

STATE OF TEXAS §
 §
COUNTY OF FORT BEND §

**TAX ABATEMENT AGREEMENT BETWEEN
FORT BEND COUNTY DRAINAGE DISTRICT,
API REALTY, LLC. AND ACCREDO PACKAGING, INC.**

This Tax Abatement Agreement, hereinafter referred to as “Agreement,” is executed by and between **FORT BEND COUNTY DRAINAGE DISTRICT**, hereinafter referred to as “District,” acting by and through its Board of Directors, and **API REALTY, LLC**, owner of the tract of land located within the City of Sugar Land Reinvestment Zone No. 2018-01 hereinafter referred to as “Owner,” and **ACCREDO PACKAGING, INC.**, owner of the eligible property located within the tract of land located within the City of Sugar Land Reinvestment Zone No. 2018-1 hereinafter referred to as “Lessee.”

1. **Authorization:**

(a) This Agreement is authorized by the Property Redevelopment and Tax Abatement Act, Chapter 312 of the TEXAS TAX CODE as it exists on the effective date of this Agreement, and;

(b) The Amended Guidelines and Criteria for Granting Tax Abatement in Reinvestment Zones were approved by the District on February 3, 2017. The District has determined that the request for Tax Abatement presented by Owner and Lessee conforms with the criteria established in the Guidelines for Tax Abatement.

(c) No official of the District has an interest in the property subject to this Agreement.

2. **Definition:**

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

(a) The “**Certified Appraised Value or Value**” means the value certified as of January 1 of each year of this Agreement regarding the property within City of Sugar Land Reinvestment Zone No. 2018-01 by the Fort Bend County Central Appraisal District.

(b) “**Improvements**” means a building to be used as an office building and warehouse, containing approximately 200,000 square feet of floor space, and any sidewalks, parking lots, outdoor lighting, landscaping and other improvements to serve the building, all shown on Exhibit “A”, attached hereto and incorporated by reference as if set forth herein verbatim for all purposes.

(c) “**Abatement**” means the full or partial exemption from ad valorem taxes of certain

property in the City of Sugar Land Reinvestment Zone No. 2018-01 designated for economic development purposes.

(d) **“Eligible Property”** Abatement may be extended to the value of buildings and structures as defined in the Texas Tax Code including fixed machinery and equipment, site improvements, and related fixed improvements necessary to the operation and administration of the facility. Eligible Property is subject to abatement under the same terms as Improvements only if specifically included in Section 5(c).

(e) **“Ineligible Property”** means land, existing improvements, tangible personal property that the Fort Bend Central Appraisal District classifies as inventory or supplies, real property used primarily to provide retail sales or services to the public, real property used for residential purposes, tangible personal property classified as furnishings, tangible personal property located in the reinvestment zone prior to the execution date of the tax abatement agreement, real property with a productive life of less than 10 years, or any other property for which abatement is not allowed by state law.

(f) **“Real Property”** means the 17.2163 acres of land out of commercial Reserve A of API Commercial Reserve A Minor Plat, located within City of Sugar Land Reinvestment Zone No. 2018-01, described in Exhibit “A” attached hereto and incorporated by reference herein for all purposes.

(g) **“Owner”** means API REALTY, LLC, the Owner of the real property and improvements subject to this Agreement, or other person or entity to which this Agreement is assigned, with prior approval of the Fort Bend County Commissioners’ Court.

(h) **“Lessee”** means ACCREDO PACKAGING, INC., the lessee of the real property and Improvements from Owner and owner of the Eligible Personal Property subject to this Agreement.

(i) **“County”** means the County of Fort Bend, Texas.

(j) **“FBCAD”** means Fort Bend County Central Appraisal District.

3. Subject Property

City of Sugar Land Reinvestment Zone No. 2018-01 is an area located in Fort Bend County, Texas, being legally described in Exhibit “A” attached hereto and incorporated herein for all purposes. The Fort Bend County Appraisal District has established the base year values for the subject property as of January 1, 2018.

4. Responsibility of Owner and Lessee

In consideration of receiving the tax abatement granted herein, the Owner and Lessee represent and agree:



(a) That construction of the Improvements shall be completed on or before December 31, 2019. Owner shall provide Tax Assessor/Collector a certified statement evidencing a minimum of \$ \$18,500,000 project costs with respect to the Improvements within sixty (60) days after completion of the Improvements to be constructed by Owner.

