

CO.#142037



COMMISSIONERS COURT
COMMUNICATION

REFERENCE NUMBER _____

PAGE 1 OF 86

DATE: 11/07/2023

**SUBJECT: APPROVAL OF A TAX ABATEMENT AGREEMENT BETWEEN
TARRANT COUNTY, CARTER PARK EAST PHASE 1, LLC AND
SIEMENS INDUSTRY, INC., CITY OF FORT WORTH**

COMMISSIONERS COURT ACTION REQUESTED

It is requested that the Commissioners Court approve the Resolution and Tax Abatement Agreement providing for Tarrant County participation with the City of Fort Worth in the abatement of ad valorem taxes on the eligible real and personal property improvements made by Siemens Industry, Inc. for the development of a 550,000 square foot advanced fabrication and assembly facility and office space located at 7200 Harris Legacy Drive (Carter Park East), Fort Worth, Texas 76140, for a period of ten (10) years at a maximum abatement percentage of forty percent (40%) as set forth in the Agreement, and authorize the County Judge, or his designee, to execute the Agreement.

BACKGROUND

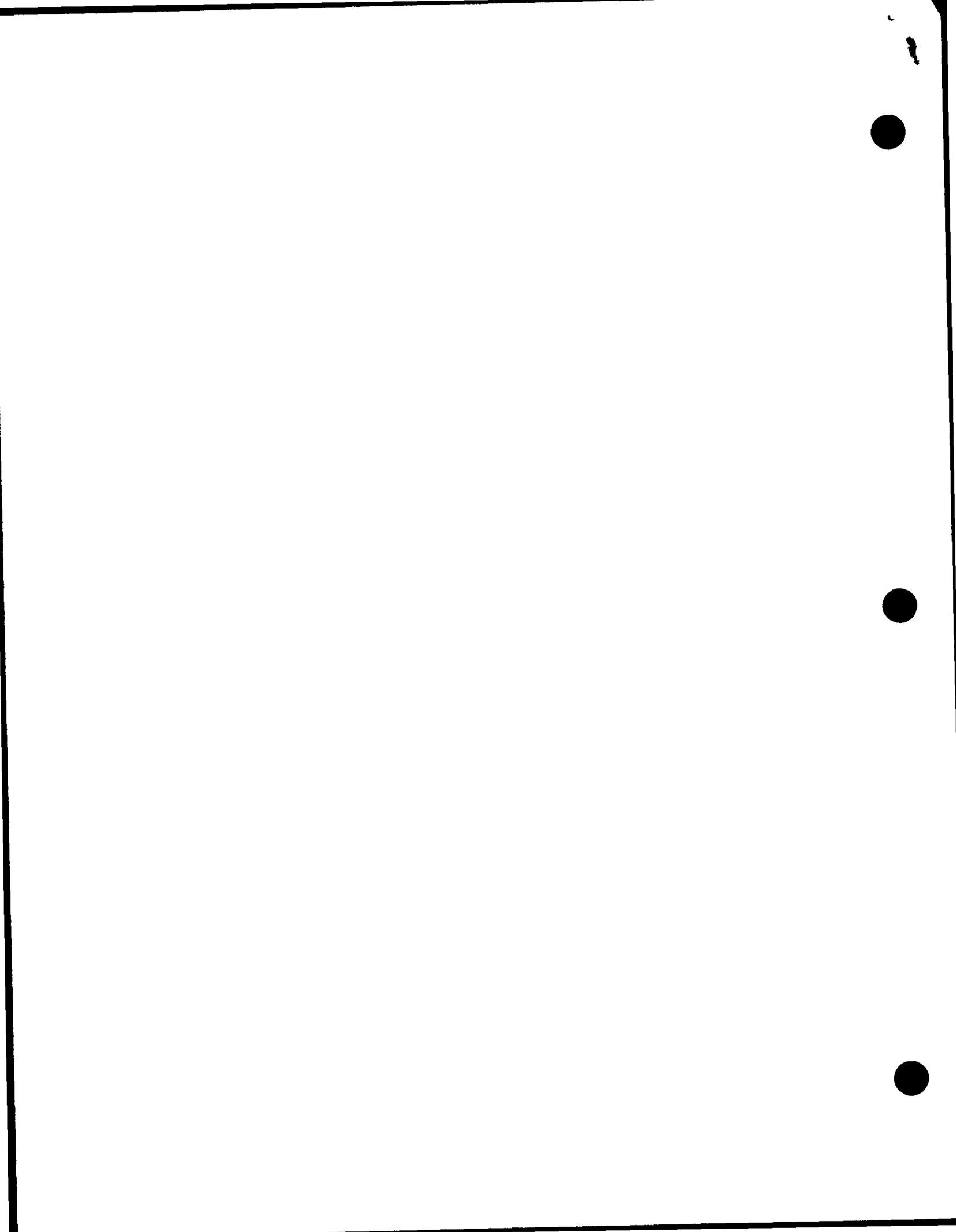
Siemens is a subsidiary of Siemens AG and provides products, systems and services for industrial automation, drives, motors, and energy management systems. The company is a German multinational corporation with operations in more than 190 countries, with thirteen (13) sites in North America, including one in Grand Prairie, Texas. The current global demand for low-voltage switchgear has skyrocketed, in part due to increased construction, expansion of manufacturing operations, and the growing use of sustainable energy.

Following a multi-community site selection process, an existing facility located at 7200 Harris Legacy Drive (Carter Park East) in Fort Worth was identified for the 550,000-square-foot advanced fabrication and assembly facility location. The property will be leased by Siemens from Carter Park East Phase 1, LLC.

In order to facilitate the establishment of Siemens in Fort Worth, the City of Fort Worth, along with the County proposes to provide a ten (10) year tax abatement. Siemens will invest over \$70 million in the new facility and locate an estimated \$55 million in business personal property to the facility. Siemens is expected to bring 167 new full-time jobs by the end of 2024, ramping up to 715 jobs by December 2026, with an average salary of approximately \$63,000.00 annually. Healthcare and other benefits are provided at a reasonable cost to full-time employees.

The City of Fort Worth has approved a ten (10) year tax abatement providing up to seventy percent (70%) abatement of real and personal property taxes. If Commissioners Court chooses to participate in tax abatement for Siemens, the staff proposes County participation in tax abatement at a maximum of forty percent (40%) of new real and personal property value for a period of ten (10) years.

SUBMITTED BY:	Administrator's Office	PREPARED BY: APPROVED BY:	Maegan P. South
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COMMISSIONERS COURT COMMUNICATION

REFERENCE NUMBER: _____ DATE: 11/07/2023 PAGE 2 OF 86

The Criminal District Attorney's Office has approved this agreement as to form.

FISCAL IMPACT

The total new real and personal property value added from this project is estimated at over \$125 million (\$70 million for real property and \$55 million for business personal property). Based on current tax rates, should Siemens earn the maximum tax abatement of forty percent (40%) for all ten (10) years, the project could receive a total ten (10) year tax abatement of approximately \$972,500.00 from the County. Hospital District taxes will not be abated.

Over that same period, the County will receive an equal amount or more in tax revenues from the unabated portion of the new improvements, as well as the current base value of the property. New tax revenues solely from the unabated portion of new improvements are expected to be approximately \$145,875.00 annually for the County or approximately \$1,458,750.00 over the ten (10) year abatement.





RESOLUTION

PARTICIPATION IN TAX ABATEMENT FOR SIEMENS INDUSTRY, INC., FORT WORTH, TX

WHEREAS, Siemens Industry, Inc. a Delaware limited partnership, acting by and through its authorized officers (hereafter referred to as "Company"), plans to develop a 549,870 square foot advanced fabrication and assembly Facility and office space located at 7200 Harris Legacy Drive (Carter Park East), Fort Worth, Texas 76140, more particularly described in the Tax Abatement Agreement attached hereto and incorporated herein by reference ("Real Property"); 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 Fort Worth; and

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

WHEREAS, the City Council of the City of Fort Worth has adopted Ordinance No.26417-09-2023 establishing Tax Abatement Reinvestment Zone No. 106, City of Fort Worth, and has approved and executed a Tax Abatement Agreement as it relates to improvements made on the Real Property; and

WHEREAS, the Tax Abatement Agreement (the "Agreement") between Tarrant County and Company, provides for the construction and installation of certain improvements at an estimated cost of \$125,000,000 to be completed by December 31, 2024; and

WHEREAS, the Agreement with the Company is conditioned upon specific real and personal property improvements, continued operation of the facility and the addition of new jobs; and

WHEREAS, the Commissioners Court has been requested by the Company 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.

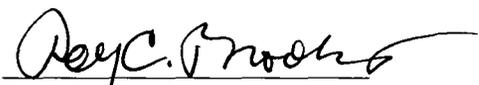
NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED by the Commissioners Court of Tarrant County, Texas:

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 or the state; and according to the here 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 Tarrant County taxes be and is hereby approved; that the County and its Commissioners Court hereby agree to enter into the Agreements 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 7 day of November 2023, through Court Order No. 142037



Tim O'Hare, County Judge



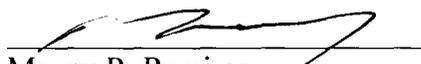
Roy C. Brooks
Commissioner, Precinct 1



Alisa Simmons
Commissioner, Precinct 2



Gary Fickes
Commissioner, Precinct 3



Manny R. Ramirez
Commissioner, Precinct 4

THE STATE OF TEXAS §

Tax Abatement Agreement

COUNTY OF TARRANT §

THIS Agreement is executed by and between **TARRANT COUNTY, TEXAS**, acting by and through its County Judge or his designee, (hereafter referred to as "**COUNTY**"); **CARTER PARK EAST PHASE 1, L.L.C.**, a Delaware limited liability company (hereafter referred to as "**CARTER**") and **SIEMENS INDUSTRY, INC.**, a Delaware corporation, acting by and through its authorized officer (hereafter referred to as "**COMPANY**")

WITNESSETH:

WHEREAS, the Tarrant County Commissioners Court (the "**Commissioners Court**") has resolved that the COUNTY may elect to participate in tax abatement; and

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

WHEREAS, the Premises (as hereafter defined) is, and the Eligible Property (as hereafter defined) will be, located in Reinvestment Zone No. 106 in the City of Fort Worth, Texas, established by Ordinance No. 26417-09-2023 (the "**Ordinance**") adopted on September 12, 2023, and further described in **Exhibit "A"**, being a commercial reinvestment zone for the purpose of tax abatement as authorized by Chapter 312 of the Texas Tax Code, as amended (the "**Zone**"); and

WHEREAS, the City Council of the City of Fort Worth has approved and authorized the execution and delivery of a Tax Abatement Agreement as to the Eligible Property thereon, attached hereto as **Exhibit "B"**; and

WHEREAS, COMPANY 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 "C"** and following submission of such application the investment amounts were revised to amounts now reflected in this Agreement; and

WHEREAS, CARTER is the owner of real property located within the Zone, more specifically described in **Exhibit "A"**. Contingent upon Company's receipt of the tax abatement herein (i.e. subject to COMPANY's termination right if the grant of such tax abatement is not approved), CARTER will lease the Premises (as defined below) to Siemens Corporation, an affiliate of the COMPANY, on

terms and conditions that permit the development of an advanced fabrication and assembly facility of at least 540,000 square feet to support the COMPANY'S business operations, and in which COMPANY will install certain taxable business personal property on the Premises, all as more specifically set forth in this Agreement. Siemens Corporation shall provide occupancy of the Premises to the COMPANY pursuant to an agreement referenced herein as the "GOSA." The lease of the Premises between CARTER and the COMPANY's affiliate, SIEMENS CORPORATION, "Lease" will contain terms and conditions consistent with those outlined in Exhibit "E", attached hereto and hereby made a part of this Agreement for all purposes. Under the GOSA, costs incurred by Siemens Corporation pursuant to the Lease, including payment of ad valorem real property taxes are recouped from the COMPANY; and

WHEREAS, Under the Lease by way of the GOSA, COMPANY is liable for real property taxes on the Premises and all improvements thereon, including the Real Property Improvements. In order for the full tax abatement necessary to provide incentive for this project to be undertaken, the COUNTY has been requested to grant an abatement on real property taxes on improvements to the Premises as well as an abatement on taxes on New Tangible Personal Property (as defined below) located on the Premises. Because COMPANY must meet certain employment and spending commitments in order for the COUNTY to grant the full amount of abatement available hereunder on improvements to the Premises, and because COMPANY will be the owner or lessee of New Taxable Tangible Personal Property that is subject to abatement hereunder, it is necessary that both CARTER and COMPANY be parties to this Agreement.

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 within the Zone;

NOW THEREFORE, the COUNTY, COMPANY, and CARTER, 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. "Abatement" means the abatement of a percentage (not to exceed forty percent (40%) in any given year of the Abatement Term) of the COUNTY'S incremental ad valorem real property taxes on any improvements located on the Premises (but not on the Land itself, which taxes will not be subject to Abatement hereunder) and of the COUNTY'S incremental ad valorem taxes on New Tangible Personal Property, all calculated in accordance with this Agreement.

- B. "Abatement Term" means the term of ten (10) consecutive years, commencing on January 1, 2025 (and to be first reflected in such property tax bill issued by the County on or around October 1, 2025) and expiring on December 31st of the tenth (10th) year thereafter, in which CARTER and COMPANY will receive the Abatement in accordance with this Agreement.
- C. "Added Market Value" is defined as the market value of Eligible Property on the Premises above the Base Year Value.
- D. "Base Year Value" is defined as the tax year 2023 taxable value of real and personal property located on the Premises in City of Fort Worth Reinvestment Zone No. 106 on January 1, 2023, as finally determined by the Tarrant Appraisal District.
- E. "Completion Date" means the date as of which all space in which the COMPANY will operate within the Real Property Improvements have received a certificate of occupancy (either temporary or permanent). Completion of punchlist items shall not impact the Completion Date. A portion of the Premises may remain vacant or be subleased and such shall not impact the Completion Date.
- F. "Completion Deadline" means December 31, 2024.
- G. "Construction Costs" are defined as site development and building costs, including, without limitation, actual site preparation and development and construction costs, signage costs, contractor fees, the costs of labor, supplies and materials, materials testing, engineering fees, architectural fees and other design, consulting, construction management and professional costs, and contractor, development and permitting fees expended directly in connection with the construction of the Real Property Improvements and landscape improvements.
- H. "DBE Companies" are defined as companies who are a Disadvantage Business Enterprise ("DBE"), and the term "DBE" shall mean:
- i. 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 as defined in Section 2161.001 of the Texas Government Code, and as it may be updated,

- ii. 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 .H(i). above,
 - iii. 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 .H(i). above, and in which minority or women partners have proportionate interest in the control, operation, and management of the partnership affairs, or a
 - iv. a limited liability company that is formed for the purpose of making a profit in which 51 percent of the assets and interest in the company is owned by one or more persons described by H(i). above.
- I. "**Effective Date**" is defined as the date as of which both the County, Company and Carter have executed this Agreement.
- J. "**Eligible Property**" is defined as Real Property Improvements and Personal Property Improvements made for expansion of the facility, constructed, renovated, delivered to, installed or placed on the Premises through the Completion Deadline, as further described in the Application for Tax Abatement attached hereto as **Exhibit "C"**.
- K. Intentionally Deleted.
- L. "**Job**" is defined as a permanent, full-time employment position with COMPANY on the Premises that results in employment of at least forty-hours per week per position, or such number of hours per week that COMPANY has accepted per its agreement with the applicable union and/or such number of hours that is standard in Tarrant County for an equivalent full time job of such position. Part-time positions shall not be included in this definition.
- M. "**Personal Property Improvements**" are defined as tangible personal property (except inventory or supplies) delivered to, installed or located on the Premises.
- N. "**Premises**" are defined as the real property (land and improvements) as described in **Exhibit "A"** which existed on January 1, 2023 within City of Fort Worth Reinvestment Zone No. 106, that are owned and/or operated by CARTER/COMPANY.
- O. "**Real Property Improvements**" are defined as improvements to the Premises, and shall include structures or fixtures erected or affixed to the Premises.

