19

Agenda Item Request Form

Hays County Commissioners' Court

9:00 a.m. Every Tuesday

Request forms are due in the County Judge's Office

no later than 2:00 p.m. on WEDNESDAY.
Phone (512) 393-2205

AGENDA ITEM: Discussion and Possible Action to authorize the County Judge to execute the 2011 Tax Abatement Certificates for CFAN, Genlyte - HADCO Division, and Genlyte - Wid-Lite Division per previously approved agreements.

CHECK ONE: CONSENT X ACTION EXECUTIVE SESSION
WORKSHOP PROCLAMATION PRESENTATION

PREFERRED MEETING DATE REQUESTED: 6/28/11

AMOUNT REQUIRED: N/A

LINE ITEM NUMBER OF FUNDS REQUIRED:

REQUESTED BY:

SPONSORED BY: COBB

SUMMARY: Tax Abatement Certificates for CFAN, Genlyte - HADCO Division, and Genlyte - Wid-Lite Division have been prepared per previously approved Tax Abatement Agreements. The agreements provide for tax abatements based on a ratio of current employment numbers to employment numbers provided in the agreements . Employment data, tax certificates, and agreements are attached.

JUN 28 2011
FILED:
HAYS COUNTY COMMISSIONERS' COURT
Resolution # 28191 VOL 11 PC 619

Tax Abatement Agreements
Tax Year 2011

Employment Requirements per Agreement	Full Time Job Equivalents	Compliance
CFAN Company		
420	358	85.24%
CFAN reported 382 jobs which included Temporary Labor, acutal full time employement ranged from 333 in early 2010 to 352 in late 2010. The Full Time job equivalent is 358		
Genlyte Thomas Group - HADCO Division		
61	42	68.85%
The equipment, inventory, and personel from the HADCO facility was moved in August 2010 to the Widelite Division on Clovis Barker Rd. HADCO maintained 42 employees for 2010.		
Genlyte Thomas Group - WideLite Division		
269	320	100.00%
Wide-Lite has maintained at least 320 full time jobs in 2010.		

COUNTY OF HAYS

TAX ABATEMENT CERTIFICATE

Property Owner: CFAN Company

Property Description: 1000 Technology Way, San Marcos, TX 78666

Date of Tax Abatement Agreement: February 28, 2006

Date of Amended Tax Abatement Agreement: n/a

Duration of Tax Abatement Agreement: Tax Year 2012

Percentage of Abatement: 85.24% of the increase in the taxable value of the facility, the taxable value of the property, and the increase in the taxable value of the manufactured products inventory

Tax Year for Which This Certificate Applies: 2011

The undersigned hereby certifies on behalf of Hays County that the Property Owner is entitled to the Percentage of Abatement described above on the types of property specified for the tax year indicated.

EXECUTED this June 29, 2011
Date

HAYS COUNTY, TEXAS

BY: Bert Cobb

Bert Cobb, M.D., County Judge

NOTE TO PROPERTY OWNER: This certificate must be filed with the Hays County Appraisal District, 21001 North Interstate 35, Kyle, Texas 78640.

COUNTY OF HAYS

TAX ABATEMENT CERTIFICATE

Property Owner: CFAN Company

Property Description: 1000 Technology Way, San Marcos, TX 78666

Date of Tax Abatement Agreement: February 28, 2006

Date of Amended Tax Abatement Agreement: n/a

Duration of Tax Abatement Agreement: Tax Year 2012

Percentage of Abatement: 85.24% of the increase in the taxable value of the facility, the taxable value of the property, and the increase in the taxable value of the manufactured products inventory

Tax Year for Which This Certificate Applies: 2011

The undersigned hereby certifies on behalf of Hays County that the Property Owner is entitled to the Percentage of Abatement described above on the types of property specified for the tax year indicated.

EXECUTED this June 29, 2011
Date

HAYS COUNTY, TEXAS

BY: Bert Cobb
Bert Cobb, M.D., County Judge

NOTE TO PROPERTY OWNER: This certificate must be filed with the Hays County Appraisal District, 21001 North Interstate 35, Kyle, Texas 78640.

COUNTY OF HAYS

TAX ABATEMENT CERTIFICATE

Property Owner: Genlyte Thomas Group, LLC – Wide-Lite Division

Property Description: 1611 Clovis Barker Road, San Marcos, TX 78666

Date of Tax Abatement Agreement: October 17, 2000

Date of Amended Tax Abatement Agreement: August 10, 2004

Duration of Tax Abatement Agreement: Tax Year 2012

Percentage of Abatement: 100% of the taxable value of the facility and equipment

Tax Year for Which This Certificate Applies: 2011

The undersigned hereby certifies on behalf of Hays County that the Property Owner is entitled to the Percentage of Abatement described above on the types of property specified for the tax year indicated.

EXECUTED this June 29, 2011
Date

HAYS COUNTY, TEXAS

BY: Bert Cobb
Bert Cobb, M.D., County Judge

NOTE TO PROPERTY OWNER: This certificate must be filed with the Hays County Appraisal District, 21001 North Interstate 35, Kyle, Texas 78640.