(b) That the combined Certified Appraised Value of the Improvements and Eligible Property on January 1, 2020, through January 1, 2023 will not be less than \$, \$15,000,000 and on each and every January 1 thereafter during the term of this Agreement will not be less than \$ \$23,000,000. Failure to meet the requirements of this section will invalidate the tax abatement for that year.

(c) That the Certified Appraised Value of unabated inventory on January 1, 2020, and on each January 1 thereafter during the term of this Agreement will not be less than \$2,000,000.

(d) That Lessee will create at least 100 new full-time persons beginning January 1, 2020 continuously through December 31, 2023, and an additional 75 new full-time persons beginning January 1, 2024 through the end of this abatement term. Lessee shall provide Tax Assessor/Collector a certified statement of the number of full-time employees employed each September 1 throughout the term of this agreement. Failure to meet the requirements of this section will invalidate the tax abatement for that year.

(e) That Owner and Lessee have, as of the effective date of this Agreement, the financial resources to implement the above representations.

(f) That either the Owner or Lessee will continue to participate in the continuing economic development process in Fort Bend County by continuing its existing trustee membership in the Greater Fort Bend Economic Development Council for a minimum period coinciding with the term of this Agreement.

(g) OWNER AND LESSEE SHALL BE RESPONSIBLE FOR NOTIFYING THE DISTRICT OF THE ABATEMENT, INCLUDING FILING WITH THE DISTRICT ANY APPLICATION OR OTHER FORMS NECESSARY TO QUALIFY FOR OR RECEIVE THE ABATEMENT GRANTED.

(h) OWNER AND LESSEE SHALL BE RESPONSIBLE FOR REQUESTING AN ASSIGNMENT OF THIS AGREEMENT IN THE EVENT THE REAL PROPERTY THE SUBJECT OF THIS AGREEMENT IS SOLD. FAILURE TO NOTIFY THE TAX ASSESSOR-COLLECTOR OF ANY SALE OF THE REAL PROPERTY THE SUBJECT OF THIS AGREEMENT SHALL RESULT IN IMMEDIATE DEFAULT OF THIS

AGREEMENT.

5. Value and Term of Abatement


(a) This Agreement shall be effective on the date executed by the District, Owner or Lessee, whichever is later, and shall terminate (unless earlier terminated in accordance with the terms hereof) on December 31, 2029. In no event shall this agreement extend beyond December 31, 2029. This Agreement shall terminate on the completion of the abatement, unless earlier terminated as provided elsewhere herein. Owner's and Lessee's obligation upon default to pay to the District any taxes abated under this Agreement shall not terminate until the abated taxes are paid.

(b) In each year that this Agreement is in effect, the amount of abatement shall be an amount equal to the percentage indicated below of the taxes assessed upon the Improvements.

(c) Subject to the limitations imposed by law and conditioned upon the representations outlined in Section 4 herein above, there shall be granted and allowed hereunder a property tax abatement for the following years and in the following amounts on the Value of the Improvements and Eligible Property as defined in Section 2(d) above:

<u>Percentage Abatement</u>	<u>Tax Year</u>
2020	55%
2021	55%
2022	55%
2023	55%
2024	55%
2025	55%
2026	55%
2027	55%
2028	55%
2029	55%

TOTAL = 55%

4 

- (1) The abatement granted shall not apply to the value of the Real Property, increases in the value of the Real Property or Ineligible Property as defined in Section 2(e) above.
- (2) All Improvements shall be completed in accordance with applicable laws, ordinances, rules or regulations in effect at the time such Improvements are erected.
- (3) The Fort Bend Central Appraisal District's determination of values shall be used to determine the value of the property subject to this Agreement. If the Owner and/or Lessee protest the District's valuation of the property, the valuation placed on the property after the protest is resolved under State law shall be used.
- (4) On or before September 1 of each year of this Agreement, the Owner Lessee shall certify in writing to Fort Bend County Tax Assessor/Collector that each party is in compliance with each term of this Agreement.