- P. Intentionally Deleted.
- Q. **“Supply and Service Expenditures”** are defined as those local discretionary expenditures (i.e. not a part of national or regional COMPANY contracts or mandates) made by COMPANY directly for the operation and maintenance of Premises and any improvements thereon, excluding utility service costs.
- R. **“Tarrant County Companies”** are defined as any corporation, partnership, limited liability company or sole proprietorship maintaining an addressed office location within Tarrant County from which such entity conducts all or a substantial part of its business operations within Tarrant County.
- S. **“Zone”** as used herein is defined as the real property located in City of Fort Worth Reinvestment Zone No. 106 and described by City of Fort Worth Ordinance No. 16417-09-2023, substantially in the form included within **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. COMPANY (with respect to both Real Property Improvements and Personal Property Improvements) shall improve or cause the improvement of the Premises by completing the Eligible Real and Personal Property Improvements in accordance with this Agreement.
- B. CARTER and COMPANY shall provide for the completion of the Eligible Real Property Improvements no later than December 31, 2024, having a minimum Construction Cost upon completion of not less than Seventy Million Dollars (\$70,000,000.00). CARTER may perform this obligation in full by permitting COMPANY to make or cause to be made, or expend funds for, the Real Property Improvements pursuant to the Lease. In addition to the foregoing, any funds expended by COMPANY’s affiliate, Siemens Corporation, for any Eligible Real Property Improvements shall qualify for the expenditure amount stated herein. Failure to meet the aforementioned obligation constitutes an Event of Default.

- C. COMPANY shall provide for the installation or location of the Eligible Personal Property Improvements no later than January 1, 2025, having a minimum initial cost of not less than Fifty-five Million Dollars (\$55,000,000). The Personal Property Improvement commitment is an obligation of the COMPANY only, and CARTER does not have any responsibility to ensure that the Personal Property Improvement Commitment is met.
- D. COMPANY shall expend or cause to be expended at least fifteen percent (15%) of all Construction Costs of Eligible Real Property Improvements with DBE Companies.
- E. COMPANY shall expend or cause to be expended at least twenty-five percent (25%) of all Construction Costs of Eligible Real Property Improvements with Tarrant County companies.
- F. COMPANY shall expend or cause to be expended at least twenty-five percent (25%) in annual Supply and Service Expenditures with Tarrant County Companies.
- G. COMPANY shall expend or cause to be expended at least fifteen percent (15%) in annual Supply and Service Expenditures with DBE companies.
- H. COMPANY must employ and retain the following number of new Full-Time Jobs on the Land by the dates set forth below. Company must retain all new Full-Time Jobs on the Land from and after the dates set forth below through the Term of this Agreement. A Full-Time Job will be considered new if the individual was hired on or after June 2, 2023. The overall employee commitment is an obligation of the COMPANY only, and CARTER does not have any responsibility to ensure that the overall employment commitment is met in any given year.
 - a. Company must employ and retain a minimum of 167 Full-Time Jobs in this Zone on or before December 31, 2024.
 - b. Company must employ and retain a minimum of 715 Full-Time Jobs in this Zone on or before December 31, 2026.
- I. COMPANY shall operate and maintain on the Premises the Eligible Property and conduct COMPANY's lawful business operations thereon for the duration of this Agreement.
- J. All proposed Eligible Property shall conform to the applicable building codes, zoning ordinances and all other ordinances and regulations of the City of Fort Worth and/or Tarrant County.
- K. The Premises and all Improvements must conform to all applicable state and federal laws and regulations to air pollution and air quality.

IV.
Abatement Allowed

- A. As set forth in this section, tax abatement allowed herein shall be for Tarrant County ad valorem real property and personal property taxes, relative to Added Market Value of the Eligible Property located on or with the Premises, subject to the following terms and conditions. **Tarrant County Hospital District ad valorem taxes are not subject to the provisions of this Agreement.**
- B. If the Improvement Conditions and Requirements set forth in Section III herein are met, COUNTY agrees to exempt from taxation up to forty percent (40%) 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 ten (10) consecutive years commencing on January 1, 2025 (and to be first reflected in such property tax bill issued by the County on or around October 1, 2025) and expiring on December 31st of the tenth (10th) year thereafter, in which CARTER and COMPANY will receive the Abatement in accordance with this Agreement.
1. Base Abatement - If COMPANY (i.) improves the Premises and adds the required Eligible Property to the Premises as set forth in Section III A., B., and C., (ii.) maintains and adds employment as set forth in Section III. H., (iii.) employs Tarrant County residents for a minimum twenty-five percent (25%) of all Jobs, (iv.) makes expenditures for Construction Costs and annual Supply and Service Expenditures as set forth in Section III. D., E., F. and G., then COUNTY shall exempt from taxation forty percent (40%) of the Added Market Value of the Eligible Property.

Dollars spent with DBE Companies may also count as dollars spent with Tarrant County Companies, and vice versa, for the purposes of this Section if the DBE Company is also a Tarrant County Company as defined herein.

Failure to meet the minimum cost requirements set forth in Section III. B. and C., and following any applicable notice and cure period, is a condition of Default and shall result in the termination of this Agreement in accordance with Section VII. Failure to meet the requirements for Jobs, Tarrant County resident employment, and use of DBE and Tarrant County Companies for Construction and Supply and Service Expenditures, as set forth in Section III, shall not constitute a Default but rather 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 Abatement

a. Employment and Spending Deficiencies

In any year that employment and spending levels do not meet the minimum requirements set forth in Section IV.B.1., the COUNTY shall reduce the Base Abatement percentage for that year as set forth below. Each reduction is separate and individual and may be cumulative in any year.

- i. If the actual number of Jobs falls below the minimum Jobs requirements set forth in Section III.H., the Base Abatement percentage will be reduced by one percent (1%) for each five (5) Job deficiency, for that year.
- ii. If less than twenty-five percent (25%) of all Jobs are filled by Tarrant County residents, COMPANY will receive a ten percent (10%) reduction from the Base Abatement for that year. For purposes of this section, residents includes all individuals who reside in Tarrant County, whether through relocation or existing residency.
- iii. If spending with DBE Companies is less than fifteen percent (15%) of total Construction Costs, as set forth in Section III.D., COMPANY will receive a reduction of one percent (1%) from the Base Abatement for each one percent (1%) spending deficiency, up to a maximum reduction of five percent (5%), for the life of the abatement.
- iv. If spending with Tarrant County Companies is less than twenty-five percent (25%) of total Construction Costs, as set forth in Section III.E., COMPANY will receive a reduction of one percent (1%) from the Base Abatement for each one percent (1%) spending deficiency, up to a maximum reduction of five percent (5%), for the life of the abatement.
- v. If spending with Tarrant County or DBE Companies for annual Supply and Services Expenditures is less than the minimum requirements set forth in Section III. F. and G., COMPANY will receive a one percent (1%) reduction in the Base Abatement percentage for each one percent (1%) deficiency from the minimum requirement, for that year up to a maximum of five percent (5%) for that year.

V.

Reports, Audits and Inspections

- A. Annual Certification and Reports - Pursuant to state law, COMPANY shall certify annually to taxing units that COMPANY is in compliance with the terms of the tax abatement agreement, and shall provide taxing units with reports and records reasonably necessary to support each year of the agreement, as follows:

1. Certification - COMPANY shall complete and certify a Tax Abatement Evaluation Report to be provided by COUNTY in the form attached hereto as Schedule 5-A, for each year of the tax abatement 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, costs, and spending on construction and supply and services, a narrative description of the project's progress, and other submittals required by the tax abatement agreement.
2. Eligible Property Reports - At a minimum, COMPANY shall make available upon request the following information annually on all Eligible Property for which COMPANY will seek tax abatement:
 - a. Property description;
 - b. Asset number/description;
 - c. Payment date for property located on Premises; and
 - d. Cost.
3. Eligible Property Reports for Projects in Progress - COMPANY shall provide County, upon request, information on the Personal Property Improvements . The 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 to be located on Premises.
4. Reports on Equipment Replaced or Removed - Additionally, COMPANY agrees to provide COUNTY, upon request, information on Eligible Property for which COMPANY 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/description to the available for Personal Property Improvements; and
 - c. Approximate date of disposal to the available for Personal Property Improvements.
5. Report Upon Project Completion - Within one-hundred eighty (180) days following the Completion Date, COMPANY shall provide COUNTY with a final Eligible Property Report that shall describe all Eligible Property for which

the Company is granted tax abatement. 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, COMPANY shall furnish COUNTY any additional records and information reasonably requested to support the reports required by this agreement, provided that COMPANY shall not be required to provide confidential and/or proprietary data in a form that the COUNTY will not or cannot keep confidential (including requests covered by the Texas Public Information Act and/or similar ordinance propagated by the City). However, the COMPANY shall allow the COUNTY to view such information in a manner in which facilitates COUNTY's verification of information, but is able to remain confidential.
- B. Right to Audit Books and Records - COUNTY shall have the right to audit the COMPANY books and records related to the Eligible Property and supporting the Eligible Property reports. COUNTY shall notify COMPANY in advance in writing of their intent to audit in order to allow COMPANY adequate time to make such books and records available. However, if the COUNTY does not or cannot agree to keep confidential and/or proprietary data within any records provided by COMPANY confidential (including due to potential request covered by the Texas Public Information Act and/or similar ordinance propagated by the COUNTY), the COMPANY shall allow the COUNTY to view such information in a manner in which facilitates COUNTY'S verification of information, but ensures such confidential and/or proprietary data remains confidential.
- C. Inspection - At all times throughout the term of this Agreement, COUNTY and the Tarrant Appraisal District (TAD) shall have reasonable access 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 or the operation of the Premises. The inspections shall be conducted within a reasonable time period after notice by COUNTY or TAD to COMPANY, provided, however, that all inspections shall be made with one (1) or more representative(s) of COMPANY present and in accordance with the safety standards of COMPANY.

VI. Use of Premises

The Premises at all times shall be used in a manner that is consistent with the City of Fort Worth zoning ordinances and consistent with the general purpose of encouraging development within the Zone. COMPANY AND COUNTY acknowledge that the use of the

Premises for an advanced fabrication and assembly facility is in accordance with this Agreement is consistent with such purposes.

VII.
Breach and Recapture

- A. Breach - A Breach of this Agreement, not cured with the timeframe established in Section VII(b), may result in termination or modification of this Agreement and recapture by COUNTY from COMPANY 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 to COMPANY at the statutory rate for delinquent taxes as determined by Section 33.01 of the 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 term “**Breach of this Agreement**” is defined as any of the following events:
1. COMPANY terminates the use of the Premises and permanently ceases to conduct its business operations thereon at any time during the term of the Agreement; or
 2. COMPANY fails to meet the Abatement Conditions and Requirements as specified in Section III, A., B., C., or I., herein; or
 3. COMPANY allows its ad valorem taxes on any property located within Tarrant County owed to COUNTY to become delinquent (provided that nothing herein shall limit the COMPANY’s right to timely protest or contest any appraisals, assessment or any calculation of such ad valorem taxes).
- B. Notice of Breach - In the event that COUNTY makes a reasonable determination that COMPANY has breached this Agreement, then COUNTY shall give COMPANY written notice of such default. COMPANY has sixty (60) days following receipt of said written notice to reasonably cure such breach, or, if more than sixty (60) days is reasonably required to cure, then such additional amount of time as is reasonably necessary to effect cure, or this Agreement may be terminated by COUNTY, and recapture of abated taxes from COMPANY may occur. Notice of default shall be in writing and shall be delivered by personal delivery or certified mail to COMPANY at its address provided in Section IX of this Agreement.
- C. Recapture - Should COMPANY commit a Breach of this Agreement according to items A.1, 2, or 3 of this Section VII, and COMPANY does not cure as provided in VII.B. above during the cure period, COUNTY may terminate this Agreement and recapture from COMPANY taxes abated for all years 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.

- 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. Provided, however, for the avoidance of doubt, personal property taxes on COMPANY'S Personal Property Improvements are not and shall not be secured by CARTER's Premises and Real Property Improvements.

VIII.

Assignment and Effect of Sale or Lease of Property

COMPANY may assign this Agreement and all or any portion of the benefits provided hereunder to an Affiliate, without the consent of COUNTY, provided that COMPANY provides COUNTY with written notice of such assignment, which notice shall include (a) the name and full contact information for the Affiliate, and (b) written agreement from an Affiliate assuming all terms and conditions of COMPANY under this Agreement. For purposes of this Agreement, an "Affiliate" means all entities, incorporated or otherwise, under direct or indirect common control with COMPANY, controlled by COMPANY, or controlling COMPANY or any successor to Company by sale, merger or re-organization. For purposes of this definition, "control" means ten percent (10%) or more ownership determined by either value or vote. Except as provided herein, the abatement granted by this Agreement shall not be otherwise assignable to any new owner or new lessee of all or a portion of the Premises or Eligible Property unless such assignment is approved in writing by the COUNTY, which consent will not be unreasonably withheld, conditioned, or delayed.

Notwithstanding the foregoing, CARTER may assign this Agreement without the consent of the COUNTY, provided that CARTER gives written notice to the COUNTY of the name and contact information for CARTER assignee or successor in interest. Any lawful assignee or successor in interest of CARTER of its rights under this Agreement will be deemed "CARTER" for all purposes under this Agreement.

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, by delivery by reputable overnight courier, or by hand delivery:

COMPANY: Siemens Industry, Inc.
100 Technology Drive
Alpharetta, GA 30005
Attn. President & CEO

With copy to: 1000 Deerfield Parkway,
Buffalo Grove, IL 60089,
Attn. Legal Dept.

CARTER: Carter Park East Phase 1, LLC
DFW Asset Manager
1717 McKinney Ave., Suite 1900
Dallas, Texas 75202

COUNTY: Tarrant County
Maegan South
County Administrator's Office
100 E. Weatherford
Fort Worth, Texas 76196

X.
Commissioners Court Authorization

This Agreement was authorized by order 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 (other than CARTER), 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 COMPANY, 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.
Company's Standing

COMPANY, 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 COMPANY 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.
Indemnification

It is understood and agreed between the parties that the COMPANY, in performing its obligations hereunder, is acting independently, and COUNTY assumes no responsibility or liability to third parties in connection therewith, and COMPANY agrees to indemnify and hold harmless COUNTY from any such responsibility or liability. It is further understood and agreed among the parties that COUNTY, in performing its obligations hereunder, is acting independently, and the COMPANY assumes no responsibility or liability to third parties in connection therewith, and COUNTY agrees to the extent allowed by law to indemnify and hold harmless COMPANY from any such responsibility or liability.

XVI.
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, pandemics, fire or other casualty of a similar nature, unavailability of labor or materials, unreasonable delays by the COUNTY or any other governmental body or authority (including delays caused by the then-current workload of applicable governmental department(s) responsible for undertaking the activity in question) in issuing any permits, consents, or certificates of occupancy or conducting any inspections of or with respect to the Premises and of the improvements thereon, or other circumstances which are reasonably beyond the control of the party obligated or permitted under the terms of this Agreement to do or perform the same.

XVII.
Knowing Employment of Undocumented Workers

COMPANY acknowledges that the COUNTY is required to comply with Chapter 2264 of the Texas Government Code, enacted by House Bill 1196 (80th Texas Legislature), which relates to restrictions on the use of certain public subsidies. COMPANY hereby certifies that COMPANY, and any branches, divisions, or departments of COMPANY, 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 the event that COMPANY, or any branch, division, or department of COMPANY, is convicted of a violation under 8 U.S.C. Section 1324a(f) (relating to federal criminal penalties and injunctions for a pattern or practice of employing unauthorized aliens), subject to any appellate rights that may lawfully be available to and exercised by COMPANY, COMPANY shall repay, within one hundred twenty (120) calendar days following receipt of written demand from the COUNTY, the aggregate amount of the value of the abatement received by COMPANY hereunder, if any, plus Simple Interest at a rate of four percent (4%) per annum. COMPANY shall not be considered in violation of this section for any actions of a subsidiary, Affiliate, franchisee of COMPANY or a person or entity with whom COMPANY contracts.

XVIII.
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.

Provided, however, and notwithstanding the foregoing, as between CARTER and COMPANY, this Agreement shall not affect the Lease or any other agreement between or binding CARTER and COMPANY. .

XIX.
Recordation of Agreement

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

XX.
Signatories

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

XXI.
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.

XXII.
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.

XXIII.
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.

XXIV.
Compliance With Laws

In providing the services required by this Agreement, COMPANY must, with respect to its operations on or within the Premises, observe and comply with all applicable federal, state, and local statutes, ordinances, rules, and regulations, including, without limitation, workers' compensation laws, minimum and maximum salary and wage statutes and regulations, and non-discrimination laws and regulations. COMPANY shall, with respect to its operations on or within the Premises, be responsible for ensuring its compliance with any laws and regulations applicable to its business, including maintaining any necessary licenses and permits.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the last date written below.

