

**APPLICATION FOR TAX ABATEMENT IN
CITY OF ANGLETON, TEXAS**

FILING INSTRUCTIONS:

This application should be filed at least NINETY (90) DAYS prior to the beginning of construction or the installation of equipment. This filing acknowledges familiarity and assumed conformance with "GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENT IN A REINVESTMENT ZONE IN CITY OF ANGLETON" (Copy attached). This application will become part of any later agreement or contract and knowingly false representations thereon will be grounds for the voiding of any later agreement or contract.

ORIGINAL COPY OF THIS APPLICATION AND ATTACHMENTS SHOULD BE SUBMITTED TO:

**MAYOR J. PATRICK HENRY
CITY OF ANGLETON CITY HALL
121 S. VELASCO
ANGLETON, TX 77515**

PART I - APPLICANT INFORMATION

Property Owner: Leadrock Properties, LLC

Company Name: Technical Innovations, Inc Submittal
Date: 6-6-08 (originally submitted 3-13-08)
Address/City: 20714 N. Hwy 36, Brazoria, TX 77422
Name/Address/Phone of Company Contact on this Project: Gary Cordell
20714 N. Hwy 36 Brazoria, TX 77422 979 798 9426
Type of Structure: Corporation Partnership () Proprietorship ()
Total Number employed: 27 Corporate Annual Sales Per Year: \$3.7mm (2007)
Annual Report Submitted: Yes No () (see instructions)

PART II - PROJECT INFORMATION

Check type of facility to be abated:

Manufacturing	<input checked="" type="checkbox"/>	Regional Distribution	()
Regional Service	()	Regional Entertainment	()
Research	()	Other Basic Industry	()

Proposed Facility Address and Legal Description: (See Exhibit A)

Attach a map showing site (See Exhibit B).

Proposed facility located in the following taxing jurisdictions:

School District: Angleton ISD
College District: n.a.
Drainage District: Angleton, TX
Hospital District: Angleton - Danbury
City: Angleton, TX
Other Taxing Jurisdictions: Brazoria County / Navigation District

Describe Product or service to be provided: see attached

This application is for a: New Plant () Expansion () Modernization ()

PART III - PROJECT DESCRIPTION

Please attach a statement (1) fully explaining the project; (2) describing the site and existing improvements; (3) describing all proposed improvements; and (4) providing a list of improvements and fixed equipment for which abatement is requested.

See attached

PART IV - ECONOMIC IMPACT INFORMATION

- Land Cost = \$255,610*
- A. Estimated cost of improvements: *Buildings / Improvements = up to \$1,000,000*
- B. Permanent employment estimates:
If existing facility, the current plant employment: *n.a.*
Estimated number of plant jobs retained: () Jobs created: ()
Number of employees anticipated at start-up: (*27*) within one year (*30*)
- C. Construction employment estimates:
Construction to start: Month: *June* Year: *2008*
Construction to be completed: Month: *December* Year: *2008*
Number of construction jobs anticipated:
At start: *4* Peak: *15* Finish: *4*
- D. School District impact estimates:
Number of families transferred to area: *-0-*
Number of children added to ISDs: *-0-*
- E. City Impact estimates:
Volume of treated water required from city: *500 gal/day*
Volume of effluent water to be treated by city: _____

Please provide statement by Addendum relative to planned water and sewer treatment methods and disposal of effluent if the facility is to be located outside city systems. If effluent is not treated by municipal facilities, by Addendum, include an explanation of the manner of treatment and by whom.

Has permitting been started Yes () No ()

F. Estimated appraised value on site: **LAND PERSONAL IMPROVEMENTS**
PROPERTY

Valuation of existing property as of
January 1, preceding this abatement
Application:

\$ 255,610 \$ 693,030 \$ 1,000,000

Estimated value of personal Property
And improvements, **not subject to**
Abatement, excluding exempt Pollution
Control Equipment, upon completion
of the project subject to this application:

\$ -0- \$ -0-

Estimated value of abated improvements
after abatement agreement expires:

\$ 1,000,000

Estimated value, upon completion of project,
of exempt pollution control equipment:

\$ -0-

G. Variance: Is a variance being sought under any provision of the "guidelines"?
Yes () No () If "Yes", attach any supplementary information required.

