



**Corpus Christi**  
REGIONAL ECONOMIC  
DEVELOPMENT CORPORATION

## **APPLICATION FOR INCENTIVES**

**Date of Application:**

**Check All Incentives Applicant Is Applying For:**

- |                                     |                             |                          |   |
|-------------------------------------|-----------------------------|--------------------------|---|
| <input checked="" type="checkbox"/> | Tax Abatement               | <input type="checkbox"/> | 380 Agreement   |
| <input type="checkbox"/>            | Tax Increment Financing     | <input type="checkbox"/> | Municipal Management District                         |
| <input type="checkbox"/>            | Public Improvement District | <input type="checkbox"/> | Industrial District                                   |
| <input type="checkbox"/>            | Type A                      | <input type="checkbox"/> | Freeport Exemption                                    |
| <input type="checkbox"/>            | Enterprise Zone             | <input type="checkbox"/> | Fast Track Permitting Process                         |
| <input type="checkbox"/>            | Industrial Revenue Bond     | <input type="checkbox"/> | Large Retail/Mixed Use Development &<br>Redevelopment |

### **SECTION I – APPLICANT INFORMATION AND BUSINESS DESCRIPTION**

Company Name: Ticona Polymers Incorporated

Address: 5738 County Road 4 P.O. Box 428

City: Bishop State: TX Zip: 78343

Authorized Contact Name: Brian Connelly

Title: Site Director

Mailing Address: P.O. Box 428

City: Bishop State: TX Zip: 78343

Telephone: (361) 584-6231 Fax: (361) 584 - 6208

E-mail Address: brian.connelly@ticona.com

Duns Number: 127067296 Parent Company Celanese Corporation 097413462

NAICS: 325199 (primary), 325211, 325412

- 1.1 Indicate ownership of Applicant Company: Private Public
- 1.2 Indicate applicant's type of legal entity, e.g., proprietorship, partnership, joint venture, or corporation: **Corporation**
- 1.3 Identify applicant's state of registration or incorporation, if applicable: **TX**
- 1.4 Identify business headquarters location (city, state): **Florence, KY**
- 1.5 Does/will the applicant own or lease the project land and/or facility: **Own**  
 If leased, indicate lease term: \_\_\_\_\_ Expiration date: \_\_\_\_\_
- 1.6 Indicate applicant's total workforce: Full-time: **618 (324 Celanese & 296 Contractor)** Part-time: **5**
- 1.7 Indicate applicant's existing Nueces County Appraisal District tax account numbers:  
 Real Property: **IC-1286000-105 & 110; IC-1286000-0205; 0727-0147-0000; 0727-0148-0000; 0727-149-0300, 0400, 0800, 1000; 0727-0154-0100; 0727-0155-0000, 0100; 0727-0156- 0000, 0100; 0727-0157-0000; IC-1286000-0102**  
 Personal Property: **IC-1286000-135; IC-1286000-175,177; IC-1286000-0205; IC12-8670-0110, 0120, 0130, 0140, 0150, 0160, 0170, 0180, 0185, 0190, 0195, 0200, 0210**  
 Inventory/Supplies: **IC-1286000-0540; IC-1286000-0545**
- 1.8 Identify the owner(s) of the real and/or personal property if applicant is not the owner: **Ticona Polymers Inc., Celanese LTD, Celanese Engineering Resins Inc., Celanese Pipeline Co all belong to the same parent company**
- 1.9 Is the company delinquent in the payment of ad valorem taxes to any taxing unit located in Nueces County: Yes No If yes, explain: \_\_\_\_\_