SIEMENS INDUSTRY, INC.

By: _____

Name:

Title:

Date: _____

TARRANT COUNTY, TEXAS

By: 

Tim O'Hare, County Judge

Date: November 7, 2023

By: _____

Name:

Title:

Date: _____

CARTER PARK EAST PHASE 1, L.L.C

A Delaware limited liability company

ATTEST:

By: **Carter Park East Investor, L.L.C,**

A Delaware limited liability company,

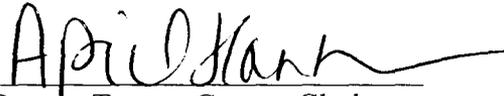
its managing member

By: _____

Name:

Title:

Date: _____


Deputy Tarrant County Clerk

APPROVED AS TO FORM*:


Asst. Criminal District Attorney

**By law, the Criminal District Attorney's Office may only approve contracts for its clients. We reviewed this document 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 TEXAS §

Siemens Industry, Inc.

Acknowledgment

COUNTY OF TARRANT §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, 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 **Siemens Industry, Inc.**, 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 _____, 2023.

Notary Public in and for
The State of _____

My Commission Expires

Notary's Printed Name

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, 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 **Siemens Industry, Inc.**, 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 _____, 2023.

Notary Public in and for
The State of _____

My Commission Expires

Notary's Printed Name

THE STATE OF TEXAS § Carter Park East Phase 1, L.L.C.
Acknowledgment
COUNTY OF TARRANT §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, 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 **PR Carter Distribution Center Building F, LP.** 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 _____, 2023.

Notary Public in and for
The State of _____

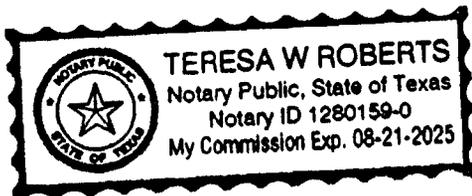
My Commission Expires

Notary's Printed Name

THE STATE OF TEXAS § Tarrant County, Texas
Acknowledgment
COUNTY OF TARRANT §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared **TIM O'HARE**, 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 8th day of November, 2023.



My Commission Expires

Teresa W Roberts
Notary Public in and for
The State of Texas
Teresa W Roberts
Notary's Printed Name

EXHIBIT "A"

**DESCRIPTION OF PREMISES AND
REINVESTMENT ZONE NO. 102**

**EXHIBIT A
DESCRIPTION AND MAP DEPICTING THE LAND**



BEING a 43.3895 acre (1,576,277 square feet) tract of land situated in the Shelby County School Land Survey, Tracts 3 and 4, Abstract No. 1375, City of Fort Worth, Tarrant County, Texas, being all of Lot 11, Block A, Carter Park East, an addition to the City of Fort Worth, Texas according to the plat recorded in Instrument No. D221359352 of the Office of Public Records of Tarrant County, Texas.

EXHIBIT "B"

CITY OF FORT WORTH TAX ABATEMENT AGREEMENT

STATE OF TEXAS §

COUNTY OF TARRANT §

TAX ABATEMENT AGREEMENT

This TAX ABATEMENT AGREEMENT (“**Agreement**”) is entered into by and between the CITY OF FORT WORTH, TEXAS (“**City**”), a home-rule municipality organized under the laws of the State of Texas; CARTER PARK EAST PHASE 1, LLC, a Delaware limited liability company (“**Carter**”) and SIEMENS INDUSTRY INC., a Delaware corporation (“**Company**”).

RECITALS

A. On February 28, 2023, the City Council adopted Resolution No. 5709-02-2023, stating that the City elects to be eligible to participate in tax abatement and setting forth guidelines and criteria governing tax abatement agreements entered into between the City and various parties, entitled “General Tax Abatement Policy” (“**Policy**”).

B. The Policy contains appropriate guidelines and criteria governing tax abatement agreements to be entered into by the City as contemplated by Chapter 312 of the Texas Tax Code, as amended (“**Code**”).

C. On September 12, 2023, the City Council adopted Ordinance No. 26417-09-2023 (“**Ordinance**”) establishing Tax Abatement Reinvestment Zone No. 106, City of Fort Worth, Texas (“**Zone**”).

D. Carter owns property located at 7200 Harris Legacy Drive, including a vacant building shell (“**Current Structure**”) which is located within the Zone and is more specifically described in Exhibit “A” (“**Land**”), attached hereto and hereby made a part of this Agreement for all purposes. Contingent upon Company’s receipt of the tax abatement herein (i.e. subject to Company’s termination right if the grant of such tax abatement is not approved), Carter leases the Land and the Current Structure to Siemens Corporation (an Affiliate of the Company) which shall provide the Company the right to occupy the Land and the Current Structure measuring at least 540,000 square feet, pursuant to an agreement between Siemens Corporation and the Company, on terms and conditions that permit the buildout of the Current Structure for the purpose of assembly and fabrication of switchgear and related activity (more specifically defined herein as the “**Real Property Improvements**”) to support Company’s business operations, and in which Company will install certain taxable business personal property on the Land, all as more specifically set forth in this Agreement. The lease of the Land between Carter and Company (“**Lease**”) will contain terms and conditions consistent with those outlined in Exhibit “B”, attached hereto and hereby made a part of this Agreement for all purposes.

E. Under the Lease, Company is required to pay real property taxes on the Land and all improvements thereon, including the Real Property Improvements. In order for the full tax abatement necessary to provide incentive for this project to be undertaken, the City has been requested to grant an abatement on real property taxes on improvements to the Land as well as an abatement on taxes on New Taxable Tangible Personal Property (as defined in Section 2) located on the Land. Section 312.204(a) of the Texas Tax Code permits the City to enter into an agreement with the owner of the Land to abate taxes on the value of improvements located on the Land, or of tangible personal property located on the Land, or both. Because Company must meet certain employment and spending commitments in order for the City to grant the full amount of abatement available hereunder on improvements to the Land, and because Company will be the owner or lessee of New Taxable Tangible Personal Property that is subject to abatement hereunder, it is necessary that both Carter and Company be parties to this Agreement.

F. As of May 9, 2023, Company submitted an application for tax abatement (“**Applications**”) to the City concerning plans for development of the Land, including construction of the Real Property Improvements, which Applications are attached hereto as Exhibit “C” for reference purposes. Subsequent to tendering such Application, investment amounts have been revised to reflect those amounts stated in this Agreement to those investment amounts reflected in Section 4.1 and 4.2 below.

G. The contemplated use of the Land and the terms of this Agreement are consistent with encouraging development of the Zone and generating economic development and increased employment opportunities in the City, in accordance with the purposes for creation of the Zone, and are in compliance with the Policy, the Ordinance and other applicable laws, ordinances, rules and regulations.

H. Under this Agreement, Company is committed to invest a total of at least \$125 million as follows: at least \$70 million in Construction Costs for the Real Property Improvements and at least \$55 million towards the costs of New Taxable Tangible Personal Property to be installed in the Current Structure (with such New Taxable Tangible Personal Property having a minimum taxable appraised value of \$45 million) all in connection with manufacturing business operations within the Real Property Improvements. Company is also committing to provide new Full-time Jobs whose average annual Salaries will equal at least \$63,000.00. Therefore, the provisions of this Agreement, as well as the proposed use of the Land and Current Structure and nature of the proposed Real Property Improvements, as defined herein, satisfy the eligibility criteria for commercial/industrial tax abatement pursuant to Section 4 of the Policy.

I. Written notice that the City intends to enter into this Agreement, along with a copy of this Agreement, have been furnished in the manner prescribed by the Code to the presiding officers of the governing bodies of each of the taxing units that have jurisdiction over the Land.

NOW, THEREFORE, in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

AGREEMENT

1. INCORPORATION OF RECITALS.

The City Council has found, and the City, Carter, and Company agree, that the recitals set forth above are true and correct and form the basis upon which the parties have entered into this Agreement.

2. DEFINITIONS.

In addition to terms defined in the body of this Agreement, the following terms have the definitions ascribed to them as follows:

Abatement means the abatement of a percentage (not to exceed seventy percent (70%) in any year of the Abatement Term) of the City's incremental ad valorem real property taxes on any improvements located on the Land (but not on the Land itself, which taxes will not be subject to Abatement hereunder) and of the City's incremental ad valorem taxes on New Taxable Tangible Personal Property, all calculated in accordance with this Agreement.

Abatement Term means the term of ten (10) consecutive years, commencing on January 1, 2025 and expiring on December 31 of the tenth (10th) year thereafter, in which Carter and Company will receive the Abatement in accordance with this Agreement.

Affiliate means all entities, incorporated or otherwise, under common control with, controlled by, or controlling Company. For purposes of this definition, "control" means fifty percent (50%) or more of the ownership determined by either value or vote.

Annual Salary Commitment has the meaning ascribed to it in Section 4.5.1.

Annual Salary Percentage has the meaning ascribed to it in Section 6.5.

Applications has the meaning ascribed to it in Recital F.

Business Equity Firm(s) ("BEFs") has the meaning assigned to it in the City of Fort Worth's Business Equity Ordinance, as amended (Chapter 20, Article X of the City Code).

BEF Construction Commitment has the meaning ascribed to it in Section 4.3.

BEF Construction Percentage has the meaning ascribed to it in Section 6.3.

Certificate of Completion has the meaning ascribed to it in Section 5.

Code has the meaning ascribed to it in Recital B.

Completion Date means the date as of which all space that Company will operate within the Real Property Improvements have received a certificate of occupancy (either temporary or permanent). Completion of punchlist items shall not impact the Completion Date. A portion of the Current Structure may remain vacant or be subleased and such shall not impact the Completion Date.

Completion Deadline means December 31, 2024.

Compliance Auditing Term means the term of ten (10) consecutive years, commencing on January 1 of 2025 and expiring on December 31 of 2034, in which the City will verify and audit Carter's and Company's compliance with the various commitments set forth in Section 4 that form the basis for calculation of the amount of each annual Abatement percentage hereunder.

Construction Costs means the following costs expended directly for the Real Property Improvements: actual site development and construction costs, including directly-related contractor fees, plus costs of supplies and materials, engineering fees, architectural and design fees, and permit fees. Construction Costs specifically excludes any real property acquisition costs or rent payments or other costs required by the Lease.

Director means the director of the City's Economic Development Department.

Effective Date has the meaning ascribed to it in Section 3.

Event of Default means, subject to the limitations established in Section 7.1, 7.2, 7.3 and 18, a material breach of this Agreement by a party, either by act or omission, as more specifically set forth in Section 7 of this Agreement.

First Operating Year means the first full calendar year following the year in which the Completion Date occurred.

Full-time Job means a job provided to one (1) individual by Company on the Land for at least forty (40) hours per week or such number of hours per week that Company has accepted per its agreement with the applicable union and/or such number of hours that is standard in Tarrant County for an equivalent full time job of such position.

Land has the meaning ascribed to it in Recital D.

Legal Requirements means federal, state and local laws, ordinances, rules and regulations, including, but not limited to, all provisions of the City's charter and ordinances, as amended.

New Job has the meaning ascribed to it in Section 4.4.1.

New Taxable Tangible Personal Property means any personal property other than inventory or supplies that (i) is subject to ad valorem taxation by the City; (ii) is located on the Land; (iii) is owned or leased by Company and used by Company for the business purposes outlined in this Agreement; and (iv) was not located in the City prior to the period covered by this Agreement and subject to the City's ad valorem business personal property tax.

Ordinance has the meaning ascribed to it in Recital C.

Overall Employment Commitment has the meaning ascribed to it in Section 4.4.1.

Overall Employment Percentage has the meaning ascribed to it in Section 6.4.

Overall Improvement Percentage has the meaning ascribed to it in Section 6.2.

Personal Property Improvement Commitment has the meaning ascribed to it in Section 4.2.

Policy has the meaning ascribed to it in Recital A.

Real Property Improvement Commitment has the meaning ascribed to it in Section 4.1.

Real Property Improvements as such term is defined in Recital D above, and as verified in the Certificate of Completion issued by the Director in accordance with this Agreement.

Records has the meaning ascribed to it in Section 4.8.

Salary means the cash payment or remuneration made to a person holding a Full-time Job, including paid time off, commissions, and non-discretionary bonuses. A Salary does not include any benefits, such as health insurance or retirement contributions, reimbursements for employee expenses, or any discretionary bonuses.

Second Operating Year means the second full calendar year following the year in which the Completion Date occurred.

Term has the meaning ascribed to it in Section 3.

Zone has the meaning ascribed to it in Recital C.

3. **TERM.**

The effective date of this Agreement is September 12, 2023 ("**Effective Date**") and, unless terminated earlier in accordance with its terms and conditions, expires simultaneously upon expiration of the Abatement Term ("**Term**").

4. **OBLIGATIONS AND COMMITMENTS RELATED TO ABATEMENT.**

4.1. **Real Property Improvements.**

Carter and Company must expend or cause to be expended at least Seventy Million Dollars and Zero Cents (\$70,000,000.00) in Construction Costs for the Real Property Improvements by the Completion Deadline, and the Completion Date for the Real Property Improvements must occur on or before the Completion Deadline ("**Real Property Improvement Commitment**"). Carter may perform this obligation in full by permitting Company to make or cause to be made the Real Property Improvements pursuant to the Lease. Funds expended by Company's Affiliate, Siemens Corporation, in Real Property Improvements shall qualify towards such expenditure requirement. Failure to meet the Real Property Improvement Commitment constitutes an Event of Default.

4.2. **Personal Property Improvements.**

4.2.1. On or before January 1, 2025, the Company shall spend a minimum of Fifty-Five Million dollars (\$55,000,000) towards the acquisition and installation of New Taxable Tangible Personal Property on the Land having a minimum taxable appraised value of at least Forty-Five Million Dollars and Zero Cents (\$45,000,000.00) ("**Personal Property Improvement Commitment**") which shall be in place on the Land. Failure to meet the meet the Personal Property Improvement Commitment constitutes an Event of Default.

STATE OF TEXAS §

COUNTY OF TARRANT §

TAX ABATEMENT AGREEMENT

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B. The Policy contains appropriate guidelines and criteria governing tax abatement agreements to be entered into by the City as contemplated by Chapter 312 of the Texas Tax Code, as amended (“**Code**”).

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D. Carter owns property located at 7200 Harris Legacy Drive, including a vacant building shell (“**Current Structure**”) which is located within the Zone and is more specifically described in Exhibit “A” (“**Land**”), attached hereto and hereby made a part of this Agreement for all purposes. Contingent upon Company’s receipt of the tax abatement herein (i.e. subject to Company’s termination right if the grant of such tax abatement is not approved), Carter leases the Land and the Current Structure to Siemens Corporation (an Affiliate of the Company) which shall provide the Company the right to occupy the Land and the Current Structure measuring at least 540,000 square feet, pursuant to an agreement between Siemens Corporation and the Company, on terms and conditions that permit the buildout of the Current Structure for the purpose of assembly and fabrication of switchgear and related activity (more specifically defined herein as the “**Real Property Improvements**”) to support Company’s business operations, and in which Company will install certain taxable business personal property on the Land, all as more specifically set forth in this Agreement. The lease of the Land between Carter and Company (“**Lease**”) will contain terms and conditions consistent with those outlined in Exhibit “B”, attached hereto and hereby made a part of this Agreement for all purposes.

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G. The contemplated use of the Land and the terms of this Agreement are consistent with encouraging development of the Zone and generating economic development and increased employment opportunities in the City, in accordance with the purposes for creation of the Zone, and are in compliance with the Policy, the Ordinance and other applicable laws, ordinances, rules and regulations.

H. Under this Agreement, Company is committed to invest a total of at least \$125 million as follows: at least \$70 million in Construction Costs for the Real Property Improvements and at least \$55 million towards the costs of New Taxable Tangible Personal Property to be installed in the Current Structure (with such New Taxable Tangible Personal Property having a minimum taxable appraised value of \$45 million) all in connection with manufacturing business operations within the Real Property Improvements. Company is also committing to provide new Full-time Jobs whose average annual Salaries will equal at least \$63,000.00. Therefore, the provisions of this Agreement, as well as the proposed use of the Land and Current Structure and nature of the proposed Real Property Improvements, as defined herein, satisfy the eligibility criteria for commercial/industrial tax abatement pursuant to Section 4 of the Policy.