6. **Taxability**

During the period that this tax abatement is effective, taxes shall be payable as follows:

- (a) The Value of Real Property and Ineligible Property shall be fully taxable, including inventory;
- (b) The Value of existing Improvements and Eligible Property shall be determined annually by the Central Appraisal District and taxed at the rate provided herein.

7. **Event of Default**

(a) The District may declare the Owner and Lessee in default of this Agreement if: (1) the Owner or Lessee fails to comply with any term of this Agreement; (2) allows District ad valorem taxes on the Land, or any property located thereon, to become delinquent; (3) vacates any of the improvements subject to the agreement before the term of the abatement.

(b) The District shall notify Owner and Lessee of any default in writing specifying the default. The Owner or Lessee shall each have thirty (30) days from the date of the notice to cure any default. If the Owner or Lessee fails to cure the default, the District may terminate this Agreement by written notice.

(c) If this Agreement is terminated by the District, the Owner and Lessee agree that they are liable for and will pay to the District within thirty (30) days of the termination of this

Agreement:

- (1) The amount of all property taxes abated under this Agreement;
- (2) Interest on the abated amount at the rate provided for in the Tax Code for delinquent taxes; and
- (3) Penalties on the amount abated in the year of default, at the rate provided for in the TAX CODE for delinquent taxes.

(d) The District shall have a lien against the Owner's real property and improvements, and the Lessee's eligible personal property for the taxes and interest owed because of the recapture of taxes under this paragraph.

(e) This paragraph is required by Chapter 2264, TEXAS GOVERNMENT CODE and governs over any conflicting provisions of this Agreement. Owner and Lessee are prohibited from knowingly employing undocumented workers as that term is defined in Section 2264.001, TEXAS GOVERNMENT CODE. If Owner or Lessee is convicted of a violation under 8 U.S.C. Section 1324a(f), the conviction shall be considered default of this Agreement, from which no cure provisions shall apply. In such event, District shall provide written notice to Owner and Lessee of the default and this Agreement shall automatically terminate on the 30th day after the date of the notice of default from District to Owner and Lessee. In the event of termination under this paragraph, Owner or Lessee shall repay to District the amount of all property taxes abated under this Agreement, plus interest on the abated amount at the rate provided for in the TEXAS TAX CODE for delinquent taxes.

8. Administration and Inspection

(a) This Agreement shall be administered on behalf of the Fort Bend County Tax Assessor/Collector or her designee. The Owner and Lessee shall allow employees or other representatives of the District who have been designated by the Tax Assessor/Collector to have access to the reinvestment zone during the term of the Agreement. All regular inspections shall be made only after twenty-four (24) hours prior notice and will be conducted in such a manner as not to unreasonably interfere with the construction and/or operation of the facility. A representative of the Owner or Lessee may accompany the inspector.

(b) Upon completion of the contemplated construction, the District shall annually

evaluate the facility to ensure compliance with the terms and provisions of this Agreement and shall report possible defaults to the Owner and Lessee.

(c) The Chief Appraiser of the Fort Bend County Appraisal District shall annually determine (1) the taxable value under the terms of this abatement of the real property subject to this Agreement and (2) the full taxable value without abatement of the real property and other property otherwise located at or about the Owner's or Lessee's premises. The Chief Appraiser shall record both abatement taxable value and full taxable value in the appraisal records. The full taxable value figure listed in the appraisal records shall be used to compute the amount of abated taxes that is terminated in a manner that results in recapture.

(d) The Owner and Lessee shall furnish the Chief Appraiser annually such information as provided for under Chapter 22 of the TEXAS TAX CODE as may be necessary for the administration of the abatement. Such information shall also be provided to the County Tax Assessor/Collector in preparation of its annual evaluation for compliance with the terms and provisions of this Agreement, including Lessee's payroll records.

9. Assignment

(a) This Agreement may not be assigned without prior written consent of the District. No assignment shall be effective or approved if either the District has declared a default hereunder which has not been cured or the new Owner is delinquent in the payment of ad valorem taxes owed to the District. Approval shall not be unreasonably withheld.

(b) Any and all assignments shall contain the same terms and conditions as set out in the first Abatement Agreement and shall be granted for the remaining term of the original tax abatement agreement only.

