may result from the construction, alteration or installation of buildings, structures, fixed machinery and equipment, and fixed personal property. It shall not be for the purpose of reconditioning, refurbishing, repairing, or completion of deferred maintenance.
- (m) **"New Facility"** means a property previously undeveloped which is placed into service by means other than or in conjunction with expansion or modernization.
- (n) **"Other Basic Industry"** means buildings and structures including fixed machinery and equipment, and fixed personal property not elsewhere described, used or to be used for the production of products or services which primarily serve a market outside Tarrant County [or the Fort Worth Consolidated Metropolitan Statistical Area] and result in the creation of new permanent jobs and bring new wealth in to Tarrant County.
- (o) **"Regional Distribution Center Facility"** means building and structures, including fixed machinery and equipment, and fixed personal property, used or to be used primarily to receive, store, service or distribute goods or materials owned by the facility operator.
- (p) **"Non-Manufacturing Facilities"** means buildings and structures, used to service and/or house individuals on a permanent or temporary basis.
- (q) **"Regional Service Facility"** means building and structures, including fixed machinery and equipment, and fixed personal property, used or to be used to service goods.

- (r) **"Reinvestment Zone"** is an area designated as such for the purpose of tax abatement as authorized by Chapter 312 of the Texas Tax Code.
- (s) **"Regional Entertainment Facility"** means buildings and structures, including machinery and equipment, used or to be used to provide entertainment through the admission of the general public where the majority of the users reside at least 100 miles from its location in the County.
- (t) **"Regional Retail Facility"** means buildings and structures including fixed machinery and equipment used or to be used to provide retail services from which a large portion of the revenues generated by the activity at the facility are derived from users outside the County.
- (u) **"Research Facility"** means building and structures, including fixed machinery and equipment, and fixed personal property, used or to be used primarily for research or experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes thereto.

III. ABATEMENT AUTHORIZED

- (a) **Authorized Facility.** A facility may be eligible for abatement if it is a Manufacturing Facility, a Research Facility, a Regional Distribution Center Facility, A Regional Service Facility, a Regional Entertainment Facility, Regional Retail Facility, a Non-Manufacturing Facility, or Other Basic Industry as defined. The economic life of a facility and any improvements must exceed the life of the abatement agreement.
- (b) **Creation of New Value.** Abatement may be only granted for the additional value of eligible property improvements made subsequent to and listed in an abatement agreement between the County and the property owner and lessee, subject to such limitations as Commissioners Court may require.
- (c) **New and Existing Facilities.** Abatement may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion.
- (d) **Eligible Property.** Abatement may be extended to the value above the Base Year Value of buildings, structures, fixed machinery and equipment, fixed personal property, and site improvements plus that office space and related fixed improvements necessary to the operation and administration of the facility.
- (e) **Ineligible Property.** The following types of property shall be fully taxable and ineligible for abatement: land; inventories; supplies; tools; furnishings, and other forms of movable personal property; vehicles; vessels; private aircraft; deferred maintenance investments; property to be rented or leased except as provided in Section 3 (f); also, any property included in the calculation of base year value as defined.

- (f) **Owned/Leased Facilities.** If a leased facility is granted abatement the agreement shall be executed with the lessor and the lessee.
- (g) **Value and Term of Abatement.** Abatement shall be granted effective with the execution of the agreement. The value of the abatement will be determined based on the merits of the project, including, but not limited to, total capital investment value and added employment. Up to one hundred percent of the value of new eligible properties may be abated for a total term of abatement not to exceed ten years. However, a project must provide an extraordinary economic benefit to the County to be considered for a one hundred percent abatement.
- (h) **Economic Qualification.** In order to be eligible for designation as a County reinvestment zone and/or receive County tax abatement, the planned improvement:
- (1) for new businesses, must be reasonably expected to produce a minimum added value of Five Million Dollars (\$5,000,000) in real and personal property to Tarrant County and create and sustain a minimum of 25 new full-time jobs.
 - (2) for expansions or modernizations of existing businesses, must be reasonably expected to produce a minimum added value of Three Million Dollars (\$3,000,000) in real and personal property improvements to Tarrant County, and sustain existing employment levels.
 - (3) must not be expected to solely or primarily have the effect of transferring employment from one part of Tarrant County to another without a majority vote of approval from the Commissioners Court.
 - (4) must be necessary for expansion and/or modernization because the capacity cannot be provided efficiently utilizing existing improved property when reasonable allowance is made for necessary improvements.
 - (5) the above investment and employment minimums may be waived at the discretion of the Commissioners Court for projects located in Federal or State designated Enterprise Zones.
- (i) **Additional Criteria For Abatement.** To be eligible for abatement, the project must be expected to meet the specific goals and requirements as noted below. If a company is unable to meet the minimum requirements of this section, a variance must be requested with a detailed explanation as to the circumstances that preclude the company from meeting the minimum requirements.
- (1) **Use of DBE and Tarrant County Businesses.** The project must provide for the utilization of Disadvantaged Business Enterprises for a minimum of 15% of the total costs for construction contracts and annual supply and service contracts.