I. Written notice that the City intends to enter into this Agreement, along with a copy of this Agreement, have been furnished in the manner prescribed by the Code to the presiding officers of the governing bodies of each of the taxing units that have jurisdiction over the Land.

NOW, THEREFORE, in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

AGREEMENT

1. INCORPORATION OF RECITALS.

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Completion Deadline means December 31, 2024.

Compliance Auditing Term means the term of ten (10) consecutive years, commencing on January 1 of 2025 and expiring on December 31 of 2034, in which the City will verify and audit Carter's and Company's compliance with the various commitments set forth in Section 4 that form the basis for calculation of the amount of each annual Abatement percentage hereunder.

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Director means the director of the City's Economic Development Department.

Effective Date has the meaning ascribed to it in Section 3.

Event of Default means, subject to the limitations established in Section 7.1, 7.2, 7.3 and 18, a material breach of this Agreement by a party, either by act or omission, as more specifically set forth in Section 7 of this Agreement.

First Operating Year means the first full calendar year following the year in which the Completion Date occurred.

Full-time Job means a job provided to one (1) individual by Company on the Land for at least forty (40) hours per week or such number of hours per week that Company has accepted per its agreement with the applicable union and/or such number of hours that is standard in Tarrant County for an equivalent full time job of such position.

Land has the meaning ascribed to it in Recital D.

Legal Requirements means federal, state and local laws, ordinances, rules and regulations, including, but not limited to, all provisions of the City's charter and ordinances, as amended.

New Job has the meaning ascribed to it in Section 4.4.1.

New Taxable Tangible Personal Property means any personal property other than inventory or supplies that (i) is subject to ad valorem taxation by the City; (ii) is located on the Land; (iii) is owned or leased by Company and used by Company for the business purposes outlined in this Agreement; and (iv) was not located in the City prior to the period covered by this Agreement and subject to the City's ad valorem business personal property tax.

Ordinance has the meaning ascribed to it in Recital C.

Overall Employment Commitment has the meaning ascribed to it in Section 4.4.1.

Overall Employment Percentage has the meaning ascribed to it in Section 6.4.

Overall Improvement Percentage has the meaning ascribed to it in Section 6.2.

Personal Property Improvement Commitment has the meaning ascribed to it in Section 4.2.

Policy has the meaning ascribed to it in Recital A.

Real Property Improvement Commitment has the meaning ascribed to it in Section 4.1.

Real Property Improvements as such term is defined in Recital D above, and as verified in the Certificate of Completion issued by the Director in accordance with this Agreement.

Records has the meaning ascribed to it in Section 4.8.

Salary means the cash payment or remuneration made to a person holding a Full-time Job, including paid time off, commissions, and non-discretionary bonuses. A Salary does not include any benefits, such as health insurance or retirement contributions, reimbursements for employee expenses, or any discretionary bonuses.

Second Operating Year means the second full calendar year following the year in which the Completion Date occurred.

Term has the meaning ascribed to it in Section 3.

Zone has the meaning ascribed to it in Recital C.

3. **TERM.**

The effective date of this Agreement is September 12, 2023 ("**Effective Date**") and, unless terminated earlier in accordance with its terms and conditions, expires simultaneously upon expiration of the Abatement Term ("**Term**").

4. **OBLIGATIONS AND COMMITMENTS RELATED TO ABATEMENT.**

4.1. **Real Property Improvements.**

Carter and Company must expend or cause to be expended at least Seventy Million Dollars and Zero Cents (\$70,000,000.00) in Construction Costs for the Real Property Improvements by the Completion Deadline, and the Completion Date for the Real Property Improvements must occur on or before the Completion Deadline ("**Real Property Improvement Commitment**"). Carter may perform this obligation in full by permitting Company to make or cause to be made the Real Property Improvements pursuant to the Lease. Funds expended by Company's Affiliate, Siemens Corporation, in Real Property Improvements shall qualify towards such expenditure requirement. Failure to meet the Real Property Improvement Commitment constitutes an Event of Default.

4.2. **Personal Property Improvements.**

4.2.1. On or before January 1, 2025, the Company shall spend a minimum of Fifty-Five Million dollars (\$55,000,000) towards the acquisition and installation of New Taxable Tangible Personal Property on the Land having a minimum taxable appraised value of at least Forty-Five Million Dollars and Zero Cents (\$45,000,000.00) ("**Personal Property Improvement Commitment**") which shall be in place on the Land. Failure to meet the meet the Personal Property Improvement Commitment constitutes an Event of Default.

4.2.2. The Personal Property Improvement Commitment is an obligation of the Company only, and Carter does not have any responsibility to ensure that the Personal Property Improvement Commitment is met.

4.2.3. The value of the New Taxable Tangible Person Property is determined solely by the appraisal district having jurisdiction over the Land at the time and reflected in the certified appraisal roll received by the City from such appraisal district in such year.

4.3. **Construction Spending Commitment for BEFs.**

By the Completion Date, Company must expend or caused to be expended at least fifteen percent (15%) of all Construction Costs for the Real Property Improvements with BEFs, regardless of the total amount of such Construction Costs (“BEF Construction Commitment”).

4.4. **Employment Commitment.**

4.4.1. Company must employ and retain the following number of new Full-Time Jobs on the Land by the dates set forth below (“Overall Employment Commitment”). Company must retain all new Full-Time Jobs on the Land from and after the dates set forth below through the Term of this Agreement (each a “New Job”). A Full-Time Job will be considered new if the individual was hired on or after June 2, 2023, which is the date of the Company’s execution of the terms sheet.

- A. Company must employ and retain a minimum of 167 Full-Time on or before December 31, 2024.
- b. Company must employ and retain a minimum of 715 Full-Time Jobs on the Land on or before December 31, 2026.

4.4.2. The Overall Employment Commitment is an obligation of the Company only, and Carter does not have any responsibility to ensure that the Overall Employment Commitment is met in any given year.

4.4.3. Determination each year of compliance with the following Employment Commitment will be based on the employment data provided by Company to the City for the year under evaluation.

4.5. **Average Annual Salary.**

4.5.1. In each year of the Compliance Auditing Term, the average annual Salary, measured on a calendar year basis, for at all of the Full-Time Jobs provided and filled on the Land pursuant to this Agreement, regardless of the total number of such Full-time Jobs, must equal at least Sixty-Three Thousand Dollars and Zero Cents (\$63,000.00) (“Annual Salary Commitment”). The Annual Salary Commitment is an obligation of the Company only, and Carter does not have any responsibility to ensure that the Annual Salary Commitment is met in any given year.

4.5.2. Determination each year of compliance with the following Annual Salary Commitment will be based on the employment data provided by Company to the City for the year under evaluation.

4.6. **Reports and Filings.**

4.6.1. **Final Construction Report.**

Within sixty (60) calendar days following the Completion Date, in order for the City to assess whether Carter and Company expended or caused to be expended at least Seventy Million Dollars and Zero Cents (\$70,000,000.00) in Construction Costs for the Real Property Improvements, and the

extent to which the BEF Construction Commitment was met, Carter and Company must provide the Director with a report in a form reasonably acceptable to the City that specifically outlines the total Construction Costs expended for the Real Property Improvements and the total Construction Costs expended with BEFs for the Real Property Improvements, together with supporting invoices and other documents necessary to demonstrate that such amounts were actually paid, including, without limitation, unconditional lien waivers signed by the general contractor for the Real Property Improvements. Attached hereto as Schedule 4.6 is a form reasonably acceptable to the City.

4.6.2. Annual Employment Report.

On or before March 15, 2025, and of each year thereafter for the remainder of the Compliance Auditing Term, in order for the City to assess the degree to which Company met in the previous year the Overall Employment Commitment and the Annual Salary Commitment, Company must provide the Director with a report in a form reasonably acceptable to the City that sets forth the total number of individuals who held Full-Time Jobs on the Land, as well as the Salary of each, all as of December 31 (or such other date requested by Company and reasonably acceptable to the City) of the previous calendar year, together with reasonable supporting documentation. Attached hereto as Schedule 4.6 is a form reasonably acceptable to the City.

4.6.3. General.

Company will supply any additional information reasonably requested by the City that is pertinent to the City's evaluation of compliance with each of the terms and conditions of this Agreement, provided Company shall not be required to provide confidential and/or proprietary data in a form that the City will not or cannot keep confidential (including requests covered by the Texas Public Information Act and/or similar ordinance propagated by the City). However, the Company shall allow the City to view such information in a manner in which facilitates City's verification of information, but is able to remain confidential.

4.7. Inspections of Land and Improvements

4.7.1. At any time during Company's normal business hours throughout the Term, the City will have the right to inspect and evaluate the Land, and any improvements thereon, and Company will provide full access to the same, in order for the City to monitor compliance with the terms and conditions of this Agreement. Company will use reasonable efforts to cooperate fully with the City during any such inspection and evaluation.

4.7.2. Notwithstanding the foregoing, Company may require that any representative of the City be escorted by a Company representative or security personnel during any such inspection and evaluation and abide by any site policies and protocols regarding health, safety, and treatment of Company's confidential information.

4.8. Audits.

The City has the right throughout the Term to audit the financial and business records of Company that relate to the Real Property Improvements, Personal Property, and the Land and any other documents necessary to evaluate Company's compliance with this Agreement or with the commitments set forth in this Agreement, including, but not limited to construction documents and invoices (collectively, "**Records**"). Company must make all Records available to the City on the Land or at another location in the City acceptable to both parties following prior notice and will otherwise use reasonable efforts to cooperate fully with the City during any audit. If the City does not or cannot agree to keep confidential and/or proprietary data within the Record confidential (including due to potential request covered by the Texas Public Information Act and/or similar ordinance propagated by the City), the Company shall allow the City to view such information in a

manner in which facilitates City's verification of information, but ensures such confidential and/or proprietary data remains confidential.

4.9. Use of Land.

The Land and any improvements thereon, including, but not limited to, the Real Property Improvements, must be used at all times during the Term of this Agreement for Company's lawful business operations, as set forth in this Agreement, and otherwise in a manner that is consistent with the general purposes of encouraging development or redevelopment of the Zone.

4.10. Abatement Application Fee.

The City acknowledges receipt from Company of the required Application fee of Two Thousand Five Hundred Dollars (\$2,5000.00).

5. CERTIFICATE OF COMPLETION.

Within ninety (90) calendar days following receipt by the City of the final construction spending report for the Real Property Improvements submitted in accordance with this Agreement, and assessment by the City of the information contained therein, if the City is able to reasonably verify that Construction Costs of at least Seventy Million Dollars and Zero Cents (\$70,000,000.00) were expended for Real Property Improvements by the Completion Deadline and that the Completion Date occurred on or before Completion Deadline, the Director will issue Carter and Company a certificate stating the amount of Construction Costs expended for the Real Property Improvements, as well as the amount of Construction Costs expended for the Real Property Improvements specifically with BEFs ("**Certificate of Completion**"). The Certificate of Completion will serve as the basis for determining whether the Company or Carter, as applicable, met the BEF Construction Commitment. The City and/or the Director may not arbitrarily or unreasonably withhold, delay or refuse its verification and issuance of a Certificate of Completion verify such applicable matter, if the Company has provided reasonable documentation of the investment in Real Property Improvements and expenditures with BEF and the Completion Date such documentation to include witnessed certifications by the Company's officers.

6. TAX ABATEMENT.

6.1. Generally.

6.1.1. Subject to the terms and conditions of this Agreement, provided that the Real Property Improvement Commitment and Personal Property Improvement Commitment have been met, then the City will grant an Abatement in each year of the Abatement Term.

6.1.2. The amount of each Abatement that the City grants during such years will be a percentage of the City's ad valorem taxes on any improvements located on the Land (but not on the Land itself, which taxes will not be subject to Abatement hereunder) and on New Taxable Tangible Personal Property attributable to increases in the value of such improvements and New Taxable Tangible Personal Property, which percentage will equal the sum of the Overall Improvement Percentage, the BEF Construction Percentage, the Overall Employment Percentage, and the Annual Salary Percentage, as set forth below (not to exceed seventy percent (70%)).

6.2. Real Property Improvement and Personal Property Commitments (40%).

City will grant an abatement to Company equal to forty percent (40%) of the overall Abatement ("**Overall Improvement Percentage**") if Company meets both the Real Property Improvement Commitment and Personal Property Commitment.

6.3. BEF Construction Cost Spending (10%).

A percentage of the Abatement will be based on the whether the Company met the BEF Construction Commitment (“**BEF Construction Percentage**”). If Company meets the BEF Construction Commitment, the BEF Construction Percentage for each Abatement hereunder will be ten percent (10%). If the Company does not meet the BEF Construction Commitment, the BEF Construction Percentage for each Abatement hereunder will be zero percent (0%).

6.4. Overall Employment.

6.4.1. A percentage of the Abatement will be based on the extent to which the Company meets the Overall Employment Commitment in each given year of the Abatement Term as set forth in Sections 4.5.1(a) and (b) (“**Overall Employment Percentage**”). The Overall Employment Percentage for each Abatement will equal the product of ten percent (10%) multiplied by the percentage by which the Company met the Overall Employment Commitment in the previous calendar year, which will be calculated by dividing the actual number of Full-Time Jobs provided on the Land in the previous year by the number of Full-Time Jobs constituting the Overall Employment Commitment for that year.

6.4.2. For example, if Company only employed 134 individuals with Full-Time Jobs on the Land in 2024 instead of the required 167, the Overall Employment Percentage for the following year (2025) would be 8% instead of 10% (or $.1 \times [134/167]$), or $.10 \times .80$, or $.08$. If the Overall Employment Commitment is met or exceeded in any given year, the Overall Employment Percentage for the Abatement in the following year will be ten percent (10%).

6.5. Annual Salary (10%).

A percentage of the Abatement will be based on whether Company meets the Annual Salary Commitment (“**Annual Salary Percentage**”). If Company met the Annual Salary Commitment in a given year, the Annual Salary Percentage for the Abatement in the following year will be ten percent (10%). If Company does not meet the Annual Salary Commitment in a given year, Company and Carter will forfeit the entire Abatement to which they would otherwise have been entitled in the following year.

6.6. Abatement Limitations.

The amount of real property taxes to be abated in a given year will not exceed one hundred fifty percent (150%) of the amount of the minimum Real Property Improvement Commitment and the minimum taxable appraised value of Personal Property Improvement Commitment multiplied by the City’s tax rate in effect for that same year. As a formula, this would be expressed as $\$115,000,000$ (minimum Property Improvement and Personal Property Commitments) $\times 1.5 \times$ City’s Tax Rate. The City and Company acknowledge that the Abatement cap is an annual cap and not an aggregate cap.

7. DEFAULT, TERMINATION AND FAILURE TO MEET VARIOUS DEADLINES AND COMMITMENTS.

7.1. Failure to Meet Real Property Improvement and Personal Property Commitments.

Notwithstanding anything to the contrary herein other than Section 18 Force Majeure below, if the Company does not meet both the Real Property Improvement Commitment and Personal Property Commitment, an Event of Default will occur and the City will have the right to terminate this Agreement, effective immediately, by providing written notice to Carter and Company without further obligation to Carter or Company hereunder.

7.2 Failure to Meet BEF Construction or the Overall Employment Commitments.

If the Company does not meet the BEF Construction Commitment or the Overall Employment Commitment in any given year, such event will not constitute an Event of Default hereunder or provide the City with the right to terminate this Agreement, but, rather, will only cause the percentage or amount of Abatement available pursuant to this Agreement to be reduced in accordance with this Agreement.

7.3 Forfeiture for Failure to Annual Salary Commitment.

Notwithstanding anything to the contrary herein other than Section 18 Force Majeure below, if the Company fails to meet the Annual Salary Commitment in any year of the Compliance Auditing Term, an Event of Default will not occur, but Carter and Company will forfeit the entirety of the Abatement that would otherwise have been granted in the following year. In this event, an Abatement will be deemed to have been granted in that year for purposes of calculating the remaining number of years in the Abatement Term and the number of future Abatements that Carter and Company will be entitled to receive.