10. Indemnity

It is understood and agreed between the parties that API Realty, LLC, and Accredo

Packaging, Inc., in performing their obligations hereunder, are acting independently, and the District assumes no responsibilities or liabilities in connection therewith to third parties. API REALTY, LLC. AND ACCREDO PACKAGING, INC. AGREE TO DEFEND, INDEMNIFY AND HOLD HARMLESS THE DISTRICT AND THE CENTRAL APPRAISAL DISTRICT FROM ANY AND ALL CLAIMS, SUITS, AND CAUSES OF ACTION OF ANY NATURE WHATSOEVER ARISING OUT OF API REALTY, LLC.'s AND/OR ACCREDO PACKAGING, INC.'S OBLIGATIONS HEREUNDER EXCEPT THAT THE INDEMNITY SHALL NOT APPLY TO THAT PORTION OF LIABILITIES RESULTING FROM THE NEGLIGENCE OF THE DISTRICT OR TAXING UNITS, THEIR RESPECTIVE OFFICERS, AGENTS OR EMPLOYEES. API REALTY, LLC.'s AND ACCREDO PACKAGING, INC.'S INDEMNIFICATION OBLIGATIONS INCLUDE THE PAYMENT OF REASONABLE ATTORNEY'S FEES AND EXPENSES INCURRED IN THE DEFENSE OF ANY SUCH CLAIMS, SUITS, AND CAUSES OF ACTION. API REALTY, LLC. AND ACCREDO PACKAGING, INC. SHALL BE RESPONSIBLE FOR ALL FEES INCURRED BY THE DISTRICT IN THE DEFENSE OF ANY SUCH CLAIMS, SUITS, OR CAUSES OF ACTION SO LONG AS DEFENSE COUNSEL AND COURSES OF ACTION ARE DETERMINED SOLELY BY API REALTY, LLC AND/OR ACCREDO PACKAGING, INC., NOTHING IN THIS AGREEMENT SHALL BE INTERPRETED TO PROHIBIT DISTRICT FROM INCURRING REPRESENTATION OF ANY SUCH CLAIM, SUIT OR CAUSE OF ACTION AND API REALTY, LLC. AND ACCREDO PACKAGING, INC. SHALL NOT BE RESPONSIBLE FOR ANY SUCH COSTS AND OR FEES SO INCURRED.

11. Force Majeure

If by reason of force majeure, the Owner or Lessee is unable to perform any obligation of



this Agreement, it shall give notice of the force majeure to the District in writing within ten (10) calendar days of the occurrence relied upon. The obligation of Owner and Lessee to the extent and for the period of time affected by the force majeure, shall be suspended. Owner and Lessee shall endeavor to remove or overcome the inability with all reasonable effort. For purposes of this provision, "force majeure" shall mean acts of God, landslides, lightning, earthquakes, hurricanes, storms, floods, or other natural occurrences; strikes, lockouts, insurrections, riots, wars or other civil or industrial disturbances; orders of any kind of the Federal or State government or of any civil or military authority; explosions, fires, breakage or accidents to machinery, lines, or equipment, or the failure of the system or water supply system; or any other cause not reasonably within the control of Owner and Lessee.

12. Commissioners Court Approval

This Agreement is conditioned entirely upon the approval of the Commissioners' Court by the affirmative vote of a majority of the members present at a duly scheduled meeting of the Commissioner's Court.

13. Compliance with State and Local Regulations

This Agreement shall not be construed to alter or affect the obligations of Owner or Lessee to comply with any city ordinance or federal or state law or regulation.

14. Changes in Tax Laws

The tax abatement provided in this Agreement is conditioned upon and subject to any changes in the state tax laws during the term of this Agreement.

15. Miscellaneous

(a) This Agreement shall be construed under and in accord with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Fort Bend County, Texas.

(b) In the event of one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

(c) The waiver by either party of a breach of any provision of this Agreement shall not operate as or be construed as a waiver of any subsequent breach.

(d) Any amendments of this Agreement shall be of no effect unless in writing and signed by both parties hereto.