COUNTY OF HAYS

TAX ABATEMENT CERTIFICATE

Property Owner: Genlyte Thomas Group, LLC – HADCO Division

Property Description: 500 Wonder World Drive, San Marcos, TX 78666

Date of Tax Abatement Agreement: October 3, 2006

Date of Amended Tax Abatement Agreement: n/a

Duration of Tax Abatement Agreement: Tax Year 2012

Percentage of Abatement: 68.85% of the taxable value of the facility, equipment and inventory

Tax Year for Which This Certificate Applies: 2011

The undersigned hereby certifies on behalf of Hays County that the Property Owner is entitled to the Percentage of Abatement described above on the types of property specified for the tax year indicated.

EXECUTED this JUNE 29, 2011
Date

HAYS COUNTY, TEXAS

BY: Bert Cobb
Bert Cobb, M.D., County Judge

NOTE TO PROPERTY OWNER: This certificate must be filed with the Hays County Appraisal District, 21001 North Interstate 35, Kyle, Texas 78640.

CFAN

1000 TECHNOLOGY WAY, SAN MARCOS, TX 78666 PHONE (512) 353-2832 FAX (512) 353-2838

January 26, 2011

Hays County Judge
Dr. Bert Cobb, MD
111 E. San Antonio, Suite 300
San Marcos, Texas 78666

Dear Dr. Cobb,

In compliance of the Tax Abatement Agreement executed on Dec. 15, 2005 between the City of San Marcos and CFAN, would you please find below the required 2010 information in support of the issuance of the Tax Abatement Certificate:

CFAN Employment increased from 369 at the end of 2009 to 382 at the end of 2010.

CFAN inventory increased from $14,252,656 at the end of 2009 to $20,021,130 at the end of 2010.

Capital expenditures for 2010 were:

- Building related expenditures	$ 614,453.06
- Plant Equipment	$ 968,021.47
- Computers	$ 89,679.51
- Production Tooling	$ 807,621.44
- Equipment in Progress	$ 1,647,279.99
Total	$4,127,055.47

We remain at your disposal, should you require further information with respect to the above.

Yours Sincerely

Benoit Cloutier
President
CFAN

RECEIVED 1/31/11

TAX ABATEMENT AGREEMENT BETWEEN THE COUNTY OF HAYS AND CFAN COMPANY FOR MANUFACTURING FACILITY EXPANSION IN SAN MARCOS REINVESTMENT ZONE NO. 2

This tax abatement agreement (this "Agreement") is entered into between the County of Hays, Texas (the "County"), a Texas municipal corporation, and CFAN Company ("CFAN"), a partnership.

PART 1. GENERAL PROVISIONS

Section 1.01. This Agreement is authorized and governed by the Property Redevelopment and Tax Abatement Act (Chapter 312 of the Texas Tax Code).

Section 1.02. CFAN is the owner of the tract of property (the "Property") located at 1000 Technology Way, in San Marcos, Hays County, Texas, legally described as Lots 1, 2 and 3 of the San Marcos Technology Park Subdivision, according to the map or plat recorded in Volume 5, pages 147-151 of the Hays County Plat Records. The Property meets the eligibility criteria for tax abatement under the Tax Abatement Act and the Policy. The Property is situated within the City of San Marcos Reinvestment Zone No. 2 designated by separate ordinance by the City Council.

Section 1.03. The Property is not part of an improvement project financed with tax increment bonds.

Section 1.04. This Agreement is subject to the rights of the holders of outstanding bonds of the County.

Section 1.05. The Property is not owned or leased by any member of the San Marcos City Council or any member of the City Planning and Zoning Commission or any member of the Hays County Commissioners Court.

Section 1.06. CFAN agrees to ensure that all of the improvements described below will conform to all applicable County ordinances and regulations.

PART 2. PROPERTY IMPROVEMENTS

Section 2.01. CFAN intends to construct building improvements (the "Improvements") and install manufacturing equipment (including tooling) (the "Equipment") at CFAN's manufacturing facility (the "Facility") on the Property over a ten-year period at a total cost of approximately $30,000,000.

Section 2.02. CFAN will use its best efforts to construct the Improvements and install the Equipment at the Facility in accordance with the schedule described in the "Proposed Investment"

column in the table attached to this Agreement as Exhibit B. The actual investment level for each individual year may vary from the amounts shown in this table, but CFAN agrees to ensure that the cumulative total investment level for each year described in the "Cumulative Investment" column in the table attached to this Agreement as Exhibit B is met or exceeded.

Section 2.03. CFAN will ensure that the total number of full-time jobs at the Facility during each calendar year during the Abatement Period (defined in Section 3.01 below) is at or above the level stated in the "Projected Full-Time Employment" column in the table attached to this Agreement as Exhibit B. The requirement for each full-time job for a calendar year will be met by a total of 1,820 hours worked by, or compensated as leave time to, one or more employees of CFAN at the Facility during a calendar year.