## **SECTION II – PROJECT DESCRIPTION**

### **2.1 Type of facility (check):**

- |   |   |
|---|---|
| <input type="checkbox"/> Agribusiness   | <input type="checkbox"/> Aviation                     |
| <input type="checkbox"/> Biotechnology  | <input type="checkbox"/> Basic Industrial             |
| <input checked="" type="checkbox"/> Manufacturing                             | <input type="checkbox"/> Service Facility             |
| <input type="checkbox"/> Petrochemical Facility                               | <input type="checkbox"/> Regional Distribution Center |
| <input type="checkbox"/> Environmental Technology (clean or green technology) |   |
| <input type="checkbox"/> Telecommunication/Data Processing Center             |   |
| <input type="checkbox"/> Visitor/Amusement Facility                           |   |

\_\_\_ Significant Projects in targeted areas, including but not limited to mixed-use and multifamily housing

\_\_\_ Other: \_\_\_\_\_

2.2 Type of project: Retention Re-Location or New Location

**New Facility**

Existing Facility

Expansion or Modernization

2.3 Fully describe the proposed project, including capital improvements (real and personal property) to be undertaken, the facility's use, and the product or service to be produced:

The Bishop Plant currently has existing facilities used to 'compound' specialty plastics. The compounding process utilizes polymer currently produced on site. The polymer is mixed and re-melted with special additives and stabilizers to produce the specialty plastics. The final product is used in automotive and industrial applications. The existing facilities consist of 11 extrusion lines that are very old and antiquated.

The Bishop plant, with a phased approach, proposes to replace all the existing extrusion lines. A new facility would be built in another area of the plant. The 1<sup>st</sup> phase would include demolition of some existing equipment, installation of a new 7 bay building and installation of the first extrusion line. Phase 2 would follow with an additional 2 extrusion lines installed in the new building. Three additional phases would be implemented over the next 4-6 years and would include 5 additional extrusion lines and a building expansion.

2.4 Zoning required for operation: **Industrial**

2.4.1 Current Zoning: **Industrial**

2.4.2 Is the property platted? **Yes** No

2.4.3 Is the property served by adequate infrastructure?

Water: **Yes** Wastewater: **Yes** Storm Water: **Yes** Gas: **Yes**

2.4.4 Is a master plan amendment required before infrastructure can be extended? **No**

2.4.5 Are off-site traffic control improvements required? Yes **No**

2.5 Briefly justify how this incentive(s) is/are necessary for the project to be completed:

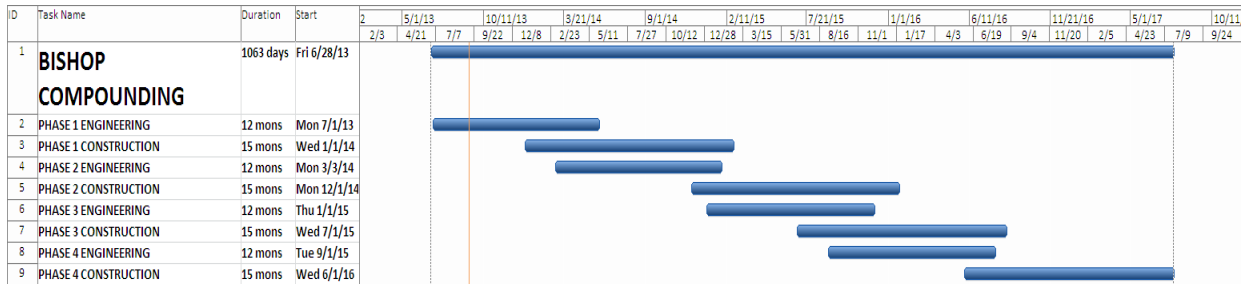
**The incentive will provide additional financial justification during the option sorting evaluation phase. Potential options in consideration are:**

- 1) Expansion at another Celanese location outside of Texas and subsequent downsizing of Bishop facility,

- 2) Acquisition of other assets outside of Texas and subsequent downsizing of the Bishop facility
- 3) Tolling of the required manufacturing outside of Texas and subsequent downsizing of the Bishop facility
- 4) The new facility at the Bishop site adding new full time employees and subsequently retaining the existing workforce.