16. Notices

Any notice required to be given under the provisions of this Agreement shall be in writing and shall be duly served when it shall have been deposited, enclosed in a wrapper with the proper postage prepaid thereon, and duly registered or certified, return receipt requested, in a United States Post Office, addressed to the Owner or Lessee at the mailing addresses as hereinafter set out. If mailed, any notice of communication shall be deemed to be received three (3) days after the date of deposit in the United States Mail. Unless otherwise provided in this Agreement, all notices shall be delivered to the Owner or Lessee or the District at the following addresses:

To the **Tax Assessor/Collector:** The Honorable Patsy Schultz
Fort Bend County Tax Assessor-Collector
500 Liberty, Suite 101
Richmond, Texas 77469

To **Owner:** API Realty LLC
Director
12682 Cardinal Meadow Drive
Sugar Land, Texas 77478

To **Lessee:** Accredo Packaging, Inc.
Chief Operating Officer
12682 Cardinal Meadow Drive
Sugar Land, Texas 77478
Attn: Janak K. Sheth, Executive VP and CFO

To District: Fort Bend County Drainage District
401 Jackson, 1st Floor
Richmond, Texas 77469
Attention: County Judge

Copy to: Fort Bend County Attorney
401 Jackson, 3rd Floor
Richmond, Texas 77469

Either party may designate a different address by giving the other party ten (10) days written notice thereof. **Failure of Owner or Lessee to provide the County Tax Assessor/Collector thirty (30) days notice of a change of address may result in termination of this Agreement.**

17. Entire Agreement; Ordinance and Economic Impact Statement

This Agreement contains the entire Agreement among the parties and supersedes all other negotiations and agreements, whether written or oral. Attached hereto are Exhibit "A" – Ordinance No. 2128 Designating Reinvestment Zone No. 2018-01 and Legal Description of Real Property, and Exhibit "B" – Economic Impact Statement/Application for Value Added Tax Abatement, which are made part of this Agreement.

18. Execution

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the District, and Owner and Lessee as of the dates below stated. Owner and Lessee warrant and represent that the individuals executing this agreement on behalf of API Realty, LLC. and Accredo Packaging, Inc. have full authority to execute this Agreement and bind or API Realty, LLC. and Accredo Packaging, Inc. to the same.

FORT BEND COUNTY DRAINAGE DISTRICT

By: _____
Robert E. Hebert, County Judge

ATTEST:

Date: _____

Laura Richard, County Clerk

API REALTY, LLC

By: _____
Signature

CHINH T. NGUYEN / MEMBER MBA
Printed name & title

ATTEST:

Date: 07/02/2018

Eric Zollinger

ACCREDO PACKAGING, INC.

By: _____
Signature

CHINH T. NGUYEN / PRESIDENT
Printed name & title

ATTEST:

Date: 07/02/2018

Salgado

Attachments:

Exhibit A – Ordinance No. 2128 Designating Reinvestment Zone No. 2018-01
and Legal Description of Real Property

Exhibit B – Economic Impact Statement/Application for Value Added Tax Abatement

EXHIBIT A

ORDINANCE NO. 2128

AN ORDINANCE OF THE CITY OF SUGAR LAND, TEXAS, CREATING REINVESTMENT ZONE NO. 2018-01 FOR A 17.2163 ACRE TRACT OF LAND LOCATED SOUTH OF 12682 CARDINAL MEADOW DRIVE IN SUGAR LAND, TEXAS.

WHEREAS, the Property Redevelopment and Tax Abatement Act (Tax Code § 312 et seq.) authorizes cities to create reinvestment zones and enter into tax abatement agreements with the owners of qualifying properties in reinvestment zones; and

WHEREAS, the City has received an application requesting tax abatement for real property improvements to be located in the zone; and

WHEREAS, the zone is eligible for tax abatement; and

WHEREAS, a public hearing, for which notice was given as required by law, was held at which interested persons were given an opportunity to present evidence for and against the creation of the zone; and

WHEREAS, the City Council has found that the improvements sought to be located in the proposed reinvestment zone are feasible and practical and would be a benefit to the land to be included in the zone and to the City after the expiration of a tax abatement agreement; and

WHEREAS, the creation of the reinvestment zone will be reasonably likely to contribute to the retention or expansion of primary employment or to attract major investment into the zone that would be a benefit to the property located therein and that will contribute to the economic development of the City of Sugar Land; NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY COUNCIL
OF THE CITY OF SUGAR LAND, TEXAS:**

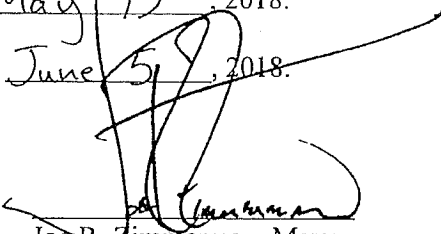
Section 1. That Reinvestment Zone No. 2018-01 is created for the real property consisting of 17.2163 acres, described by metes and bounds in the attached and incorporated Exhibit A, which formerly was shown as Commercial Reserve "G6", of the Sugar Land Central, Section Five Pat recorded under File No. 20060135 of the Fort Bend County, Texas Official Public Records.