Additionally, the project must provide for the utilization of Tarrant County businesses for a minimum of 25% of the total costs for construction contracts and annual supply and services contracts.

- (2) **Tarrant County Employment.** The company must hire Tarrant County residents for a minimum of 25% of the new full time jobs to be created by the project. Residents, for the purpose of this policy, are those employees who reside in Tarrant County, whether through relocation or existing residency.
 - (3) **Environmental Impacts.** Environmental impact information must be provided, noting any anticipated impacts of the project on the environment, including, but not limited to, water quality, storm water and runoff, floodplain and wetlands, solid waste disposal, noise levels, and air quality. Additionally, the company must provide a written company policy on air quality mitigation, the company's plan for participation in the region's Ozone Action Program, and a report of employer assistance in encouraging alternative commute programs and employee trip reductions. For companies new to the region, the above policies and plan must be completed and presented within the first year of the abatement.
 - (4) **Employee Benefits.** The company must offer a health benefit plan to its full-time employees at a rate that is reasonable to the majority of its employees and which allows access to the plan by the employees' dependents. For additional consideration, the company may provide information on other employee benefits provided, such as retirement/pension programs and subsidies for education, job-training, transportation assistance and child/elderly care.
- (j) **Taxability.** From the execution of the abatement to the end of the agreement period taxes shall be payable as follows:
- (1) The value of ineligible property as provided in Section III (e) shall be fully taxable;
 - (2) The base year value of existing eligible property shall be fully taxable, as well as the value of any existing personal property currently on the tax rolls in Tarrant County that is either moved to a new abated location or is replaced due to modernization or expansion.
 - (3) The additional value of new eligible property shall be taxable in the manner and for the period provided for in the abatement agreement, subject to the terms described in Section III (g); and
 - (4) The additional value of new eligible property shall be fully taxable at the end of the abatement period.

IV. APPLICATION

- (a) Any present or potential owner of taxable property in Tarrant County may request the creation of a reinvestment zone and/or tax abatement by filing a written request with the County Judge.**
- (b) The application shall consist of a completed application form including, but not limited to: a general description of the new improvements to be undertaken; a descriptive list of the improvements for which an abatement is requested; a list of the kind, number and location of all proposed improvements of the property; a map and property description; a time schedule for undertaking and completing the proposed improvements; employment and contract information; the location of existing company locations in Tarrant County and the surrounding counties and the expected number of transferring employees; details of the environmental impacts of the project, and employee benefit information. In the case of modernization a statement of the assessed value of the facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application. The County may require such financial and other information as deemed appropriate for evaluating the financial capacity and other factors pertaining to the applicant, to be attached to the application.**
- (c) All applications for creation of reinvestment zones or abatements shall incorporate a feasibility study estimating the economic effect of the proposed reinvestment zone and tax abatement on Tarrant County, other eligible participating jurisdictions, and the applicant.**
- (d) Upon receipt of a completed application for creation of a reinvestment zone, the County Judge shall notify in writing and provide a copy of the application to the presiding officer of the governing body of each eligible jurisdiction.**
- (e) Upon receipt of a completed application and/or request to participate with a municipality in an abatement agreement, Tarrant County Administrator's Office must review and provide recommendation to the Commissioners Court within 30 days and before the public hearing.**
- (f) The County shall not establish a reinvestment zone, nor participate in an abatement, if it finds that the application for County reinvestment zone/tax abatement was filed after the commencement of construction, alteration, or installation of improvements related to the proposed modernization, expansion or new facility.**
- (g) Variance. Request for variance from the provisions of this policy must be made in written form to the County Judge and submitted with the application for abatement, provided, however, the total duration of an abatement shall in no instance exceed ten years. Such request shall include a complete description of the circumstances explaining why the applicant should be granted a variance. Request for variance must**

be approved by a majority vote of the Commissioners Court.

V. PUBLIC HEARINGS AND APPROVAL

- (a) For projects in unincorporated Tarrant County, the Commissioners Court may not adopt a resolution designating a County reinvestment zone until it has held a public hearing at which interested persons are entitled to speak and present evidence for or against the designation. Notice of the hearing shall be clearly identified on the Commissioners Court agenda at least 30 days prior to the hearing. The presiding officers of eligible jurisdictions shall be notified in writing at least 15 days prior to the hearing.
- (b) Prior to entering into a tax abatement agreement the Commissioners Court may, at its option, hold a public hearing at which interested persons shall be entitled to speak and present written materials for or against the approval of the tax abatement agreement.
- (c) In order to enter into a tax abatement agreement, the Commissioners Court must find that the terms of the proposed agreement meet these Guidelines and Criteria and that:
 - (1) there will be no substantial adverse affect on the provision of the jurisdiction's service or tax base: and
 - (2) the planned use of the property will not constitute a hazard to public safety, health or morals.
- (d) Any application requesting a variance under Section IV (g) shall be approved by a majority vote of the Commissioners Court. No application which deviates from the requirements of these Guidelines and Criteria shall be approved unless accompanied by a request for variance as provided under Section IV (g).