H. Statement on planed efforts to use City of Angleton Vendors and Services: Please attach a
statement describing willingness and planned efforts to use qualified City of Angleton vendors and
services where applicable in the construction and operation of the facility.
(See Section 2 (h) (6) of the Guidelines and Criteria for Granting Tax Abatement.)
(See Exhibit D)

See attached.

PART V - OTHER AGREEMENT APPLICATIONS

Has the company made application for abatement of this project to other taxing jurisdictions or counties:
Yes () No ()

If "Yes", provide (1) dates of application; (2) hearing dates; (3) name of jurisdiction(s) and contact(s); and
(4) any letters of intent to abate.

PART VI - DECLARATION

To the best of my knowledge, the above information is an accurate description of project details.

C. Garrison Cordell
Company Official Signature

C. Garrison Cordell, CEO
Printed Name & Title of Company Official

EXHIBIT "A"



LOT 6A (Lots 6, 7 & 8, Tract 2C), Tract 2C
ANGLETON COMMERCIAL SUBDIVISION No. 6

BEING a 17,040 Square Feet or 3.912 acre tract of land to be platted as LOT 6A, Tract 2C of the REPLAT of LOTS 6, 7 & 8 OF TRACT 2C, ANGLETON COMMERCIAL SUBDIVISION NO. 6; the said Lot 8 being part of the Replat of Tracts 1, 2B, 3A, 3B, and Lot 8, Tract 2C, Angleton Commercial Subdivision No. 6, an addition to the City of Angleton, Brazoria County, Texas recorded in Volume 23, page 289; Plat Records of Brazoria County, Texas (PRBCT) or County Clerk File No. (CCF#) 2003 022939, Official Records of Brazoria County, Texas (ORBCT); the said Lots 6 & 7 being part of the Replat of Tracts 2C, 3A, 3B, and 4, Angleton Commercial Subdivision No. 6, an addition to the City of Angleton, Brazoria County, Texas recorded in Volume 20, page 253, PRBCT or CCF# 1999 008786, ORBCT; the said 3.912 acre tract of land being out of and a part of J de J VALDERAS Survey, Abstract 380, and is more particularly described as follows:

BEGINNING at a 5/8" iron rod with plastic cap stamped "BAKER & LAWSON" found for the northeast corner of this tract and the northeast corner of the said Lot 8 at the intersection of the south line of Gulf Coast Drive (50' right-of-way) with the west line of Galaznik Road (60' right-of-way) also called County Road (CR) 340;

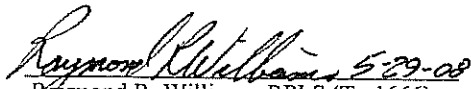
Thence South 00° 31' 59" East (Reference Bearing) with the east line of this tract, the east line of the said Lots 8, 7 & 6, Tract 2C, and the said west line of CR 340 a distance of 425.00 feet to a 5/8" iron rod with plastic cap stamped "BAKER & LAWSON" found for the southeast corner of this tract and the southeast corner of Lot 6, Tract 2C;

Thence South 89° 28' 01" West with the south line of this tract, the south line of the said Lot 6, Tract 2C and the north line of Lot 5, Tract 2C, Angleton Commercial Subdivision No. 6, recorded in CCF# 1999 008786, ORBCT a distance of 400.95 feet to a 5/8" iron rod with plastic cap stamped "BAKER & LAWSON" found for the southwest corner of this tract, the southwest corner of the said Lot 6 and the Northwest corner of the said Lot 5 in the east line of Tract 2A, Angleton Commercial Subdivision No. 6, recorded in CCF# 1999 008786, ORBCT;

Thence North 00° 31' 59" West with the west line of this tract, the west line of the said Lots 6, 7 & 8, and the said east line of Tract 2A (passing at 224.23' the northeast corner of Tract 2A and continuing with the east line of the Residual of Tract 2B, Angleton Commercial Subdivision No. 6, recorded in CCF# 2003 022939, ORBCT) a distance of 425.00 feet to the northwest corner of this tract, the northwest corner of the said Lot 8 and the northeast corner of the Residual of Tract 2B in the said south line of Gulf Coast Drive;

Thence North 89° 28' 01" East with the north line of this tract, the north line of the said Lot 8 and the said south line of Gulf Coast Drive a distance of 400.95 feet to the PLACE of BEGINNING and containing 3.912 acres of land.