Section 2. That the Reinvestment Zone created herein is eligible for commercial-industrial tax abatement as provided by law.

Section 3. That Reinvestment Zone No. 2018-01 expires five years from the date of this ordinance.

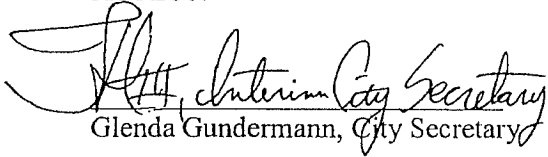
APPROVED on first consideration on May 15, 2018.

ADOPTED upon second consideration on June 5, 2018.



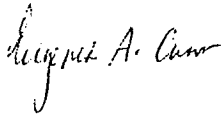
Joe R. Zimmerman, Mayor

ATTEST:



Glenda Gundermann, City Secretary

APPROVED AS TO FORM:



August A. Carr

FIELD NOTE DESCRIPTION OF 17.2163 ACRES OF LAND
OUT OF COMMERCIAL RESERVE "A" OF API COMMERCIAL
RESERVE A MINOR PLAT, ACCORDING TO THE MAP OR
PLAT THEREOF RECORDED IN PLAT NO. 20180111 OF THE
PLAT RECORDS OF FORT BEND COUNTY, TEXAS, SAID
17.2163 ACRE TRACT BEING MORE PARTICULARLY
DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at 5/8 inch iron rod found in the South right-of-way line of Cardinal Meadows Drive, as recorded in Slide No. 2370A F.B.C. Plat Records, said iron rod marks the Easterly corner of said Commercial Reserve "A" of API Commercial Reserve A Minor Plat and the herein described tract;

THENCE, South 42°28'04" West, along the Southeasterly line of said Commercial Reserve "A", a distance of 1226.26 feet to a 5/8 inch iron rod with cap found for an interior corner of said Commercial Reserve "G6";

THENCE, South 48°15'22" East, a distance of 575.48 feet to a 5/8 inch iron rod with cap found for corner;

THENCE, South 42°12'43" West, a distance of 20.09 feet to a 5/8 inch iron rod found for the beginning of a curve to the Left;

THENCE, in a Southerly direction, along and with said curve to the Left, having a radius of 440.00 feet, a central angle of 44°38'51", an arc length of 342.87 feet and a chord bearing and distance of South 19°53'17" West, 334.26 feet to a 5/8 inch iron rod found for the point of tangency of said curve;

THENCE, South 02°26'08" East, a distance of 140.18 feet to a 5/8 inch iron rod found in the North right-of-way line of Reed Road (100 feet wide) for the Southeast corner of said Commercial Reserve "A" and the herein described tract;

THENCE, South 88°26'49" West, along the North right-of-way line of Reed Road, a distance of 50.01 feet to a 5/8 inch iron rod found for the Southwest corner of said Commercial Reserve "A" and the herein described tract;

THENCE, North 02°26'08" West, a distance of 6.81 feet to a 5/8 inch iron rod found for the beginning of a curve to the Left;

THENCE, in a Northwesterly direction, along and with said curve to the Left, having a radius of 535.00 feet, a central angle of 41°52'57", an arc length of 391.08 feet and a chord bearing and distance of North 23°22'37" West, 382.43 feet to a 5/8 inch iron rod found for the point of tangency of said curve;

THENCE, North 44°19'05" West, a distance of 247.39 feet to a 5/8 inch iron rod found for the beginning of a curve to the Right;

THENCE, in a Northwesterly direction, along and with said curve to the Right, having a radius of 474.65 feet, a central angle of 17°41'01", an arc length of 146.49 feet and a chord bearing and distance of North 35°28'35" West, 145.91 feet to a 5/8 inch iron rod found for the point of tangency of said curve;