**2.6** Indicate project location (street address/legal description): **5738 County Road 4, Bishop, Texas 78343**

**2.7** Provide a timeline for the project completion, indicate commencement and completion dates:



**SECTION III – PROJECT VALUATIONS**

**3.1** As provided by the Nueces County Appraisal District, indicate the appraised values of the following:

Land (excluding acquisition costs)	Value: \$1,258,481	Date: 2013
Existing real property	Value: \$120,285	Date: 2013
Existing personal property	Value: \$179,939,950	Date: 2013

**3.2** Indicate the estimated project improvement values:

Real property: <b><u>\$135,000,000</u></b>	Personal property: <b><u>\$10,000,000</u></b>
Inventory/supplies: <b><u>\$0</u></b>	

**SECTION IV – PROJECT JOB CREATION**

**4.1** Number of new, permanent jobs to be created: Full-time: 6 Part-time:

**4.2** Number of jobs retained: Full-time: 106 Part-time:

**4.3 Matrix of Existing and Proposed Employment, Gross Payroll, and Investment**

**New Capital Investment** (in millions)

2014	2015	2016	2017	2018	2019	2020
------	------	------	------	------	------	------

Building	25.0	35.0		25.0	30.0		35.0
FFE							
Total	25.0	60.0	60.0	85.0	115.0	115.0	150.0

As of December 31,                      2013                      2014                      2015                      2016                      2017

**Employment**

Existing Jobs										
Full-time		106		106		106		106		106
Part-time										
Total Existing		<u>106</u>		<u>106</u>		<u>106</u>		<u>106</u>		<u>106</u>

New Jobs										
Full-time		6		6		6		6		6
Part-time										
Total Existing		<u>        </u>		<u>        </u>		<u>        </u>		<u>        </u>		<u>        </u>

**Gross Payroll**

Existing Payroll (in millions)										
Full-time		10.42		10.42		10.42		10.42		10.42
Part-time										
Total Existing		<u>10.42</u>		<u>10.42</u>		<u>10.42</u>		<u>10.42</u>		<u>10.42</u>

New Payroll (in millions)										
Full-time		.88		.88		.88		.88		.88
Part-time										
Total New		<u>.88</u>		<u>.88</u>		<u>.88</u>		<u>.88</u>		<u>.88</u>

Average Wage/Year

44.74                      44.74                      44.74                      44.74                      44.74

**Will Benefits be available to all full time employees?**      Yes      ~~No~~  
**If yes, please describe:**

Celanese offers a comprehensive benefits package that includes:

- medical coverage - a high deductible health plan
- health savings account – Celanese contribution annually, in addition to employee contribution
- limited use flexible spending account
- dependent care flexible spending account
- dental coverage
- vision plan
- basic life insurance – one times annual salary paid by Celanese
- voluntary life insurance – one to six times annual salary
- accidental death and dismemberment – one times annual salary paid by Celanese
- voluntary accidental death and dismemberment – one to six times annual salary
- child and spouse life insurance
- short-term disability coverage – 50% of base pay up to 26 weeks, 100% of base pay after one year
- long-term disability coverage – basic coverage provides 50% base pay replacement paid by Celanese; extended coverage provides 66 2/3% base pay replacement
- group legal coverage
- auto, homeowners and renters' insurance
- retirement pension plan – cash balance account, employer only contribution, 5% of annual pensionable earning, automatic enrollment, 3 year vesting, interest based on 30-year treasury rate
- retirement savings plan (401K) – Celanese match 100% up to 5%, employee contributions 2-80% up to IRS limits

**4.4**      Indicate the project impact on the following job classifications:

<b>Number of Full-Time Jobs</b>	<b>Avg. Annual Salary</b>	<b>Number of Positions Created</b>	<b>Number of Positions Retained</b>
Officials and Managers	172,689	0	1
Professionals	157,408	0	9
Technicians	142,601	0	2
Sales			
Office and Clerical			
Craft Worker (skilled)	155,646	0	4
Operators (semi-skilled)	122,152	6	38
Labors (unskilled)	55,687	0	52
Service Workers			
Totals:	93,060	6	106