7.4. Knowing Employment of Undocumented Workers.

Company acknowledges that effective September 1, 2007, the City is required to comply with Chapter 2264 of the Texas Government Code, enacted by House Bill 1196 (80th Texas Legislature), which relates to restrictions on the use of certain public subsidies. *Company hereby certifies that Company, and any branches, divisions, or departments of Company, 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 the event that Company, or any branch, division, or department of Company, is convicted of a violation under 8 U.S.C. Section 1324a(f) (relating to federal criminal penalties and injunctions for a pattern or practice of employing unauthorized aliens) and such violation occurs during the Term of this Agreement:*

- *if such conviction occurs during the Term of this Agreement, this Agreement will terminate contemporaneously upon such conviction (subject to any appellate rights that may lawfully be available to and exercised by Company) and Company must repay, within one hundred twenty (120) calendar days following receipt of written demand from the City, the aggregate amount of Abatement received by Company hereunder, if any, plus Simple Interest at a rate of two percent (2%) per annum based on the amount of Abatement received in each previous year as of December 31 of the tax year for which the Abatement was received; or*
- *if such conviction occurs after expiration or termination of this Agreement, subject to any appellate rights that may lawfully be available to and exercised by Company, Company must repay, within one hundred twenty (120) calendar days following receipt of written demand from the City, the aggregate amount of Abatement received by Company hereunder, if any, plus Simple Interest at a rate of two percent (2%) per annum based on the amount of Abatement received in each previous year as of December 31 of the tax year for which the Abatement was received.*

For the purposes of this Section 7.6, “Simple Interest” is defined as a rate of interest applied only to an original value, in this case the aggregate amount of Abatement. This rate of interest can be applied each year, but will only apply to the aggregate amount of Abatement and is not applied to interest calculated. For example, if the aggregate amount of Abatement is \$10,000 and it is required to be paid back with two percent (2%) interest five years later, the total amount would be $\$10,000 + [5 \times (\$10,000 \times 0.02)]$, which is \$11,000.

This Section 7.6 does not apply to convictions of any subsidiary or affiliate entity of Company, by any franchisees of Company, or by a person or entity with whom Company contracts. Notwithstanding anything to the contrary herein, the parties agree that the Abatement is a “public subsidy” (as that term is defined in Section 2264.001, Texas Government Code) for the benefit of Company and that, accordingly, this Section 7.6 does not apply to carter. This Section 7.6 will survive the expiration or termination of this Agreement.

7.5. Foreclosure on Land or Real Property Improvements.

Subject to Section 11, the City will have the right, during the Abatement Term, to terminate this Agreement immediately upon provision of written notice to Carter and Company of both of the following events:

(a) (i) the conveyance of the Land or the Real Property Improvements pursuant to an action to foreclose or otherwise enforce a lien, mortgage or deed of trust on the Land or the Real Property Improvements; (ii) the involuntary conveyance to a third party of the Land or the Real Property Improvements; (iii) execution of any assignment of the Land or Real Property Improvements or deed in lieu of foreclosure to the Land or Real Property Improvements; or (iv) appointment of a trustee or receiver for the Land or Real Property Improvements and such appointment is not terminated within one hundred twenty (120) calendar days after the appointment (collectively "Landlord Insolvency") occurs **and**

(b) the Company terminates its Lease with Carter or the successor landlord as a result of such Landlord Insolvency. However, if the successor Landlord is bound by this Agreement and the Company remains a tenant on the Land despite such Landlord Insolvency, and continues to operate on the Land, the Agreement shall not be terminated pursuant to this Section 7.5.

7.6. Failure to Pay Taxes or Non-Compliance with Other Legal Requirements.

An Event of Default will occur if any ad valorem taxes owed to the City by Company become delinquent and Company does not timely and properly follow the legal procedures for protest or contest of any such ad valorem taxes, or Company is in violation of any material Legal Requirement due to any act or omission connected with Company's operations on the Land; provided, however, that an Event of Default will not exist under this provision unless Company fails to cure the applicable failure or violation within thirty (30) calendar days (or such additional time as may be reasonably required) after Company receives written notice in accordance with Section 10 of such failure or violation.

7.7. General Breach.

In addition to Sections 7.1, 7.4, 7.5, and 7.6 but subject to Section 18, 7.3 and 7.4, an Event of Default under this Agreement will occur if either party breaches any term or condition of this Agreement, in which case the non-defaulting party must provide the defaulting party with written notice specifying the nature of the Default in accordance with Section 10 below. Subject to Sections 7.1 in the event that any Event of Default hereunder remains uncured after thirty (30) calendar days following receipt of such written notice (or, if the defaulting party has diligently and continuously attempted to cure following receipt of such written notice but reasonably requires more than thirty (30) calendar days to cure, then such additional amount of time as is reasonably necessary to effect cure, as determined by both parties mutually and in good faith), the non-defaulting party will have the right to terminate this Agreement, effective immediately, by providing written notice to the defaulting party.

7.8. Statutory Damages.

7.8.1 Company acknowledges and agrees that termination of this Agreement due to an Event of Default by Company that has not been cured within the applicable cure period will (i) harm the City's economic development and redevelopment efforts on the Land and in the vicinity of the Land; (ii) require unplanned and expensive additional administrative oversight and involvement by the City; and (iii) be detrimental to the City's general economic development programs, both in the eyes of the general public and by other business entities and corporate relocation professionals, and Company agrees that the exact amounts of actual damages sustained by the City therefrom will be difficult or impossible to ascertain.

7.8.2 Therefore, upon termination of this Agreement for any Event of Default, and as authorized by Section 312.205(b)(6) of the Code, Company must pay the City, as damages authorized by the Code,

an amount equal to all taxes that were abated in accordance with this Agreement for each year in which an Event of Default existed and which otherwise would have been paid to the City in the absence of this Agreement.

7.8.3 The City and Company agree that the above-stated amount is a reasonable approximation of actual damages that the City will incur as a result of an uncured Event of Default and that this Section 7.11 is intended to provide the City with compensation for actual damages, as authorized by the Code, and is not a penalty.

7.8.4 The above-stated amount may be recovered by the City through adjustments made to Company's ad valorem property tax appraisal by the appraisal district that has jurisdiction over the Land and over any taxable tangible personal property located thereon. Otherwise, this amount will be due, owing, and paid to the City within sixty (60) calendar days following the effective date of termination of this Agreement.

7.8.5 In the event that all or any portion of this amount is not paid to the City within sixty (60) days following the effective date of termination of this Agreement, Company will also be liable for all penalties and interest on any outstanding amount at the statutory rate for delinquent taxes, as determined by the Code at the time of the payment of such penalties and interest (currently, Section 33.01 of the Code).

8. INDEPENDENT CONTRACTOR.

It is expressly understood and agreed that Carter and Company will operate as independent contractors in each and every respect hereunder and not as agents, representatives or employees of the City. As to the City, Carter and Company will have the exclusive right to control all details and day-to-day operations relative to the Land and any improvements thereon and will be solely responsible for the acts and omissions of their officers, agents, servants, employees, contractors, subcontractors, licensees and invitees. Carter and Company acknowledge that the doctrine of *respondeat superior* will not apply as between the City and Carter or Company, their officers, agents, servants, employees, contractors, subcontractors, licensees, and invitees. Carter and Company further agree that nothing in this Agreement will be construed as the creation of a partnership or joint enterprise between the City and Carter or Company.

9. INDEMNIFICATION.

COMPANY AND CARTER, AT NO COST TO THE CITY, AGREE TO DEFEND, INDEMNIFY AND HOLD THE CITY, AND ITS RESPECTIVE OFFICERS, AGENTS SERVANTS, REPRESENTATIVES, AND EMPLOYEES, HARMLESS AGAINST ANY AND ALL CLAIMS, LAWSUITS, ACTIONS, COSTS AND EXPENSES OF ANY KIND THAT ARE CLAIMED AGAINST THE CITY BY A THIRD PARTY, INCLUDING, BUT NOT LIMITED TO, THOSE FOR PROPERTY DAMAGE OR LOSS (INCLUDING ALLEGED DAMAGE OR LOSS TO A COMPANY'S BUSINESS AND ANY RESULTING LOST PROFITS) AND PERSONAL INJURY, INCLUDING DEATH, TO THE EXTENT THAT SUCH 3rd PARTY CLAIM MAY RELATE TO, ARISE OUT OF OR BE OCCASIONED BY (i) COMPANY'S OR CARTER'S BREACH OF ANY OF THE TERMS OR PROVISIONS OF THIS AGREEMENT OR (ii) ANY NEGLIGENT ACT OR OMISSION OR INTENTIONAL MISCONDUCT OF CARTER OR COMPANY, ITS OFFICERS, AGENTS, ASSOCIATES, EMPLOYEES, CONTRACTORS (OTHER THAN THE CITY) OR SUBCONTRACTORS, RELATED TO THE REAL PROPERTY IMPROVEMENTS; THE LAND AND ANY OPERATIONS AND ACTIVITIES THEREON; OR THE PERFORMANCE OR NON-PERFORMANCE OF THIS AGREEMENT OTHERWISE BY CARTER OR THE COMPANY. THIS SECTION WILL SURVIVE ANY TERMINATION OR EXPIRATION OF THIS AGREEMENT.

10. NOTICES.

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

City: City of Fort Worth Attn: City Manager 200 Texas Street Fort Worth, Texas 76102 With copies to: City Attorney at the same address and the Director at: City of Fort Worth Attn: Director Economic Development 1150 South Freeway Fort Worth, Texas 76104	Company: Siemens Industry, Inc. Attn: President & CEO 100 Technology Drive Alpharetta, GA 30005 With copies to: Siemens Industry, Inc. Attn: Legal Dept. 1000 Deerfield Parkway, Buffalo Grove, IL 60089, Carter Park East Phase 1, LLC Attn: DFW Asset Manager 1717 McKinney Ave., Suite 1900 Dallas, Texas 75202
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11. EFFECT OF SALE OF LAND AND/OR REAL PROPERTY IMPROVEMENTS; ASSIGNMENT AND SUCCESSORS.

11.1. Carter may assign this Agreement without the consent of the City Council, provided that Carter gives written notice to the City of the name and contact information for Carter assignee or successor in interest. Any lawful assignee or successor in interest of Carter of its rights under this Agreement will be deemed "Carter" for all purposes under this Agreement.

11.2. Company may assign this Agreement, and all or any of the benefits provided hereunder, without the consent of the City Council to (a) an Affiliate that leases, owns or takes title to the Land and owns or leases any New Taxable Tangible Personal Property or (b) a successor to Company by sale, merger or consolidation only if (i) prior to or contemporaneously with the effectiveness of such assignment, Company provides the City with written notice of such assignment, which notice must include the name of the Affiliate and a contact name, address and telephone number for the Affiliate, and (ii) the Affiliate agrees in writing to assume all terms and conditions of Company under this Agreement.

11.3. Otherwise, Company may not assign, transfer or otherwise convey any of its rights or obligations under this Agreement to any other person or entity without the prior consent of the City Council, which consent will not be unreasonably withheld, conditioned on (i) the proposed assignee or successor agrees and proceeds to lease or take title to the Land and any New Taxable Tangible Personal Property; (ii) the proposed assignee or successor is financially capable of meeting the terms and conditions of this Agreement; and (iii) prior execution by the proposed assignee or successor of a written agreement with the City under which the proposed assignee or successor agrees to assume and be bound by all covenants and obligations of Company under this Agreement. Any attempted assignment without the City Council's prior consent constitutes an Event of Default under this Agreement. Any lawful assignee or successor in interest of Company of all rights under this Agreement will be deemed "Company" for all purposes under this Agreement.

12. **COMPLIANCE WITH LAWS, ORDINANCES, RULES AND REGULATIONS.**

This Agreement is subject to all applicable Legal Requirements.

13. **GOVERNMENTAL POWERS.**

It is understood that by execution of this Agreement, the City does not waive or surrender any of its governmental powers or immunities.

14. **SEVERABILITY.**

If any provision of this Agreement is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired.

15. **NO WAIVER.**

The failure of either party to insist upon the performance of any term or provision of this Agreement or to exercise any right granted hereunder will not constitute a waiver of that party's right to insist upon appropriate performance or to assert any such right on any future occasion.

16. **VENUE AND CHOICE OF LAW.**

If any action, whether real or asserted, at law or in equity, arises on the basis of any provision of this Agreement, venue for such action will lie in state courts located in Tarrant County, Texas or the United States District Court for the Northern District of Texas – Fort Worth Division. This Agreement will be construed in accordance with the laws of the State of Texas.

17. **NO THIRD PARTY RIGHTS.**

The provisions and conditions of this Agreement are solely for the benefit of the City, Carter, and Company, and any lawful assign or successor of Carter or Company, and are not intended to create any rights, contractual or otherwise, to any other persons or entities.

18. **FORCE MAJEURE.**

It is expressly understood and agreed by the parties to this Agreement that if the performance of any obligations hereunder is delayed by reason of war, government action or inaction, orders of the government, epidemics, pandemics, civil commotion, acts of God, strike, inclement weather, shortages or unavailability of labor or materials, unreasonable delays by the City (include delays caused by the then-current workload of the City department(s) responsible for undertaking the activity in question) in issuing any permits, consents, or certificates of occupancy or conducting any inspections of or with respect to the Land and Project Improvements, or other circumstances which are reasonably beyond the control of the party obligated or permitted under the terms of this Agreement to do or perform the same, regardless of whether any such circumstance is similar to any of those enumerated or not, the party so obligated or permitted will be excused from doing or performing the same during such period of delay, so that the time period applicable to such design or construction requirement and the Completion Deadline will be extended for a period of time equal to the period such party was delayed. Notwithstanding anything to the contrary herein, it is specifically understood and agreed that any failure to obtain adequate financing necessary to meet the Real Property Improvement Commitment or the Personal Property Commitment will not be deemed to be an event of force majeure and that this Section 18 will not operate to extend the Completion Deadline in such an event.

19. **INTERPRETATION.**

In the event of any dispute over the meaning or application of any provision of this Agreement, this Agreement will be interpreted fairly and reasonably, and neither more strongly for or against any party, regardless of the actual

drafter of this Agreement. In the event of any conflict between the body of this Agreement and the Applications, the body of this Agreement will control.

20. CAPTIONS.

Captions and headings used in this Agreement are for reference purposes only and will not be deemed a part of this Agreement.

21. ELECTRONIC SIGNATURES.

This Agreement may be executed by electronic signature, which will be considered as an original signature for all purposes and have the same force and effect as an original signature. For these purposes, "electronic signature" means electronically scanned and transmitted versions (e.g. via pdf file or facsimile transmission) of an original signature, or signatures electronically/digitally inserted via software such as Adobe Sign.

22. COUNTERPARTS.

This Agreement may be executed in multiple counterparts, each of which will be considered an original, but all of which will constitute one instrument.

23. BONDHOLDER RIGHTS.

The Real Property Improvements will not be financed by tax increment bonds. This Agreement is subject to the rights of holders of outstanding bonds of the City.

24. CONFLICTS OF INTEREST.

Neither the Land nor any improvements thereon are owned or leased by any member of the City Council, any member of the City Plan or Zoning Commission or any member of the governing body of any taxing unit with jurisdiction in the Zone.

25. NO LIAIBILITY TO CARTER

Carter is consenting to the provisions of this Agreement as an accommodation to, and at the request of, Company. Accordingly, notwithstanding anything to the contrary contained herein, in no event will Carter be responsible for any damages, clawbacks, fees, penalties, interest, or increase in ad valorem taxes as a result of any default under this Agreement, except to the extent is directly caused by Carter.

26. ENTIRETY OF AGREEMENT.

This Agreement, including any exhibits attached hereto and any documents incorporated herein by reference, contains the entire understanding and agreement between the City, Carter, and Company, and any lawful assign and successor of Carter or Company, as to the matters contained herein. Any prior or contemporaneous oral or written agreement is hereby declared null and void to the extent in conflict with any provision of this Agreement. Notwithstanding anything to the contrary herein, this Agreement will not be amended unless executed in writing by both parties and approved by the City Council of the City in an open meeting held in accordance with Chapter 551 of the Texas Government Code.