I, Raymond R. Williams, a Registered Professional Land Surveyor (Tx 1666), do hereby certify that this description is a true and accurate representation of the property described hereon.


Raymond R. Williams, RPLS (Tx 1666)



**BRAZORIA COUNTY APPRAISAL DISTRICT
CERTIFICATION OF APPRAISED VALUE OF PROPERTIES
AS OF JANUARY 1, 2007**

TO: CITY OF ANGLETON

FROM: BRAZORIA COUNTY APPRAISAL DISTRICT

DATE: May 30, 2008

The Brazoria County Appraisal District hereby certifies that the following appraised values as of January 1, 2007, for property of **Leadrock Properties** described in Exhibit "A" attached hereto are listed in the records of the Brazoria County Appraisal District and indicated by the following account numbers:

<u>PERSONAL PROPERTY ACCOUNT(S).</u>	<u>APPRAISED VALUE(S)</u>
--------------------------------------	---------------------------

LAND ACCOUNT(S)

1313-6001-127	\$19,550
1313-6001-128	\$19,550
1313-6001-129	\$16,280

IMPROVEMENT ACCOUNT(S)

Certified on May 30, 2008

BRAZORIA COUNTY APPRAISAL DISTRICT

Cheryl Evans

Cheryl Evans, Chief Appraiser

BRAZOKIA COUNTY APPRAISAL DISTRICT
 PROPERTY 513351 R 04/12/1999
 Legal Description
 ANGLETON COMMERCIAL SUB NO 6 (A0380 J DE J VALDERAS), TR 2C LOT 7, ACRES 1.381
 Ref ID2: 513351
 Map ID
 1313-6001-128
PROPERTY APPRAISAL INFORMATION 2007
 OWNER ID 31918 O'FARRELL PAUL TRUSTEE
 OWNERSHIP 100.00% PO BOX 1639 ANGLETON, TX 77516-1639-39
 ACRES: 1.3810
 APPR VAL METHOD: Cost

Utilities	Emitties	Values
IMPROVEMENTS	CAD 100%	0
LAND MARKET	CAN 100%	+ 19,550
MARKET VALUE	DR1 100%	= 19,550
PRODUCTIVITY LOSS	GBC 100%	- 0
APPRAISED VALUE	HAD 100%	= 19,550
HS CAP LOSS	NAV 100%	- 0
ASSESSED VALUE	RDB 100%	= 19,550
	SAN 100%	

GENERAL
 LAST APPR. RB 2007
 LAST APPR. YR 2007
 LAST INSP. DATE 04/05/2000
 NEXT INSP. DATE

BUILDING PERMITS
 ISSUE DT PERMIT TYPE PERMIT AREA ST PERMIT VAL

SALE DT PRICE GRANTOR DEED INFO
 03/28/2008 ***** O'FARRELL PAUL T WD / 08 / 01590

IMPROVEMENT INFORMATION
 SUBD: S1313 100.00% NBHD
 # TYPE DESCRIPTION MTHD CLASS/SUBCL AREA UNIT PRICE/UNITS BUILT EFF YR COND. VALUE DEPR PHYS ECON FUNC COMP ADJ ADJ VALUE

LAND INFORMATION
 DIMENSIONS UNIT PRICE GROSS VALUE ADJ MASS ADJ VAL SRC RRR Acres: 0
 60,156.0000 SQ .50 30,080 0.65 1.00 A 19,550 NO 0.00
 19,550

AG UNIT PRC AG VALUE
 0.00
 0

PROPERTY APPRAISAL DISTRICT
 PROPERTY 513350 R 04/12/1999
 Legal Description
 ANGLETON COMMERCIAL SUB NO 6 (A0380 J DE J VALDERAS), TR 2C LOT 6, ACRES 1.381

OWNER ID
 31918
 O'FARRELL PAUL TRUSTEE

OWNERSHIP
 100.00%
 PO BOX 1639
 ANGLETON, TX 77516-1639-39

Ref ID: 513350
 Map ID

1313-6001-127
 ACRES: 1.3810

APPR VAL METHOD: Cost

SITUS GALAZNIK RD ANGLETON, TX 77515

UTILITIES
 TOPOGRAPHY
 ROAD ACCESS
 ZONING
 NEXT REASON
 REMARKS

GENERAL
 LAST APPR. RB
 LAST APPR. YR 2007
 LAST INSP. DATE 04/05/2000
 NEXT INSP. DATE

Entities	Values
CAD	100%
CAN	100%
DR1	100%
GBC	100%
HAD	100%
NAV	100%
RDB	100%
SAN	100%