VI. AGREEMENT

- (a) After approval the County shall formally pass a resolution and execute an agreement with the owner of the facility and lessee as required. The Court Order shall include:
 - (1) estimated value of real and personal property to be abated and the base year value;
 - (2) percent of value to be abated each year as provided in Section III (g);
 - (3) the commencement date and the termination date of abatement;
 - (4) the proposed use of the facility; nature of construction, time schedule, map, property description and improvement list as provide in Section IV (b);

- (5) **contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, recapture, administration and assignment as provided in Sections III (a), III (e), III (g) VII, VIII, and IX, or other provisions that may be required for uniformity or by state law, and;**
- (6) **a statement of the facility owner's policy regarding Disadvantaged Business Enterprises (DBEs), and the estimated dollar amount and percentage of total contracts to be awarded to DBEs for construction, professional services, purchases of equipment and supplies and other services required for the abated improvements;**
- (7) **amount of investment and average number of jobs involved; and**
- (8) **an assessment of the environmental impacts of the project, including a statement of the owner's policy addressing regional air quality and information on the use of alternative fuels in fleet vehicles.**
- (9) **a statement indicating the provision of a health care benefit plan for employees and dependents.**

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

- (b) **Participation in tax abatement agreements with municipalities requires additional information to be included in the Court Order approving the agreement, as follows:**
 - (1) **a copy of the agreement between the applicant and municipality shall be attached and made apart of the Court Order for all purposes;**
 - (2) **authorization for the County Judge to execute a signatory page on behalf of the Commissioners Court which shall be attached and made part of the original agreement.**

VII. RECAPTURE

Commissioners Court reserves the right to review compliance for full or partial recapture in the event that the applicant fails to perform in "good faith." If a project is not completed as specified in the tax abatement agreement, the County has the right to cancel the abatement agreement and abated taxes shall become due to the County and other affected taxing units as provided by law. If any of the provisions contained in the tax abatement agreement, i.e., employment, amount of investment, etc., are not met, the County shall have the right to reduce or cancel the abatement agreement. If a project granted a tax abatement ceases to operate or is no longer in conformance with the tax abatement agreement, the agreement shall not be in

effect for the period of time during which the project is not operating or is not in conformance.

VIII. ADMINISTRATION

- (a) **The Chief Appraiser of the County shall annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year, the company or individual receiving abatement shall furnish the assessor with such information as may be necessary for the abatement. Once value has been established, the chief Appraiser shall notify the affected jurisdictions which levies taxes of the amount of the assessment.**
- (b) **The agreement shall stipulate that employees and/or designated representatives of the County will have access to the reinvestment zone during the term of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the company or individual and in accordance with its safety standards.**
- (c) **Upon completion of construction the County and/or the jurisdiction creating the reinvestment zone shall annually (or at such other times as deemed appropriate by the Commissioners Court) evaluate each facility receiving abatement to ensure compliance with the agreement and report possible violations to the contract and agreement to the Commissioners Court and the District Attorney. On or before April 30th of every year during the life of the abatement agreement, the company or individual receiving the abatement shall complete and file a Tax Abatement Evaluation Report, along with other required written documentation, detailing and certifying the abatement recipient's compliance with the terms of the abatement agreement. Failure to provide information requested in the compliance evaluation by the prescribed deadline may result in taxes abated in the prior year being due and payable. The company or individual receiving a tax abatement shall provide information to the County for the evaluation which shall include, but not be limited to, the following:**
 - (1) **the number and dollar amounts of all construction contracts and subcontracts awarded on the project;**
 - (2) **the total number of employees of the company, their gross salaries, and the number of employees residing in Tarrant County and their gross salaries, reported in job classifications appropriate to the employee;**
 - (3) **the gross dollars spent on supplier and professional service contracts, indicating the amounts by contract awarded and performed by Tarrant County business and individuals;**

- (4) **the dollar amount of contracts awarded to Disadvantaged Business Enterprises;**
- (5) **detail of actions taken to mitigate any adverse environmental impacts of the project, if applicable; and**
- (6) **should the dollars, percentages, or actions not meet the original or modified requirements of the abatement agreement, a statement shall be provided explaining the reason for the failure to meet the requirements and a recommended course of rectification.**

IX. ASSIGNMENT

Tax abatement agreements may be assigned to a new owner or lessee of the facility with the written consent of the Commissioners Court, which consent shall not be unreasonably withheld. Any assignment shall provide that the assignee shall irrevocably and unconditionally assume all the duties and obligations of the assignor upon the same terms and conditions as set out in the agreement. Any assignment of a tax abatement agreement shall be to an entity that contemplates the same improvements or repairs to the property, except to the extent such improvements or repairs have been completed. No assignment shall be approved if the assignor or the assignee are indebted to the County for ad valorem taxes or other obligations.

X. SUNSET PROVISION

These Guidelines and Criteria are effective on January 1 of the year following the date of their adoption and will remain in force for two years, at which time all reinvestment zones and tax abatement contracts created pursuant to its provisions will be reviewed by the County to determine whether the goals have been achieved. Based on that review, the guidelines and Criteria will be modified, renewed or eliminated. These Guidelines and Criteria may be amended by Commissioners Court at any time during their effective period.