EXECUTED as of the last date indicated below:

[SIGNATURES AND ACKNOWLEDGEMENTS IMMEDIATELY FOLLOW ON NEXT FOUR (4) PAGES]

CITY

By: *W. Johnson*
William Johnson
Assistant City Manager

Date: Nov 3, 2023

SIEMENS INDUSTRY, INC.,
A Delaware corporation

By: *B. E. Powell*
Name: Barry Powell
Title: Senior Vice President

Date: 10/31/23

By: *M. Fountain*
Name: Michael Fountain
Title: Sr. Director Finance

Date: _____

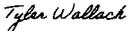
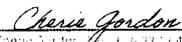
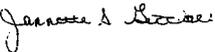
CARTER PARK EAST PHASE 1, L.L.C.
A Delaware limited liability company

By: **Carter Park East Investor, L.L.C.,**
A Delaware limited liability company, its
managing member

By: *M. E. Colter*
Name: Matthew E. Colter
Title: Vice President

Date: 11/3/2023

FOR CITY OF FORT WORTH INTERNAL PROCESSES:

<p>Approval Recommended:</p> <p>By: <u></u> Name: Robert Sturns Title: Director, Economic Development</p> <p>Approved as to Form and Legality:</p> <p>By: <u></u> Name: Tyler F. Wallach Title: Assistant City Attorney</p> <p>Contract Authorization: M&C: 23-0708 Form 1295: 2023-1069566</p>	<p>Contract Compliance Manager: By signing I acknowledge that I am the person responsible for the monitoring and administration of this contract, including ensuring all performance and reporting requirements.</p> <p>By: <u></u> Name: Cherie Gordon Title: Business Development Coordinator</p> <p>City Secretary:</p> <p>By: <u></u> Name: Jannette Goodall Title: City Secretary</p>
--	--

STATE OF TEXAS §

COUNTY OF TARRANT §

BEFORE ME, the undersigned authority, on this day personally appeared William Johnson, Assistant City Manager of the **CITY OF FORT WORTH**, a municipal corporation organized under the laws of the State of Texas, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of the **CITY OF FORT WORTH**, that he was duly authorized to perform the same by appropriate resolution of the City Council of the City of Fort Worth and that he executed the same as the act of the **CITY OF FORT WORTH** for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ____ day of _____, 2023.

Notary Public in and for
the State of Texas

Notary's Printed Name

SIEMENS INDUSTRY, INC.
a Delaware corporation:

STATE OF GEORGIA

§ COUNTY OF FORSYTH

§ BEFORE ME, the undersigned authority, on this day personally appeared Barry Powell and Michael Fountain, Senior Vice-President and Sr. Director Finance respectively of **SIEMENS INDUSTRY, INC., a Delaware corporation**, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of **SIEMENS INDUSTRY, INC.**

GIVEN UNDER MY HAND AND SEAL OF OFFICE this
31st day of October, 2023.

Notary Public in and for
the State of Georgia

Paula Quirk
Notary's Printed Name: Paula Quirk

Paula Quirk
NOTARY PUBLIC
Forsyth County, GEORGIA
My Commission Expires 04/01/2026

CARTER PARK EAST PHASE 1, LLC
A Delaware limited partnership

By: **Carter Park East Investor, L.L.C.**,
A Delaware limited liability company, its managing member

STATE OF Texas §

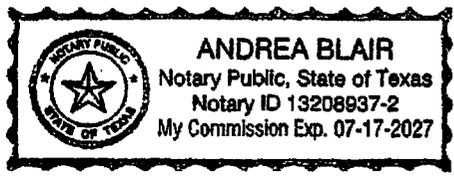
COUNTY OF Dallas §

BEFORE ME, the undersigned authority, on this day personally appeared Matthew E. Colter, ^{Vice} ~~President~~ of **Carter Park East Phase 1, L.L.C.**, a Delaware limited liability company, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that s/he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of **Carter Park East Phase 1, L.L.C.**

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 3rd day of November, 2023.

Andrea Blair
Notary Public in and for
the State of Texas

Andrea Blair
Notary's Printed Name



**EXHIBIT B
LEASE TERMS
LEASE ABSTRACT**

Property Address:	7200 Harris Legacy Drive
Property Owner:	CARTER PARK EAST PHASE 1, L.L.C.
Tenant:	Siemens Corporation
Rentable Area:	549,780 rentable square feet
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Tenant's Share of CAM and taxes on the Building:	100%
Party Responsible For Cost of	
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Tenant's Business Personal Property	Tenant (direct to applicable municipality) <i>(Section 8 of the Lease)</i>
Buildout / Tenant Improvements	Tenant enters into direct contract for design and construction of the Buildout and TI.
Landlord's Address	Carter Park East Phase 1, L.L.C. c/o Clarion Partners 1717 McKinney Ave., Suite 1900 Dallas, Texas 75202-1236 Attention: Jack Stamets
Tenant's Address	Siemens Real Estate (a Division of Siemens Corporation) 200 Wood Avenue South, Suite 200 Iselin, New Jersey 08830 Attention: Lease Administration

EXHIBIT C
TAX ABATEMENT APPLICATION

Economic Development Incentive Application

FORT WORTH.

CONFIDENTIAL: Tex. Gov't Code § 552.131(a)(1);(2).

Information relates to economic development negotiations

Date 5/22/2023

Project name Project Moonshot

Applicant Information

Consultant Information

Company Siemens Industry, Inc. ("Company")

Company Miller Canfield

Contact Name Joe Retoff

Contact Name Grant Williams

Title Location Management Unit Head

Title Outside Counsel

Address _____

Address 840 W Long Lake Suite 150

City, State ZIP _____

City, State ZIP Troy, MI

Phone (512) 924-4132

Phone (517) 605-2626

Email joseph.retoff@siemens.com

Email williamsg@millercanfield.com

Project Description

The project will establish an advanced manufacturing plant for production of low voltage switchgear and switch boards. The current global demand for low voltage switchgear has skyrocketed, in part due to increased construction, expansion of manufacturing operations and growing use of sustainable energy. These factors are predicted to drive significant continued demand over the next ten years. In particular, given the quality, efficiency and reliability of Siemens products, the demand for Siemens products is far outpacing current production capabilities. The goal of Project Moonshot is to address the increasing demand by establishing an additional production facility with over 715 new full-time well paid jobs (average annualized wages of \$63,000) and an initial capital investment exceeding \$143,000,000. The Company anticipates the capital investment to be comprised of \$80,000,000 in real property improvements and another \$63,000,000 in machinery, equipment and other trade fixtures to equip the facility. A project of this size would bring significant benefit to Fort Worth, including pouring over \$41,000,000 in wages each year directly into the local economy, as well as providing additional millions in state and local taxes. Please also see the attached revised Request For Proposal which was provided as an introduction to the Project.

Project Impact:

The Company estimates that the Project will pour over \$41,000,000 per year in direct wages into the local economy. The Project, if the City of Fort Worth is selected, would be located within an Enterprise Zone. The Company anticipates many of the positions would be filled with individuals who reside within Enterprise Zones. Additionally the Company estimates that the Project would generate \$4,950,000 in sales taxes just as a result of construction of the improvements. Considerable additional sales taxes would be generated over the years operation. The Company also estimates the Project would generate over \$20,000,000 in real and personal property taxes in its first 10 years and \$500,000 in inventory taxes annually.

Financial Gap, Project Impediment, or Multi-region Competition:

Current and Proposed Operations: This division of Siemens focuses on providing products, systems, and services for industrial automation, drives, motors, and energy management systems. Siemens has been shaping the future for 174 years beginning with the founder's work on telegraphs, electric railways, and other electrical products. With at least 13 sites in North America, 9 of which are in the United States, this division of Siemens has its influence spread across the entire country. Siemens provides customized solutions to its customers and engages in industrial manufacturing across various sectors such as automotive, chemicals, food and beverage, aerospace, and more. Siemens is also researching and working in smart infrastructure, additive manufacturing, autonomous robotics, blockchain applications, connected mobility, cybersecurity, data analytics, distributed energy systems, energy storage, as well as software systems and processes. The following website provides great detail on Siemens and its activities in the USA. <https://www.siemens.com/us/en/company/siemens-in-the-usa.html>

This project will be for production of low voltage switchgear and switchboards, the demand for which has skyrocketed due to increased construction, expansion of manufacturing operations and growing use of sustainable energy.

Describe the Company's International Presence, if any:

Siemens has a strong international presence, with operations in more than 190 countries worldwide. The company has a network of foreign offices, which include sales and service centers, manufacturing facilities, research and development centers, and regional headquarters. Some of the major foreign office locations of Siemens include China, India, Germany, the United Kingdom, the United States, and Brazil. The international locations can be found here: <https://www.siemens.com/global/en/company/jobs/our-locations.html>

Siemens AG and its corporate family of companies operates various industries, including energy, healthcare, and infrastructure. Part of the focus of Siemens Industry, Inc. is providing solutions for industrial automation, drives, motors, and energy management systems.

Siemens sources its raw materials and supplies from a variety of global markets, including Europe, Asia, and the Americas.

Describe the Company's Corporate Citizenship Practices:

Siemens Industry, Inc. is committed to corporate citizenship and social responsibility. Corporate social responsibility has been an integral part of Siemens from the very beginning. Today, serving society continues to be core to Siemens purpose. The following link provides greater detail on Siemens corporate citizenship practices: <https://www.siemens.com/us/en/company/about/corporate-responsibility.html>

Real Estate Development

Continue to next section if not applicable

Not applicable

Describe the Development Team:

Not Applicable. A Clarion subsidiary called Carter Park East is developing the land, which is unaffiliated with Siemens. Siemens does have Siemens Real Estate which is involved and participates in real estate matters of Siemens companies.

Project Partners:

[Architect, Engineer, General Contractor, Key Consultants, Lender, etc.] N/A

Site Plan, Illustrations, and Other Documents

Attach: 1) Site Plan, 2) Illustrations or Renderings, 3) Environmental Documents, 4) Survey, 5) Legal Description N/A

Project Financial Statements:

Attach documents outlining project Sources & Uses, Capital Stack, and Pro Forma, if available. N/A

If Hotel Project:

Total Number of Keys _____ N/A Total SF Meeting Space _____ N/A

Project Site Details

Project Site Address	7200 Harris Legacy Drive, Fort Worth	Project Site Acreage	The entire development site has 12.62 acres
Existing or New	New Construction	Historic Designation(s)	[Select]
Current Land Valuation	Construction is not yet appraised	Improvements Valuation	\$80M in completion of construction and tenant improvements
Project Type	Industrial	If Other, Describe:	_____
Est. Start Date	10/1/2023	Est. Completion Date	11/1/2024
Project Type	Industrial	If Other, Describe:	_____
Anticipated Ownership	Lease	Term of Lease (Years)	7 years 3 months
Current Zoning	Zoned J	Requested Zoning	_____
Variances Required	[Select]	Describe Variances:	_____

Capital Improvement & Investment Details

Total Construction Costs	\$80,000,000	Hard Construction Costs	tbd
New Personal Property	\$63,000,000	Historic Tax Credits	No
Annual R&D Expenses	n/a	Annual Patents	n/a
Value of Inventory	\$13,900,000*	Value of Supplies	n/a
<i>*High level estimate only based on other operation</i>			
Est. Value of Imports	To Be Determined	Est. Value of Exports	To Be Determined

Employment and Job Creation

Current Employment	not applicable - new site	Avg. Wage (of Current)	not applicable - new site
New Employees (FTEs)	715	Avg. Wage (of New)	\$63,000

Description of Existing Positions and New Positions to be Added and Hiring Schedule:

Please utilize the "Employment Info" tab to outline the number and average annual salaries of existing, as well as new employees, by job category (executive, professional, etc.), as well as hiring schedule for new positions (i.e. how many new employees at Project Completion, Year 1, Year 3, and so forth.)

Other Incentive Requests

Do you intend to pursue abatement of County taxes?

Yes

Do you intend to pursue State Economic Development incentives?

Yes

Description of Other Incentives:

The incentives being pursued for the City of Fort Worth include the following: 1.Property Tax Abatement. A 70% abatement of real and personal property taxes owed to the City for ten years.

2.Workforce Solutions. Potentially making use of a customized training program to skill-up employees for the jobs being created.

3.Texas Enterprise Zone. Application for benefits under the Texas Enterprise Zone benefits.

Confidentiality & Disclosures

State Law and City of Fort Worth practices and procedures guard the confidentiality of information and materials submitted in application or negotiation for economic development incentives (*Section 552.131: Confidentiality of Certain Economic Development Negotiation Information*). Unless otherwise permitted by or coordinated with the applicant, all information will be kept in strict confidence except where required under applicable state or federal law. City staff will coordinate with the applicant on information disclosures as necessary to the incentive review and approval process.

Disclosure of Financial Interest

No: no person or firm is receiving any form of compensation, commission or other monetary benefit based on the level of incentive obtained by the applicant from the City of Fort Worth.

Form 1295 Certificate of Interested Parties

State law (Chapter 2264, Texas Government Code) requires that all parties entering into an incentive agreement with the City of Fort Worth must complete and submit a Form 1295 Certificate of Interested Parties. Certain exceptions apply. City of Fort Worth Economic Development staff must receive a completed copy of the Form 1295 (which may be delivered by email as a PDF) or an explanation of why Company is excepted from this requirement (to be confirmed by the City Attorney's Office before any proposal for incentives may be presented to the City Council. The Form 1295 can be completed electronically at:

Siemens Industry Inc., is a wholly owned subsidiary of Siemens AG which is a publicly traded entity but a form is being developed for submission

Application Fee

The company is responsible for paying \$2,500 non-refundable application fee.

Certification

On behalf of the applicant, I certify that to the best of my knowledge, the information contained in this application, including all attachments to be true and correct. I further certify that, on behalf of the applicant, I have read the current Incentive Policy and all other pertinent City of Fort Worth policies and I understand that any incentives provided for the Project will be subject to the guidelines and criteria stated therein.

Signature

Barry Powell

Printed Name

Date

Vice President, Siemens Industry, Inc.

Title

Signature

Michael Fountain

Printed Name

Date

Title

Sr. Director Finance, Siemens Industry, Inc.

Schedule 4.6

Final Construction Report Annual Employment Report

If blank, then such reasonable report provided by the Company



City of Fort Worth Project Completion Report

I. PROJECT INFORMATION

Property Owner: _____

Company/Project Name: _____

Project Contact: _____ Title: _____

Telephone: _____ Fax: _____ E-Mail: _____

Property Owner Address (If Different): _____

Address of Property Subject to Agreement: _____

Construction start Date: _____ Construction completion Date: _____

Date of issuance of the Certificate of Occupancy or
Temporary Certificate of Occupancy, if applicable: (Please attach a copy) Date: _____

:

Total Dollars Spent on Business Personal Property (including acquisition and installation)
prior to January 1, 2025: \$ _____

II. CONSTRUCTION SPENDING

Company names, addresses, and the amounts paid during the construction period should be attached to this report. Use of the Excel spreadsheet provided to you by the City of Fort Worth is recommended.

Deliberate text

Total Construction Cost Spent (A): \$

BUSINESS EQUITY FIRM

Unless specified otherwise in your agreement, a Business Equity Firm(s) ("BEFs") has the meaning assigned to it in the City of Fort Worth's Business Equity Ordinance, as amended (Chapter 20, Article X of the City Code)..

Total Construction Cost Spent with BEFs(B): \$

Percentage of Total Construction Dollars Spent with BEFs(B/A): _____ %

III. ADDITIONAL INFORMATION (TO BE ATTACHED AS EXHIBITS)

EXHIBIT A: List of Real Property Appraisal District Account Numbers (Applicable to Projects with Real Property Commitments)

EXHIBIT B: List of Business Personal Property Appraisal District Account Numbers (Applicable to Projects with Business Personal Property Commitments)

EXHIBIT C: Copy of the Certificate (or Temporary Certificate) of Occupancy issued by the City of Fort Worth's Planning and Development Department

EXHIBIT E: List of all Company Names, Addresses, Invoice Numbers, and Amounts Paid During Construction. Clearly note the BEF companies. (Excel Format. Use of the Excel spreadsheet provided by the City of Fort Worth is recommended.)



City of Fort Worth Project Completion Report

VI. CERTIFICATION

In connection with the review of the Tax Abatement Agreement for the respective project, between the City of Fort Worth and Siemens Industry, Inc., ("**Agreement**"), we confirm, to the best of our knowledge and belief, the following representations made to the City of Fort Worth.

- 1.) The information provided above is accurate.
- 2.) We have made available all information that we believe is required under to the Project Completion Report.
- 3.) We will respond in accordance with the terms of the Agreement to all inquiries made by the City of Fort Worth during the audit process.
- 4.) We acknowledge Section 4.5, Section 4.7 and Section 5 of the Agreement continue to apply.

Name of Certifying Officers:

Phone:

Title:

Signature of Certifying Officer:

Date:

Title:

Signature of Certifying Officer:

Date:



This Excel spreadsheet has two input tabs.

This tab will assist you in completing the **Project Completion Report**, if applicable.