**4.5 Describe the benefits package to be offered to employees:**

Celanese offers a comprehensive benefits package that includes:

- medical coverage - a high deductible health plan
- health savings account – Celanese contribution annually, in addition to employee contribution
- limited use flexible spending account
- dependent care flexible spending account
- dental coverage
- vision plan
- basic life insurance – one times annual salary paid by Celanese
- voluntary life insurance – one to six times annual salary
- accidental death and dismemberment – one times annual salary paid by Celanese

- voluntary accidental death and dismemberment – one to six times annual salary
- child and spouse life insurance
- short-term disability coverage – 50% of base pay up to 26 weeks, 100% of base pay after one year
- long-term disability coverage – basic coverage provides 50% base pay replacement paid by Celanese; extended coverage provides 66 2/3% base pay replacement
- group legal coverage
- auto, homeowners and renters' insurance
- retirement pension plan – cash balance account, employer only contribution, 5% of annual pensionable earning, automatic enrollment, 3 year vesting, interest based on 30-year treasury rate
- retirement savings plan (401K) – Celanese match 100% up to 5%, employee contributions 2-80% up to IRS limits

**4.6 Describe the investment in training/education that will be made for jobs created:**

The jobs created are Operators (semi-skilled). Operators have a defined training and progression program that is administered by the Unit Training Coordinator, in conjunction with the Shift Supervisor and Production Specialist. This training includes classroom and on-the-job training, and includes review board and assessments to ensure knowledge level in order to advance to the next level of training and pay. The progression program takes three to five years to complete, depending upon the individual. Special topics training is conducted frequently, as needed, such as MOC/MOOC Requirements, Basic Water Chemistry, and pump analysis.

Significant investment is made in safety training, as required for the job, such as confined space entry, hot work permitting, forklift driving, rigging, root cause analysis, and proper care and use of personal protective equipment.

Personnel development courses are offered throughout the year, such as Listening in a Hectic World, Speaking to Influence, Performance Management, and Business Communication.

New employees participate in a new hire orientation program in which the Celanese mission, vision, and values are presented, as well as key policies such as Business Conduct and Ethics. Newly hired Operator participate in a three to four week program for new Operator orientation.

All employee are assigned computer based training courses based upon their job requirements. Courses cover a variety of topics, such as safety, company policies, business conduct, ethics, and equipment operation.

**SECTION V – OTHER PROJECT INFORMATION**



**5.1** Has the company or any of its affiliates been cited, currently under investigation, or have litigation pending for any violations of Federal, State, or Local laws, codes or ordinances: **Yes** No

If yes, indicate the nature/status of violation(s)

Date	Citation - <b>TCEQ</b>	Allegation	Classification (TRK No.)
6/12/2012	30 TAC Chapter 113 Sub Chapter C 113.520 30 TAC Chapter 116, Sub Chapter B 116.115(b) Permit SC No. 13.E.5C THSC Chapter 382 382.085(b) 40 CFR Chapter 63. Sub Chapter C. PT 63. SubPT UU 63.1033(b)	Failure to equip each open-ended line with a cap, blind flange, plug or a second valve	MODERATE (467907)
8/31/2012	30 TAC Chapter 305, Sub Chapter F 305.125(1)	Failed to notify the TCEQ when the positive pressure of 100 psi over tubing injection pressures in the tubing casing annulus drops below 100 psi for more than 15 minutes	MODERATE (477004)
8/31/2012	30 TAC Chapter 331, Sub Chapter D 331.65©(1) 40 CFR Chapter 146, Sub Chapter D, PT 146, SubPT G 146.69(a)	Failure to report an exceedance of differential annulus pressure on the Underground Injection Control (UIC) Quarterly Report	MODERATE (477007)
8/31/2012	40 CFR Chapter 146, Sub Chapter D, PT 146, SubPT G 146.67© 30 TAC Chapter 331, SubChapter D 331.63(e)	Failed to maintain differential pressure of at least 100 psi. A positive pressure of at least 100 psi over tubing pressure shall be maintained in the tubing casing annulus for the purpose of leak detection.	Major (477002)
6/12/2012	30 TAC Chapter 116, Sub Chapter B 116.115(e) OP SC No. 8 5C THSC Chapter 382 382.085(b)	Failure to operate the flare in accordance with the permit special conditions as listed in the permit	Moderate (467912)