THENCE, North 26°38'04" West, a distance of 132.01 feet to a 5/8 inch iron rod with cap found for corner;

THENCE, North 02°38'14" West, along the West line of said Reserve "A", a distance of 208.71 feet to a 5/8 inch iron rod found for the Southwest corner of 1.163 acre Easement tract recorded under F.B.C.C.F. No. 2008066701, said iron rod also marks the Westerly most Northwest corner of the herein described tract;

THENCE, North 87°21'46" East, a distance of 65.00 feet to a 5/8 inch iron rod with cap found for the Southeast corner of said 1.163 acre tract and an interior corner of the herein described tract;

THENCE, North 02°38'14" West, a distance of 778.75 feet to a 5/8 inch iron rod found for the Northeast corner of said 1.163 acre Easement tract and the Northerly most Northwest corner of the herein described tract;

THENCE, North 88°28'04" East, a distance of 658.34 feet to a 5/8 inch iron rod found in the West right-of-way line of Cardinal Meadows Drive for corner, said iron rod falling in the arc of a curve to the Left;

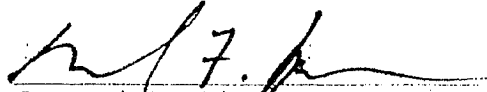
THENCE, in a Southeasterly direction, along said right-of-way, with said curve to the Left, having a radius of 71.50 feet, a central angle of 145°15'22", an arc length of 181.27 feet and a chord bearing and distance of South 74°09'37" East, 136.48 feet to a 5/8 inch iron rod found for the Point of Reverse curve to the Right;

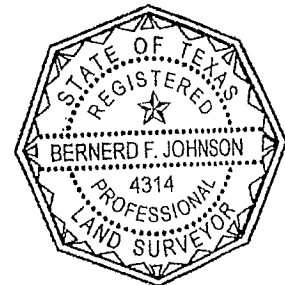
THENCE, in a Northeasterly direction, along said right-of-way, with said curve to the Right, having a radius of 25.00 feet, a central angle of 55°15'12", an arc length of 24.11 feet and a chord bearing and distance of North 60°50'18" East, 23.19 feet to a 5/8 inch iron rod found for the Point of Tangency;

THENCE, North 88°28'04" East, along the South right-of-way line of Cardinal Meadows Drive, a distance of 209.46 feet to the POINT OF BEGINNING and containing 17.2163 acres (749,946 square feet) of land, more or less.

CENTURY ENGINEERING, INC.

Dated this 4th day of May, 2018


Bernerd F. Johnson
Registered Professional Land Surveyor No. 4314



CEI JOB NO. 07004-04.01
(QW06) SV 070040.T

EXHIBIT B



APPLICATION FOR AD VALOREM TAX ABATEMENT

The following factors will be considered as a whole to determine the entire economic impact of the company: location of project, type of business, is the company in one of the City's target industries, number of jobs, skill level of each job, average salary, investment in building improvements or new building, value of taxable inventory, value of taxable personal property and equipment, sales tax revenue generated for the City, impact on local infrastructure, and impact (good or bad) on existing businesses in the City.

1. Please provide a detailed summary statement about your company (its history, type of business and industry, etc.) and clearly describe its operations at the proposed facility in Sugar Land.

2. **Information About Your Company**

Company Name: Accredo Packaging Inc. / API Realty LLC	
Contact Person: Janak K. Sheth	Title: Executive V.P.
Current Address: 12682 Cardinal Meadow Drive, Sugar Land, Texas 77478	
Office #: 713-580-4800	Mobile #: 504-606-6368
Fax #: 281-980-3012	Website: www.Accredopkg.com
Email Address: Janak.Sheth@apicorp.com	
The Company's Primary SIC Code:	

3. Name of entity that will own the building:

4. Type of project (check all that apply):
 - Existing business in Fort Bend County
 - Existing business in Sugar Land
 - New business to Sugar Land/Fort Bend County
 - Expansion of existing facility
 - Construction of new facility
 - Company will lease facility
 - Company will own facility
 - Corporate/Regional Headquarters