TOTAL CONSTRUCTION COST: If your agreement calculates percentages of Total Construction Cost for BEFs, use the information below

Use the information below, generated from the information you put into the 1st Tab, to fill in the appropriate fields in the **Project Completion Report**

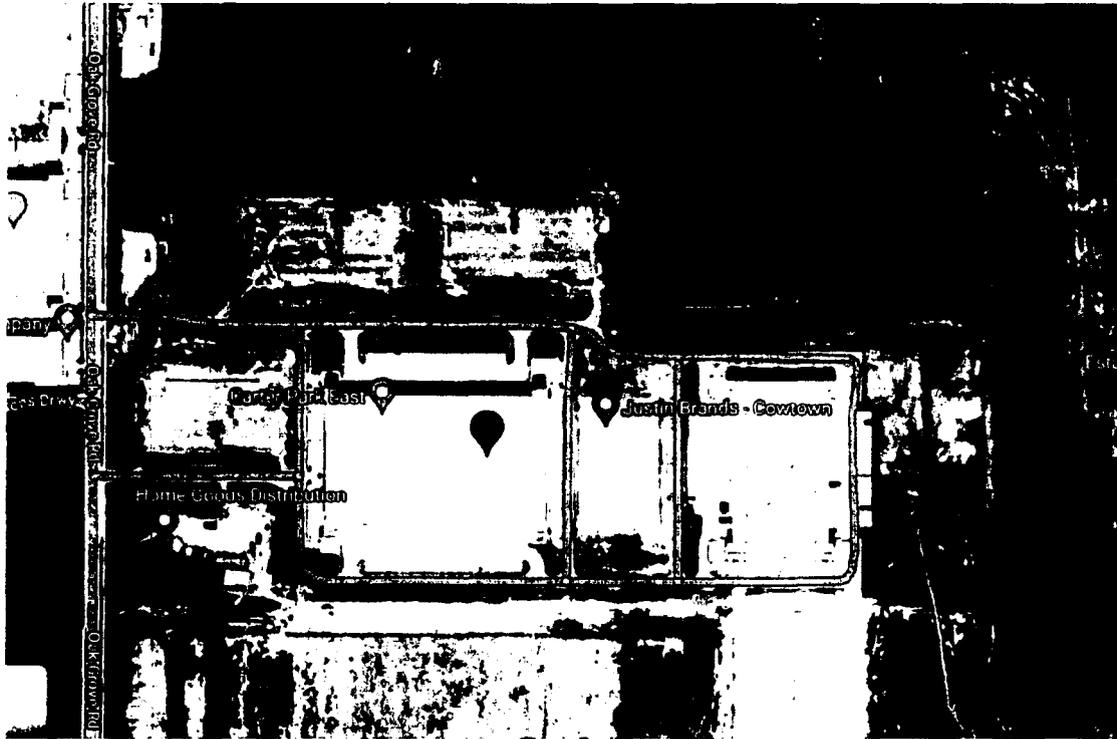
Total Construction Cost Spent	\$0
Total Construction Cost Spent with BEFs (B)	\$0
Percentage of Total Construction Costs Spent with BEFs (B/A)	#DIV/0!

Fill out this section

This section calculates automatically - do not modify

Company Name	Street Address	City	State	Zip Code	Pay Application Number (if	Total Construction Cost Spent	Is Contractor a BEF? (Yes/No)	Additional Comments, if any	Total Construction Dollars Spent
<i>Ex: Main Street Inc.</i>	<i>Ex: 123 Main Street</i>	<i>Ex: Fort</i>	<i>Ex: TX</i>	<i>Ex: 76102</i>	<i>Ex: 12345</i>	<i>Ex: \$600</i>	<i>Ex: No</i>	<i>Ex: N/A</i>	<i>Ex: \$0</i>
<i>Ex: Main Street Inc.</i>	<i>Ex: 123 Main Street</i>	<i>Ex: Fort</i>	<i>Ex: TX</i>	<i>Ex: 76102</i>	<i>Ex: 12345</i>	<i>Ex: \$400</i>	<i>Ex: Yes</i>	<i>Ex: N/A</i>	<i>Ex: \$400</i>
<i>Ex: ABC Street Inc.</i>	<i>Ex: 456 Main Street</i>	<i>Ex: Fort</i>	<i>Ex: TX</i>	<i>Ex: 76102</i>	<i>Ex: 12346</i>	<i>Ex: \$5,000</i>	<i>Ex: Yes</i>	<i>Ex: N/A</i>	<i>Ex: \$5,000</i>
<i>Ex: XYZ Street Inc.</i>	<i>Ex: 789 Main Street</i>	<i>Ex: Fort</i>	<i>Ex: TX</i>	<i>Ex: 76102</i>	<i>Ex: 12347</i>	<i>Ex: \$25,000</i>	<i>Ex: Yes</i>	<i>Ex: N/A</i>	<i>Ex: \$25,000</i>

EXHIBIT A
DESCRIPTION AND MAP DEPICTING THE LAND



BEING a 48.2895 acre (1,576,277 square feet) tract of land situated in the Shelby County School Land Survey, Tracts 3 and 4, Abstract No. 1376, City of Fort Worth, Tarrant County, Texas, being all of Lot 11, Block A, Carter Park East (an addition to the City of Fort Worth, Texas according to the plat recorded in Instrument No. D221259352 of the Official Public Records of Tarrant County, Texas).

**EXHIBIT B
LEASE TERMS
LEASE ABSTRACT**

Property Address:	7200 Harris Legacy Drive
Property Owner:	CARTER PARK EAST PHASE 1, L.L.C.
Tenant:	Siemens Corporation
Rentable Area:	549,780 rentable square feet
Lease Term (including renewal extension):	12/31/2035
Tenant's Share of CAM and taxes on the Building:	100%
Party Responsible For Cost of	
Real Property Taxes on the Building and any improvements in the Building	Tenant (via reimbursement to Landlord) (<i>Section 8 and Section 3(e) of Lease</i>)
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EXHIBIT C
TAX ABATEMENT APPLICATION

Economic Development Incentive Application



CONFIDENTIAL: Tex. Gov't Code § 552.131(a)(1);(2).

Information relates to economic development negotiations

Date 5/22/2023

Project name Project Moonshot

Applicant Information

Consultant Information

Company Siemens Industry, Inc. ("Company")

Company Miller Canfield

Contact Name Joe Retoff

Contact Name Grant Williams

Title Location Management Unit Head

Title Outside Counsel

Address _____

Address 840 W Long Lake Suite 150

City, State ZIP _____

City, State ZIP Troy, MI

Phone (512) 924-4132

Phone (517) 605-2626

Email joseph.retoff@siemens.com

Email williamsg@millercanfield.com

Project Description

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Project Impact:

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Real Estate Development

Continue to next section if not applicable

Not applicable

Describe the Development Team:

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Project Partners:

[Architect, Engineer, General Contractor, Key Consultants, Lender, etc.] N/A

Site Plan, Illustrations, and Other Documents

Attach: 1) Site Plan, 2) Illustrations or Renderings, 3) Environmental Documents, 4) Survey, 5) Legal Description N/A

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Attach documents outlining project Sources & Uses, Capital Stack, and Pro Forma, if available. N/A

If Hotel Project:

Total Number of Keys _____ N/A Total SF Meeting Space _____ N/A

Project Site Details

Project Site Address	7200 Harris Legacy Drive, Fort Worth	Project Site Acreage	The entire development site has 12.62 acres
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Current Land Valuation	Construction is not yet appraised	Improvements Valuation	\$80M in completion of construction and tenant improvements
Project Type	Industrial	If Other, Describe:	
Est. Start Date	10/1/2023	Est. Completion Date	11/1/2024
Project Type	Industrial	If Other, Describe:	
Anticipated Ownership	Lease	Term of Lease (Years)	7 years 3 months
Current Zoning	Zoned J	Requested Zoning	
Variances Required	[Select]	Describe Variances:	

Capital Improvement & Investment Details

Total Construction Costs	\$80,000,000	Hard Construction Costs	td
New Personal Property	\$63,000,000	Historic Tax Credits	No
Annual R&D Expenses	n/a	Annual Patents	n/a
Value of Inventory	\$13,900,000*	Value of Supplies	n/a
<i>*High level estimate only based on other operation</i>			
Est. Value of Imports	To Be Determined	Est. Value of Exports	To Be Determined

Employment and Job Creation

Current Employment	not applicable - new site	Avg. Wage (of Current)	not applicable - new site
New Employees (FTEs)	715	Avg. Wage (of New)	\$63,000

Description of Existing Positions and New Positions to be Added and Hiring Schedule:

Please utilize the "Employment Info" tab to outline the number and average annual salaries of existing, as well as new employees, by job category (executive, professional, etc.), as well as hiring schedule for new positions (i.e. how many new employees at Project Completion, Year 1, Year 3, and so forth.)

Other Incentive Requests

Do you intend to pursue abatement of County taxes? Yes

Do you intend to pursue State Economic Development incentives? Yes

Description of Other Incentives:

- 1. Property Tax Abatement. A 70% abatement of real and personal property taxes owed to the City for ten years.
- 2. Workforce Solutions. Potentially making use of a customized training program to skill-up employees for the jobs being created.
- 3. Texas Enterprise Zone. Application for benefits under the Texas Enterprise Zone benefits.

Confidentiality & Disclosures

State Law and City of Fort Worth practices and procedures guard the confidentiality of information and materials submitted in application or negotiation for economic development incentives (*Section 552.131: Confidentiality of Certain Economic Development Negotiation Information*). Unless otherwise permitted by or coordinated with the applicant, all information will be kept in strict confidence except where required under applicable state or federal law. City staff will coordinate with the applicant on information disclosures as necessary to the incentive review and approval process.

Disclosure of Financial Interest:

No: no person or firm is receiving any form of compensation, commission or other monetary benefit based on the level of incentive obtained by the applicant from the City of Fort Worth.

Form 1295 Certificate of Interested Parties

State law (Chapter 2264, Texas Government Code) requires that all parties entering into an incentive agreement with the City of Fort Worth must complete and submit a Form 1295 Certificate of Interested Parties. Certain exceptions apply. City of Fort Worth Economic Development staff must receive a completed copy of the Form 1295 (which may be delivered by email as a PDF) or an explanation of why Company is excepted from this requirement (to be confirmed by the City Attorney's Office before any proposal for incentives may be presented to the City Council. The Form 1295 can be completed electronically at:

Siemens Industry Inc., is a wholly owned subsidiary of Siemens AG which is a publicly traded entity but a form is being developed for submission

Application Fee

The company is responsible for paying \$2,500 non-refundable application fee.

Certification

On behalf of the applicant, I certify that to the best of my knowledge, the information contained in this application, including all attachments to be true and correct. I further certify that, on behalf of the applicant, I have read the current incentive Policy and all other pertinent City of Fort Worth policies and I understand that any incentives provided for the Project will be subject to the guidelines and criteria stated therein.

Signature	Date
Barry Powell	Vice President, Siemens Industry, Inc.
Printed Name	Title
Signature	Date
Michael Fountain	Sr. Director Finance, Siemens Industry, Inc.
Printed Name	Title

Schedule 4.6

Final Construction Report Annual Employment Report

If blank, then such reasonable report provided by the Company



City of Fort Worth Project Completion Report

I. PROJECT INFORMATION

Property Owner: _____

Company/Project Name: _____

Project Contact: _____ Title: _____

Telephone: _____ Fax: _____ E-Mail: _____

Property Owner Address (If Different): _____

Address of Property Subject to Agreement: _____

Construction start Date: _____ Construction completion Date: _____

Date of issuance of the Certificate of Occupancy or
Temporary Certificate of Occupancy, if applicable: (Please attach a copy) Date _____

Total Dollars Spent on Business Personal Property (including acquisition and installation)
prior to January 1, 2025: \$ _____

II. CONSTRUCTION SPENDING

Company names, addresses, and the amounts paid during the construction period should be attached to this report. Use of the Excel spreadsheet provided to you by the City of Fort Worth is recommended.

CONSTRUCTION

Total Construction Cost Spent (A): \$

BUSINESS EQUITY FIRM

Unless specified otherwise in your agreement, a Business Equity Firm(s) ("BEFs") has the meaning assigned to it in the City of Fort Worth's Business Equity Ordinance, as amended (Chapter 20, Article X of the City Code)..

Total Construction Cost Spent with BEFs(B): \$

Percentage of Total Construction Dollars Spent with BEFs(B/A): _____ %

III. ADDITIONAL INFORMATION (TO BE ATTACHED AS EXHIBITS)

EXHIBIT A: List of Real Property Appraisal District Account Numbers (Applicable to Projects with Real Property Commitments)

EXHIBIT B: List of Business Personal Property Appraisal District Account Numbers (Applicable to Projects with Business Personal Property Commitments)

EXHIBIT C: Copy of the Certificate (or Temporary Certificate) of Occupancy issued by the City of Fort Worth's Planning and Development Department

EXHIBIT E: List of all Company Names, Addresses, Invoice Numbers, and Amounts Paid During Construction. Clearly note the BEF companies. (Excel Format. Use of the Excel spreadsheet provided by the City of Fort Worth is recommended.)



City of Fort Worth Project Completion Report

VI. CERTIFICATION

In connection with the review of the Tax Abatement Agreement for the respective project, between the City of Fort Worth and Siemens Industry, Inc., ("**Agreement**"), we confirm, to the best of our knowledge and belief, the following representations made to the City of Fort Worth.

- 1.) The information provided above is accurate.
- 2.) We have made available all information that we believe is required under to the Project Completion Report.
- 3.) We will respond in accordance with the terms of the Agreement to all inquiries made by the City of Fort Worth during the audit process.
- 4.) We acknowledge Section 4.5, Section 4.7 and Section 5 of the Agreement continue to apply.

Name of Certifying Officers:

Phone:

Title:

Signature of Certifying Officer:

Date:

Title:

Signature of Certifying Officer:

Date:



This Excel spreadsheet has two input tabs.

This tab will assist you in completing the **Project Completion Report**, if applicable.

TOTAL CONSTRUCTION COST: If your agreement calculates percentages of Total Construction Cost for BEFs, use the information below

Use the information below, generated from the information you put into the 1st Tab, to fill in the appropriate fields in the **Project Completion Report**

Total Construction Cost Spent	\$0
Total Construction Cost Spent with BEFs (B)	\$0
Percentage of Total Construction Costs Spent with BEFs (B/A)	#DIV/0!

Fill out this section

This section calculates automatically - do not modify

Company Name	Street Address	City	State	Zip Code	Pay Application Number (if	Total Construction Cost Spent	Is Contractor a BEF? (Yes/No)	Additional Comments, if any	Total Construction Dollars Spent
<i>Ex: Main Street Inc.</i>	<i>Ex: 123 Main Street</i>	<i>Ex: Fort</i>	<i>Ex: TX</i>	<i>Ex: 76102</i>	<i>Ex: 12345</i>	<i>Ex: \$600</i>	<i>Ex: No</i>	<i>Ex: N/A</i>	<i>Ex: \$0</i>
<i>Ex: Main Street Inc.</i>	<i>Ex: 123 Main Street</i>	<i>Ex: Fort</i>	<i>Ex: TX</i>	<i>Ex: 76102</i>	<i>Ex: 12345</i>	<i>Ex: \$400</i>	<i>Ex: Yes</i>	<i>Ex: N/A</i>	<i>Ex: \$400</i>
<i>Ex: ABC Street Inc.</i>	<i>Ex: 456 Main Street</i>	<i>Ex: Fort</i>	<i>Ex: TX</i>	<i>Ex: 76102</i>	<i>Ex: 12346</i>	<i>Ex: \$5,000</i>	<i>Ex: Yes</i>	<i>Ex: N/A</i>	<i>Ex: \$5,000</i>
<i>Ex: XYZ Street Inc.</i>	<i>Ex: 789 Main Street</i>	<i>Ex: Fort</i>	<i>Ex: TX</i>	<i>Ex: 76102</i>	<i>Ex: 12347</i>	<i>Ex: \$25,000</i>	<i>Ex: Yes</i>	<i>Ex: N/A</i>	<i>Ex: \$25,000</i>

EXHIBIT "C"

TARRANT COUNTY TAX ABATEMENT APPLICATION



Tarrant County

Application for Tax Abatement/Reinvestment Zone

I. APPLICANT INFORMATION

Applicant/Property Owner: Siemens Industry, Inc. (the "Company")

Company/Project Name: Project Moonshot

Mailing Address: joseph.retoff@siemens.com

Telephone: (512) 924-4132 **Fax:** "[Response]"

Applicant's Representative for contact regarding abatement request:

Name and Title: Grant Williams, Outside Counsel

Mailing Address: 840 W Long Lake Suite 150, Troy, MI 48098

Telephone: (517) 605-2626 **Fax:** 248-879-2001 **E-mail:** williamsg@millercanfield.com

II. PROPERTY AND PROJECT DESCRIPTION

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

7200 Harris Legacy Dr, Fort Worth, TX 76140

Project Description: The project will establish an assembly/advanced manufacturing plant for production of low voltage switchgear and switch boards. The current global demand for low voltage switchgear has skyrocketed, in part due to increased construction, expansion of manufacturing operations and growing use of sustainable energy. These factors are predicted to drive significant continued demand over the next ten years. In particular, given the quality, efficiency and reliability of Siemens products, the demand for Siemens products is far outpacing current production capabilities. The goal of Project Moonshot is to address the increasing demand by establishing an additional production facility with over 715 new full-time well paid jobs (average annualized wages of \$63,000) and an initial capital investment exceeding \$143,000,000. The Company anticipates the capital investment to be comprised of \$80,000,000 in real property improvements and another \$63,000,000 in machinery, equipment and other trade fixtures to equip the facility. A project of this size would bring significant benefit to Tarrant County, including pouring over \$41,000,000 in wages each year directly into the local economy, as well as providing additional millions in state and local taxes. Please also see the attached revised Request For Proposal which was provided as an introduction to the Project.