**5.2** Is any interest in the proposed project presently held by an elected official or local government employee: Yes **No**

If yes, please indicate person

**APPLICATION ATTACHMENTS**

The following information supports various application sections and is needed to fully evaluate the company for incentives. Applications will not be considered until all the required information is received:

## **SECTION I – APPLICANT INFORMATION AND BUSINESS DESCRIPTION**

1. Provide information regarding the applicant company's description, including corporate structure, annual financial statement or prior year report, and organization chart identifying affiliates and subsidiaries, if any.

Ticona Polymers, Inc. (the "Company"), is a wholly-owned consolidated subsidiary of Celanese Corporation (the "Parent"), a public company listed on the New York Stock Exchange and subject to filing requirements of the Securities and Exchange Commission (the "SEC"). A copy of the Parent's annual report on Form 10-K for the year ending December 31, 2012 can be found on the Company's website at <http://www.celanese.com/About-Us/investor-relations.aspx> or on the SEC's website at <http://www.sec.gov/Archives/edgar/data/1306830/000130683013000007/0001306830-13-000007-index.htm>. A description of the Company's business can be found in Item 1. *Business* of the Form 10-K under the heading *Advanced Engineered Materials*. Exhibit 21.1 of the Form 10-K provides a list of the Parent's subsidiaries and the Company's affiliates.

## **SECTION II – PROJECT DESCRIPTION**

2. Indicate property description and attach a map showing the location of the existing and proposed improvements and the legal description

A description of properties owned by Ticona Polymers Inc. out of this portion of the Palo alto grant to Marias Garcia and embraces portions of the F.Z. Bishop Subdivision of the Weil Ranch and properties out of the Jeremiah Hannon Survey, Patent No. 172, Vol. 9 A-128, Kleberg County, Texas, said properties being situated approximately one and one-half miles Southwest of the City of Bishop, Nueces County, Texas; said properties being more particularly described as follows:

297.51 acres of land being all that part of Sections 147 and 148 of the F.Z. Bishop Subdivision of the Weil Ranch, West of the right-of-way of the Union Pacific Railway.

594.07 acres of land being all of Section 155 of the F.Z. Bishop Subdivision of the Weil Ranch, Nueces County, Texas;

182.19 acres of land being all of the E ½ of Section 157 of the F.Z. Bishop Subdivision of the Weil Ranch, Nueces County, Texas;

160.02 acres of land being the South half of Section 154 of the F.Z. Bishop Subdivision of the Weil Ranch, Nueces County, Texas;

20 acres of land laying in the South portion of the West one-half of Section 149 of the F.Z. Bishop Subdivision of the Weil Ranch, Nueces County, Texas;

62.78 acres of land being all of fractional Section 156 of the F.Z. Bishop Subdivision of the Weil Ranch, Nueces County, Texas;

62.29 acres of land out of the Jeremiah Hannon Survey, Patent No. 172, Vol. 9 A-128, Kleberg County, Texas;

44.72 acres of land being the fractional part of the South one-half of the Southeast one-quarter of section 149 of the F.Z. Bishop Subdivision of the Weil Ranch situated West of the Union Pacific Railway right-of-way, Nueces County, Texas;

The above described lands being in Nueces and Kleberg Countries and being 1423.55 acres more or less.