5. Location of proposed site(s) in Sugar Land (street address or nearest street intersection):

12682 Cardinal Meadow Drive, Sugar Land, TX 77478

6. Scope of project:

Size of new facility/expansion:	200,000 Sq. Ft.
Size of existing facility (if applicable):	345,000 Sq. Ft.
Size of lease space in existing facility (if applicable):	-
Number of acres at facility site:	14.3 + 17.3 Acres
Type of Construction (tilt wall, metal, concrete, etc.):	Tilt Wall

7. Please give detailed breakdown of operations within the proposed facility (i.e., 20% office; 25% distribution; 15% metal fabrication; 40% warehouse, etc.):

60% Manufacturing
40% Warehousing + Distribution

8. Truck traffic to be generated (# daily or weekly): -

9. Targeted start of construction: June 2018

10. Targeted start of operations: March 2019

11. Market value (taxable assets) of the firm's property that would be located at the facility in Sugar Land (new property to Sugar Land):

	<u>Land</u>	<u>Building Improvements</u>	<u>Furniture, Fixtures & Equipment</u>	<u>Inventory</u>	<u>Total</u>
Yr 1	5,000,000	18,500,000	2,000,000	2,000,000	27,500,000
Yr 4	-	-	10,000,000	1,000,000	11,000,000
Total	5,000,000	18,500,000	12,000,000	3,000,000	38,500,000

12. Estimated percent of inventory that would be Freeport qualified: 100 % ,
Freeport goods are inventories (raw materials, goods-in-process, and finished products) acquired or brought into the state by businesses and held for no more than 175 days before being shipped out of state.

13. Employment information:

	<u>New Jobs Created</u>	<u>Existing Jobs Retained</u>	<u>Total Number of Jobs</u>
Yr 1	100	350	450
Yr 4	<u>75</u>	<u>-</u>	<u>75</u>
Total	175	350	525

14. Average salary (before benefits): \$36,000/per person
15. Amount of initial, annual local payroll to be created: \$5,000,000
\$17.50 x 40 x 52 x 150 (\$5,460,000)
16. The firm's estimated annual amount of taxable sales (that generate sales taxes) in the City of Sugar Land: \$0
17. Will there be any special infrastructure (water/wastewater, power, gas, transportation, etc.) needs required by the company: Power and Gas
18. Does the company own a corporate airplane that would be housed at the Sugar Land Regional Airport? If so, what is the plane's value: No
19. Will the company's local business practices necessitate business travel that will bring clients or employees to Sugar Land, resulting in hotel/motel bookings? If so, what is the estimated number of hotel/motel stays per year that will be booked locally? 100

LEED TAX ABATEMENT
(If Applicable to Project)

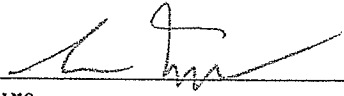
20. Applicable LEED Green Building Rating System and Version on which the Certification Will Be Based:
Rating System: _____ Version: _____
21. Level and Number of Points of LEED Rating System at which applicant expects Certification:
Level: _____ Number of Points: _____
22. Proof that Project Has been Registered with the US Green Building Council
Proof of Registration: _____
23. Information on LEED Accredited Professional Assigned to the Design Team for the Project (if applicable)

Contact Person:	Title:
Address:	
Office #:	Mobile #:
Fax #:	Email Address:

24. Note: A draft site plan and a metes and bounds description of the project must be provided for use as an exhibit to the tax abatement agreement and reinvestment zone ordinance before those documents can be drafted.
21. By signing and submitting this application you certify that the company, its branches, divisions and departments (company) do not and will not knowingly employ an undocumented worker. An agreement with the company will require the company to repay the total amount of the public benefit received with interest at the rate and according to the terms of the agreement if the company is convicted of a violation under 8 U.S.C. Section 1324a (f). Repayment will be due no later than the 120th day after the date the City notifies the company of the violation as provided in the agreement.

An undocumented worker is an individual who, at the time of employment, is not:

- (1) lawfully admitted for permanent residence to the United States; or
- (2) authorized under law to be employed in that manner in the United States.



Signature

Chinh T. Nguyen, President

Title

6/11/2018
Date

There is no application fee or membership required by the City of Sugar Land. However, Fort Bend County requires that companies receiving tax abatement maintain a trustee membership in the Greater Fort Bend Economic Development Council for the term of the agreement.