Description of activities, products, or services produced and/or provided at project location: Low Voltage Switchgear and switch boards.

Current Assessed Value: **Real Property:** \$ Under Construction not yet appraised **Personal Property:** \$ 0

Estimated start date of construction/site improvements: 10/1/2023

Projected date of occupancy/commencement of operations at project site: 10/1/2024

Please indicate dates for phases if applicable: Not Applicable

Location of existing company facilities: The Company has 13 sites in North America including: Pomona, CA; La Mirada, CA; Cd. Juarez, MX; Spartanburg, SC; and Grand Prairie, TX.

Requested level of Tax Abatement: 50% 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. The Company carefully selects new manufacturing sites after considering various factors, including economic incentives. Currently, the Company is exploring two locations, the potential site in Tarrant County and another potential location where real property taxes will be exempted (creating the potential for savings of up about \$1.5M annually). Such potential savings will be a significant factor in any decision by the Company.

The Company considers many unique factors when choosing a new manufacturing site, including access to transportation, the availability of a skilled workforce, and the cost of doing business. They also look at economic incentives, such as incentives that abate or rebate a portion of the property, inventory and sales tax generated by the project, as such are needed to offset the steep cost of establishing a new manufacturing facility. One facet of Siemens' success is that its site selection and investments take into account the net cost after accounting for all unique costs and benefits of all sites under consideration.

A favorable decision for the selection of Tarrant County becomes problematic without the provision of economic development incentives given the potential substantial saving in real property taxes available at the competing site.

III. PROJECTED VALUE OF IMPROVEMENTS

Estimated Value of Real Property Improvements \$ 80,000,000 (capitalized cost of improvements)

Estimated Value of Personal Property Improvements \$ 63,000,000 (acquisition value)

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

Yes

No

If yes, describe requested infrastructure improvements: Not Applicable, though some electrical infrastructure may be required from the electrical utility provider.

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

715 jobs, annual inventory worth \$13,900,000 for the inventory tax, estimated additional business personal property of \$63,000,000 and capital investment in real property improvements of approximately \$80,000,000.

IV. EMPLOYMENT IMPACT AT PROJECT LOCATION

A. NEW EMPLOYMENT

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

Full-time 715 **Part-Time** Not Applicable

Provide types of jobs created and average salary levels:

Supervisor and Production Managers, Engineers, Clerical Support Staff, Fabrication Employees, Assembly Employees, and Warehouse/Logistic Employees with collective average wages of \$63,000 per year.

Start date and annual payroll of new permanent positions (if positions to be phased in, provide figures for each phase year): The total annual payroll for the roughly 715 positions will be \$45,198,290. Roughly 20-25% of positions, or 167 jobs, will be filled from 1/1/24-12/31/24 for an annual payroll of \$10,174,091; the remaining jobs will be added by no later than 12/31/2026.

Percentage of new jobs to be filled by Tarrant County residents: 30% or more

Number of employees transferring from other company locations: 0% from Tarrant County. A nominal amount will be transferred from Dallas County

B. CONSTRUCTION RELATED EMPLOYMENTS

Projected number of construction related jobs: TBD%

Estimated total construction payroll: \$36,000,000

Commitment as to percentage of construction dollars to be spent with Tarrant County contractors or subcontractors: The company anticipates and will work toward 25%

Commitment as to percentage & total dollars of construction contracts to be awarded to DBE: The company anticipates and will work toward 15%

C. CURRENT COMPANY/PROJECT LOCATION EMPLOYMENT

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

Average annual payroll: \$ 0

Detail on workforce diversity – percentage breakdown of current employees by gender and ethnicity: This will be a new operation in Tarrant County but please see the attached link for Siemens in the US: [Siemens USA - Diversity, Equity and Inclusion Data sheet](#)

D. COMPANY SPONSORED HEALTH CARE BENEFITS ARE AVAILABLE

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

Average monthly employee cost for health care benefits: **Individual:** \$ Approximately \$80/month **Family:** \$ Approximately \$240/month

Other employee benefits provided or offered:

- 56 hours of PTO
- 6% 401k match
- \$300 annual Health Savings Account

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

Estimated amount of annual supply and services expenses: \$ To be determined following site selection and commencement of operations.

Detail any supply/services expenses that are sole source: To be determined following site selection and commencement of operations.

Percentage of total supplier/services expenses committed to Tarrant County businesses: To be determined following site selection and commencement of operations.

Percentage of total supplier and services expenses committed to DBE: To be determined following site selection and commencement of operations.

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)** No material impacts anticipated related to construction as shell building has already been constructed. No air permits are currently anticipated. Any other impacts would be in keeping with other industries located within areas with a zoning designation of J.

Provide detail on existing and new fleet vehicles, specifying types of vehicles, quantities and fuel used

(gasoline, diesel, LP gas, CNG, etc.): Siemens strives to promote green and carbon neutral operations.
Number of vehicles will be to be determined.

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 (see Letter)
- Plat/Map of Project Location
- Project Time Schedule (see Letter)
- Owner's policy regarding use of disadvantaged Business Enterprises (see Letter)
- 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 (see Letter)
- Tax Certificate showing property taxes paid for most recent year (not yet applicable)

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.

Powell Barry Digitally signed by Powell Barry
Date: 2023.06.10 09:41:59 -04'00'

Signature

Barry Powell
Printed Name

Sr. Vice President _____
Title

6/9/23 _____
Date

Fountain Michael Digitally signed by Fountain Michael
Date: 2023.06.09 17:26:51 -04'00'

Signature

Michael Fountain
Printed Name

Sr. Director, Finance _____
Title

6/9/23 _____
Date

Return completed application and attachments to:

Maegan South

Economic Development Manager

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:

mpsouth@tarrantcountytx.gov

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) 884-1522

* 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.

EXHIBIT "D"

TARRANT COUNTY TAX ABATEMENT POLICY AND GUIDELINES

TARRANT COUNTY TAX ABATEMENT POLICY

TARRANT COUNTY POLICY & PROCEDURES SUMMARY

TARRANT COUNTY POLICY:

Minimum investment - New business: \$5,000,000 Expansion: \$3,000,000.

1. Applicable to new construction and expansions/modernization.
2. Abatement on eligible real and fixed personal property.
 - a) Minimum job requirements include 25 jobs for new business and sustained employment level for existing business expansions.
 - b) Abatement for companies moving within the County; considered if agreeable to both cities.
3. Additional evaluation criteria:
 - a) Environmental impacts of project (company must show intent to participate in regional air quality program educating employees on the Ozone Action Program);
 - b) Diversity of employment base and commitment to a diversified workforce;
 - c) Minimum of 25% of new jobs created filled by Tarrant County residents (includes transferring employees who move to and reside in Tarrant County);
 - d) Use of minimum 15% DBE and 25% Tarrant County contractors in total annual construction/suppliers/services contract costs;
 - e) Provision of health care benefits at rate reasonable to allow access by majority of employees.
4. County approval of a tax abatement applies to both County and Hospital District ad valorem taxes.
5. Value of existing personal property currently on tax rolls will remain taxable and be included in base value, even if it is moved to a new abated location or replaced due to modernization or expansion.

6. Project is ineligible for abatement if the application for County abatement was filed after the commencement of construction, alteration or installation of new improvements.

GENERAL PROCEDURES:

1. Company begins negotiations with City; City makes County aware of request and invites County comments during negotiations. County makes City aware of concerns/changes prior to final action by City.
2. Company makes application to County for participation in abatement. County negotiates additional performance criteria with Company required for County participation.
3. Once an abatement agreement is approved by City, County action to participate at terms specified by City agreement take place with 90 days of the execution date of the municipal abatement agreement.

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) Download a copy of the Tax Abatement Application
- (b) 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.
- (c) 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.
- (d) 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.
- (e) 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.
- (f) 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.
- (g) 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.

- (h) 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.

EXHIBIT "E"

LEASE ABSTRACT

Property Address: 7200 Harris Legacy Drive

Property Owner: CARTER PARK EAST PHASE 1, L.L.C.

Tenant: Siemens Corporation

Rentable Area: 549,780 rentable square feet

Lease Term (including renewal extension): 12/31/2035

Tenant's Share of CAM and taxes on the Building: 100%

Party Responsible For Cost of

Real Property Taxes on the Building and any improvements in the Building	Tenant (via reimbursement to Landlord) <i>(Section 8 and Section 3(e) of Lease)</i>
Tenant's Business Personal Property	Tenant (direct to applicable municipality) <i>(Section 8 of the Lease)</i>

Buildout / Tenant Improvements Tenant enters into direct contract for design and construction of the Buildout and TI.

Landlord's Address Carter Park East Phase 1, L.L.C.
c/o Clarion Partners
1717 McKinney Ave., Suite 1900
Dallas, Texas 75202-1236
Attention: Jack Stamets

Tenant's Address Siemens Real Estate
(a Division of Siemens Corporation)
200 Wood Avenue South, Suite 200
Iselin, New Jersey 08830
Attention: Lease Administration

SCHEDULE 5-A
TAX ABATEMENT EVALUATION FORM

(see attached)



Tarrant County Annual Tax Abatement Evaluation Report

Reporting Period: January 1, [REDACTED] to December 31, [REDACTED]

I. PROJECT INFORMATION

Property Owner: [REDACTED]

Company/Project Name: [REDACTED]

Project Contact: [REDACTED] Title: [REDACTED]

Telephone: [REDACTED] Fax: [REDACTED] E-mail: [REDACTED]

Property Owner Address: [REDACTED]

Company Address (if different): [REDACTED]

Address of Property Subject to Abatement: [REDACTED]

Has construction/installation of planned improvements commenced? Yes No

If Yes, on what date? [REDACTED]

If No, please explain. [REDACTED]

Has construction/installation of planned improvements been completed? Yes No

If Yes, on what date? [REDACTED]

If No, please estimate completion date *and* attach a current time schedule for the project:

[REDACTED]

Date on which *Certificate of Occupancy* or *Temporary Certificate of Occupancy* was received: [REDACTED]

II. INVESTMENT / VALUATION

REAL PROPERTY

Current Year Appraised Value – Land: \$ [REDACTED]

Current Year Appraised Value – Improvements: \$ [REDACTED]

Construction Costs Incurred This Reporting Period: \$ [REDACTED]

Appraised Value of Improvements Added This Period: \$ [REDACTED]

PERSONAL PROPERTY

Current Year Appraised Value – Machinery, Equipment, and Other Business Personal Property: \$ [REDACTED]

New Machinery and Equipment Costs Incurred During Period: \$ [REDACTED]

Current Year Appraised Value Inventory and Supplies: \$ [REDACTED]

Appraised Value of Machinery, Equipment, and Other Business Personal Property Added This Period:

\$ [REDACTED]

Percentage/Amount of Inventory Subject to Other Exemptions (i.e., Freeport/Foreign Trade Zone):

██████████%

III. JOB CREATION / RETENTION

Total Current Employees at End of Reporting Period: Full-time ██████████ Part-time ██████████

Number of Current Employees Residing in Tarrant County: ██████████

Number of New Employees Added During Reporting Period: Full-time ██████████ Part-time ██████████

Number of New Employees Added Since June 2, 2023 : Full-time ██████████ Part-time ██████████

Current Workforce Diversity Percentages: Not Require To Report By Agreement

Gender: Male ██████████% Female ██████████%

Ethnicity: Caucasian ██████████% Asian ██████████% African American ██████████%

Hispanic ██████████% Other ██████████%

Annual Payroll During Reporting Period: \$ ██████████

Average Salary During Reporting Period: \$ ██████████

IV. CONSTRUCTION / SUPPLIER / SERVICES CONTRACTS

CONSTRUCTION:

Construction Costs Spent This Reporting Period: \$ ██████████

Percent of Construction Cost Spent With Tarrant County Contractors: ██████████%

Number of Construction Related Jobs This Period: ██████████ Not Require To Report By Agreement

Total Construction Payroll This Period: \$ ██████████ Not Require To Report By Agreement

AWARDS TO DISADVANTAGED BUSINESS ENTERPRISES (DBE):

Total Construction Costs of Eligible Real Property Improvements to DBE: \$ ██████████

Percent of Total Construction Costs of Eligible Real Property Improvements to DBE: ██████████%

SUPPLIER / SERVICES:

Total Number Supply and Service Expenditures Contracts This Period: ██████████

Total Dollars Supply and Service Expenditures This Period: \$ ██████████

Percent Awarded to Tarrant County Businesses: ██████████%

Percent Supply and Service Expenditures Contract Dollars Awarded to

Tarrant County Businesses: ██████████%

Percent Awarded to DBE: ██████████%

Percent Contract Dollars Awarded to DBE: ██████████%

V. EMPLOYEE AND ENVIRONMENTAL FACTORS

Company Sponsored Health Care Benefits Are Available To (check all that apply):

Full-time Part-time No Employees

Number of Employees Enrolled in Health Care Plan at End of Period: [REDACTED]

Name of Health Care/Insurance Provider: [REDACTED] Not Require To Report By Agreement

Average Percentage of Monthly Health Insurance Premiums Paid by Company: [REDACTED]%

Average Monthly Employee Cost for Health Care Benefits: Individual: \$ [REDACTED] Family: \$ [REDACTED]

Not Require To Report By Agreement

List Other Company Benefits Provided (i.e., life insurance, pension plan, childcare, etc.): [REDACTED]

Does Your Company Participate in The North Texas Clean Air Coalition Ozone Action Program?

Yes No Not Require To Report By Agreement

If Yes, Please Attach Information on Company Program Initiatives.

Does your company encourage, facilitate, and/or provide subsidies/initiatives for alternative commute options (i.e., bus, vanpools, carpools, telecommuting, etc.)? Yes No Not Require To Report By Agreement

If Yes, Please Describe: [REDACTED] Not Require To Report By Agreement

Number of Fleet Vehicles Purchased This Period: [REDACTED] Not Require To Report By Agreement

Describe Use of Vehicles: [REDACTED] Not Require To Report By Agreement

Number of New Vehicles Per Type of Fuels Used: Not Require To Report By Agreement

Gasoline	[REDACTED]
Diesel	[REDACTED]
LPG	[REDACTED]
CNG	[REDACTED]
Electric	[REDACTED]
Other	[REDACTED]

Number of Gasoline Vehicles Rated as LEV (Low Emission Vehicles): [REDACTED] Not Require To Report By Agreement

VI. ADDITIONAL INFORMATION (TO BE ATTACHED)

- Copy of Personal Property List Rendered to the Tarrant Appraisal District
- Brief Narrative Highlighting The Progress And Status of the Project
- If Applicable, a Statement Addressing Any Failure to Meet Requirements of the Tax Abatement Agreement and a Plan for Rectification

VII. CERTIFICATION

I certify that, to the best of my knowledge and belief, the information and attachments provided herein are true and accurate and in compliance with the terms of the tax abatement agreement with Tarrant County.

Name of Certifying Officer

Title

Phone

Fax

Signature of Certifying Officer

Date

In order to remain eligible for the abatement of Tarrant County and Tarrant County Hospital District property taxes, you must return the completed report by April 30th, 2023, to:

Ms. Maegan South
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:

mpsouth@tarrantcountytexas.gov

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) 884-1522