THE STATE OF TEXAS  
COUNTY OF NUECES

Permit

No. HW-50123  
Attachment A  
Sheet 2 of 3

A metes and bounds description of a 1423.58 acre tract of land being 1361.29 acres out of Section 147, 148, 149, 154, 155, 156 and 157 of the F.Z. Bishop Subdivision of the Weil Ranch, Nueces County, Texas as shown and recorded in the Nueces County Map Records Book 2, Pages 6 and 7, and 62.29 acres out of the northeast portion of the J. Hannon Survey, A-128, Kleberg County, Texas said 1423.58 acre tract being more particularly described by metes and bound as follows;

Beginning at a point marking the southeast corner of said Section 147 lying west of the Union Pacific Railway right-of-way, and southeast corner of Ticona Polymers Inc property, said point also being in the Kleberg and Nueces county line;

Thence N. 45°38'E. along the southeast property line of Ticona Polymers Inc and the northeast right-of-way line of the Union Pacific Railway a distance of 8454-82 to a point for the northeast corner of said tract, and also being the northeast corner of the south 44.72 acre of the southeast one-quarter of Section 149, F.Z. Bishop Subdivision of the Weil Ranch;

Thence N. 72°42'W. a distance of 1832.14 feet to a corner'

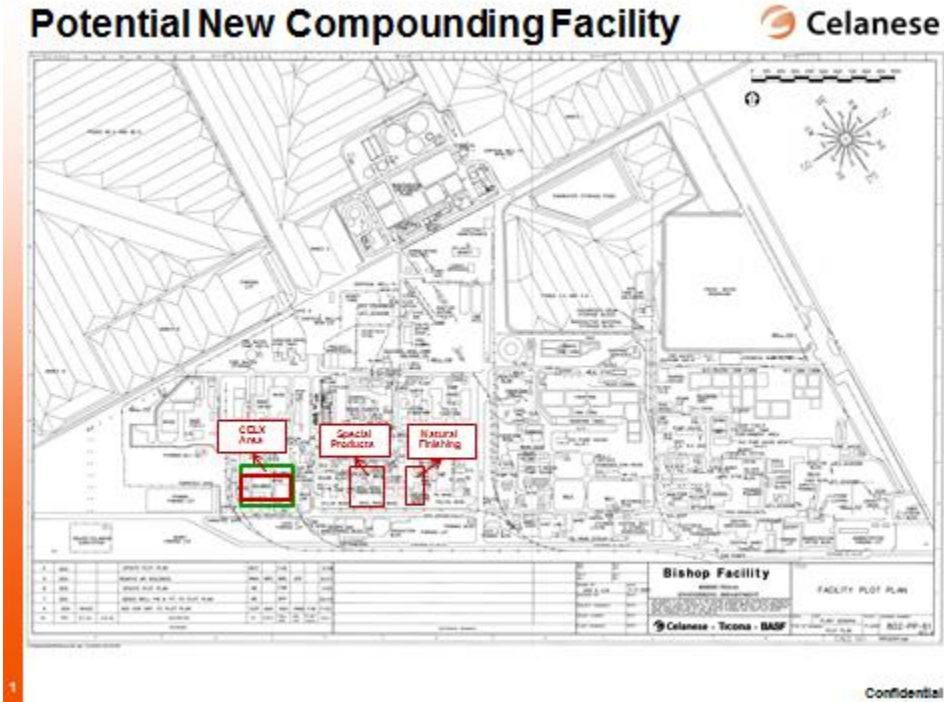
Thence S. 17°18'W. a distance of 990 feet to a corner;

Thence N.72°42'W. parallel to and 330.0 feet north of said centerline of Country Road No. 4 and north line of Section 148 a distance of 2640 feet to a point in the centerline of a north/south Nueces county road and the west line of said Section 149;

Thence N. 17°18'E. along said centerline and west section line a distance of 2310.00 feet to the northeast corner of a 160 acre tract and the northeast corner of the southeast one-quarter of said Section 154;