IMPROVEMENTS	0
LAND MARKET	+ 19,550
MARKET VALUE	= 19,550
PRODUCTIVITY LOSS	- 0
APPRAISED VALUE	= 19,550
HS CAP LOSS	- 0
ASSESSED VALUE	= 19,550

EXEMPTIONS

SKETCH COMMANDS

BUILDING PERMITS
 ISSUE DT PERMIT TYPE PERMIT AREA ST PERMIT VAL

SALE DT PRICE GRANITOR DEED INFO
 03/28/2008 ***** O'FARRELL PAUL T WD / 08 / 01590

SUBD: S1313 100.00% NBHD:
 # TYPE DESCRIPTION MTHD CLASS/SUBCL AREA UNIT PRICE/UNITS BUILT EFF YR COND. VALUE DEPR PHYS ECON FUNC COMP ADJ ADJ VALUE

LAND INFORMATION
 IRR/Wells: 0 Capacity: 0
 OIL/Wells: 0
 MKT VAL AG APPLY AG CLASS AG TABLE AG UNIT PRC AG VALUE
 19,550 NO 0.00 0

LAND INFORMATION
 IRR/Wells: 0 Capacity: 0
 OIL/Wells: 0
 MKT VAL AG APPLY AG CLASS AG TABLE AG UNIT PRC AG VALUE
 19,550 NO 0.00 0

PROPERTY APPRAISAL INFORMATION 2007
 OWNER ID: O'FARRELL PAUL TRUSTEE
 31918
 OWNERSHIP: 100.00%
 PO BOX 1639
 ANGLETON, TX 77516-1639-39
 ACRES: 1.1500
 APPR VAL METHOD: Cost

Entitles: CAD 100%
 CAN 100%
 DR1 100%
 GBC 100%
 HAD 100%
 NAV 100%
 RDB 100%
 SAN 100%

Values: IMPROVEMENTS 0
 LAND MARKET + 16,280
 MARKET VALUE = 16,280
 PRODUCTIVITY LOSS - 0
 APPRAISED VALUE = 16,280
 HS CAP LOSS - 0
 ASSESSED VALUE = 16,280

PROPERTY 513352 R 04/12/1999
 Legal Description: ANGLETON COMMERCIAL SUB NO 1-2-3-4-5-6-7 (A0380 J DE J VALDERAS), LOT TR 2C LOT 8, REPLAT 04, NO 5, ACRES 1.150
 Ref ID2: 513352
 Map ID

SITUS GALAZNIK RD ANGLETON, TX 77515

UTILITIES
 TOPOGRAPHY
 ROAD ACCESS
 ZONING
 NEXT REASON
 REMARKS

GENERAL
 LAST APPR. PB
 LAST APPR. YR 2007
 LAST INSP. DATE 03/19/2004
 NEXT INSP. DATE

ISSUE DT PERMIT TYPE PERMIT AREA ST PERMIT VAL

SALE DT PRICE GRANITOR DEED INFO
 03/28/2008 ***** O'FARRELL PAUL T WD / 08 / 01590

SUBD: S1313 100.00% NBHD:

IMPROVEMENT INFORMATION
 MTHD CLASS/SUBCL AREA UNIT PRICE/UNITS BUILT EFF YR COND. VALUE DEPR PHYS ECON FUNC COMP ADJ ADJ VALUE

LAND INFORMATION
 IRR/Wells: 0 Capacity: 0 Oil/Wells: 0
 MKT VAL AG APPLY AG CLASS AG TABLE AG UNIT PRC AG VALUE
 16,280 NO 0.00