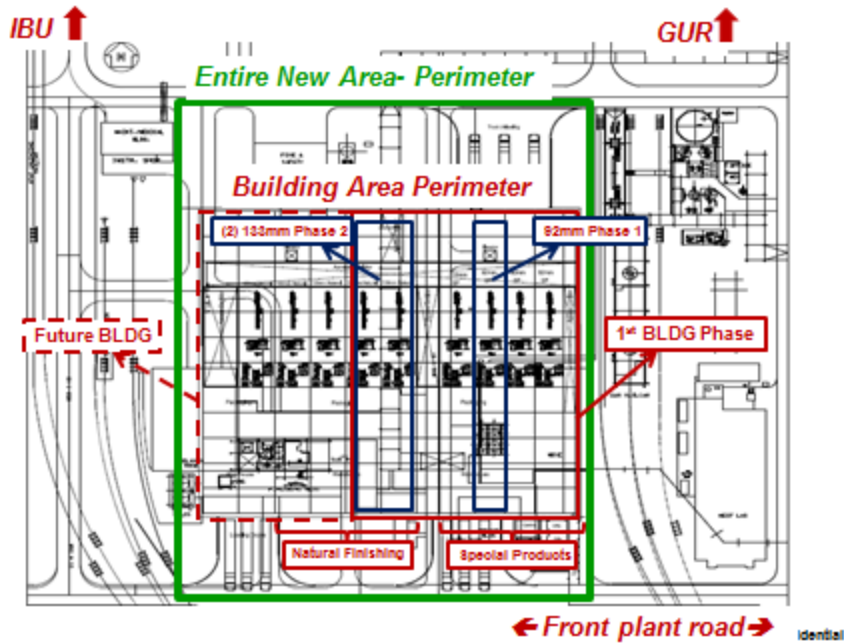
Thence N.72°42'W. along the north line of said 160.0 acre tract and southeast one-quarter of Section 154 a distance of 2640.35 feet to a point for the northwest corner of said 160.0 acre tract and southeast one-quarter section;

Thence S.17°17' 22"W. along the west line of said 160.0 acre tract and southeast one-quarter section a distance of 2639.99 feet to a point in the centerline of Nueces County Road No. 4 and the north/south section line of Section 155 and 154 respectively, said point also being the southwest corner of said 160.0 acre tract;



Confidential

## Potential New Compounding Facility



### SECTION III – OTHER PROJECT INFORMATION

3. Provide an assessment of the proposed project's environmental impact, and any remediation and/or compliance plan associated with the project, which would have the effect of minimizing the negative impact of the project on the environment.

The project requires a TCEQ New Source Review (NSR) permit, which includes an air emissions environmental impact assessment. The permit process will require a review of Best Available Control Technology (BACT) for associated air emissions and air dispersion modeling for the predicted air emissions associated with the project. The results of these reviews will identify specific required controls and permit conditions that are intended to minimize the environmental impact. The project is anticipated to result in a slight net hourly and annual increase in Volatile Organic Compound (VOC) and Particulate Matter (PM) emissions. However, increases for each of these air constituents will require approval through the NSR permitting process before construction and operation of the proposed project may begin.

4. Please describe any other State or Federal incentives you are applying for with regard to this project: None
5. Include a letter of authorization for signing authority for the person signing this application.

## CERTIFICATION

I certify that I am authorized to sign the incentive application and that the information provided in this application is true and correct. I understand that the information provided will become a part of any agreement. I also understand and certify that I have read the policy guidelines for each policy in which I am applying for and am familiar with the provisions contained therein.

The application must be complete and returned for consideration prior to the submission of an application for a building permit or the issuance of a certificate of occupancy, whichever comes first. Upon receipt of this application, the Corpus Christi Regional Economic Development Corporation shall require such financial and other information as may be deemed appropriate for evaluating the financial capacity and other factors of the applicant. For more information or questions please call (361) 882-7448.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Printed Name:

Title:

Company Name:

### **Complete applications should be submitted to:**

Corpus Christi Regional Economic Development Corporation  
800 North Shoreline Blvd  
Suite 1300 South  
Corpus Christi, Texas 78401