EXEMPTIONS
 ASSESSED VALUE = 16,280

SKETCH COMMANDS

SKETCH COMMANDS

SKETCH COMMANDS

Technical Innovations, LLC: Application for Tax Abatement

Part III – Project Description

1. Project: Technical Innovations (“TI”) is relocating its operation from a leased building in Brazoria, Texas to Angleton, Texas. The Brazoria facility is approximately 7,750 sq. ft. of leased space. The proposed Angleton facility (the “Project”) will be approximately 16,000 sq. ft. The Project will accommodate current space requirements as well as planned growth for a projected 5-year period. The Project will be located on just less than 4 acres which will be sufficient property to approximately double the size of the facility, as needed, in the future. The Project will be constructed by Leadrock Properties, LLC, a limited liability company, wholly-owned by C. Garrison Cordell, CEO of TI.
2. The Project is located at the intersection of Gulf Coast Road and Galaznik Road in north Angleton. The property did not have any improvements at the time of purchase in March, 2008. The property was purchased by Leadrock Properties, LLC (“Leadrock”) which is a limited liability corporation wholly-owned by C. Garrison Cordell, the CEO and an own of TI. The only assets held by Leadrock will be the Project and a 15-year lease will be signed between TI as Tenant and Leadrock, as Landlord. The Project will include a 16,000 sq. ft. building, a retention pond and “green space” of approximately 1 ½ acres initially. Future growth of the TI and future additions to the building will result in the reduction of green space.
3. Leadrock will erect a 16,000 sq. ft. rectangular building using structural steel frame and metal sheeting on the exterior walls. TI will be the sole occupant and tenant. The exterior construction and design will be substantially in compliance with Section 42: City of Angleton – Zoning Ordinance (Draft #2 dated September 21, 2007). The proposed exterior building material to be used on improved walls will be a combination of brick and manufactured stone. The improved walls will include the north side, east side and a portion of the south side of the building.

The Project will include concrete driveways and parking areas for visitors and TI employees that are within City of Angleton ordinance requirements. The improvements will include a retention pond of a size and capacity that is in compliance with City of Angleton ordinances regarding such matters.

4. The interior of the facility will include office and light manufacturing space in a ratio of approximately 35 percent for office and 65 percent for manufacturing space. Over 95 percent of the building will be air-conditioned. The office space will be carpeted and the manufacturing space will have stained concrete floors. There will be windows on the north, east and south sides of the building and a bay door/loading dock on the west side of the building.

Technical Innovations, LLC: Application for Tax Abatement

Part II – Project Information – Product Description

Technical Innovations, LLC (Tenant)

Technical Innovations, Inc. (“TI”) was founded in 1993. TI is a light manufacturing company that supplies products and services to the medical device industry. TI has three lines of business, as indicated below.

Punches and Drills: These are very precise cylindrical cutting tools made of various types of stainless steel. These cutting tools are used to place very specific size holes in a wide-range of catheter based medical devices. The cutting tools are also used in various surgical devices requiring a cylindrical incision such as biopsies and tissue harvesting, hair transplants and coronary by-pass procedures, to mention a few.

Hole-making Machines: TI designs and manufactures proprietary hole-making equipment for the medical device industry. These machines are used to place very precise holes in catheter-based medical devices. TI machines range from simple manual presses to very sophisticated, automated, programmable three and four axis hole-making systems.

Contract Services: TI uses its punch and machine technology to perform contract work for medical device companies.

Technical Innovations conducts business world-wide with 18 of the Top 20 medical device companies.

www.technicalinnovations.com

Leadrock Properties, LLC (Property Owner)

Leadrock Properties, LLC (“Leadrock”) is a special-purpose Texas-domiciled LLC that was created in February 2008 for the purpose of purchasing property and erecting a new manufacturing facility for Technical Innovations, LLC (“TI”). Leadrock is wholly-owned by C. Garrison Cordell, CEO of TI. The Project described in this Application for Tax Abatement will be occupied by TI, as Tenant, subject to a 15-year lease with Leadrock, as Landlord. The lease will have a five (5) year renewal option at the conclusion of the initial 15 year term of the lease. TI, through provisions in the lease, will be responsible for reimbursing Leadrock for all property taxes.

Technical Innovations, LLC: Application for Tax Abatement

Part IV – H: Effort to Use Angleton Vendors and Services

Technical Innovations, Inc. as Tenant, Leadrock Properties, LLC as Landlord and Allen Construction Services as Builder and General Contractor will use all reasonable efforts to utilize Angleton vendors and services where applicable in the construction and operation of the facility.