PART 3. TERM, ABATEMENT PERIOD AND RATE OF ABATEMENT

Section 3.01. The existing and any real estate or ad valorem property taxes hereafter imposed by the County on 100% of the increase in the taxable value of the Facility, and on 100% of the taxable value of the Equipment, and on 100% of the increase in the taxable value of the manufactured products inventory will be abated for seven years, if CFAN satisfies all of its obligations under this Agreement. The seven years of 100% Tax Abatement will be the tax years 2006 through 2012, inclusive. The "Abatement Period" will consist of the tax years 2006 through 2012, inclusive. For purposes of this section, the "increase in the taxable value" of the Facility, the Equipment, and the manufactured products inventory will be determined for each year of the Abatement Period by comparing the taxable value of the Facility, the Equipment, and the manufactured products inventory for 2005 with the taxable value of the Facility and the Equipment for the respective year of the Abatement Period.

Section 3.02. The Tax Abatement will not include a) personal property other than the Equipment and the manufactured products inventory, b) any increase in the value of the land (after completion of the Improvements or the installation of the Equipment) upon which the Facility is situated, or c) the taxable value of the Facility, the Equipment, or the manufactured products inventory on the tax roll in the year in which this Agreement is executed.

PART 4. RECORDS AND AUDITS

Section 4.01. On or before February 1st of each year of the Abatement Period, CFAN will furnish records to the County supporting CFAN's tax abatement for the current tax year. These

records will pertain to CFAN's compliance with this Agreement for the previous calendar year. The County will evaluate the information furnished, and will have the right to request and receive from CFAN additional information needed to help the County determine CFAN's compliance with this Agreement. Upon the City's verification of compliance with this Agreement by CFAN for the previous calendar year, the County will issue a tax abatement certificate to CFAN validating the Tax Abatement for the current tax year.

Section 4.02. At all times until the County's rights to declare default against CFAN have expired, the County will have access to the Property and the Facility upon reasonable prior notice for the purpose of inspecting them to ensure that the Facility is reconstructed, renovated and remodeled, and maintained and used in accordance with the terms of this Agreement.

PART 5. DEFAULT

Section 5.01. The City Manager, at the request of the County Judge, may declare a default under this Agreement if CFAN:

1. fails to complete the construction of the Improvements and the installation of the Equipment in the Facility in accordance with the schedule described in the "Investment" column in the table attached to this Agreement as Exhibit B;
2. refuses, fails or neglects to comply with any of the terms of this Agreement, including the provision for the creation and maintenance of jobs in Section 2.03 above;
3. made any representation in this Agreement or in the application to the County for tax abatement that is false or misleading in any material respect; or
4. allows ad valorem taxes owed to the County on the Property, the Facility or the Equipment to become delinquent, unless CFAN timely and properly protests or contests the taxes.

Section 5.02. If the County Judge determines that CFAN is in default of this Agreement on a basis other than the failure to pay ad valorem taxes on the Property or the Facility, the County Judge will notify CFAN in writing, and if the default is not cured within 60 days from the date of the notice, then the County Judge may terminate this Agreement. No cure is allowed for defaults involving the failure to pay ad valorem taxes on the Property or the Facility. If the Hays County Commissioners Court terminates this Agreement, the Tax Abatement for the remainder of the Abatement Period will be rescinded.

Section 5.03. If the County Judge determines that CFAN has failed to maintain the full

number of full-time jobs described in Section 2.03 for a calendar year of the Abatement Period, then CFAN's Tax Abatement for the following tax year will be limited to A/B of the increase in the taxable value of the Facility, with "A" being the number of full-time jobs maintained during the previous calendar year, and "B" being the number of full-time job equivalents required to be maintained for the previous calendar year.

Section 5.04. If this Agreement is terminated by the County under this Part 5, CFAN will pay to the County the full value of all fee waivers provided for in Section 6.01 below within 60 days of the termination date. The County will be entitled to record a lien against the Property to secure the full value of the fees so waived if this payment is not timely made.

Section 5.05. At the time this Agreement is fully performed by CFAN, and upon the written request of CFAN, the County Judge will execute a certificate in recordable form stating this Agreement has been performed, and CFAN will be released of all further duties or obligations under this Agreement.

Section 5.06. The County reserves the sole discretion to choose among the remedies for default enumerated in Sections 5.01 through 5.04 according to the type of default. These remedies may be used in conjunction with one another or separately, and together with any other statutory or common law remedies available to the County. Any failure by the County to enforce this Agreement with respect to one or more defaults by CFAN will not waive the County's ability to enforce the agreement after that time.

PART 6. ECONOMIC INCENTIVES PROVIDED BY THE CITY

Section 6.01. As partial consideration for the construction of the Facility and the creation of the jobs by CFAN described in Part 2 above, the County agrees to provide the following incentives and benefits to CFAN:

1. The County agrees to waive all County fees (the "Fee Waiver") associated with zoning, the subdivision process, and building permits and inspections associated with the construction of the Improvements and the installation of the Equipment at the Facility. The Fee Waiver does not extend to water and wastewater impact fees charged by the County.
2. The County agrees to expedite the process for all hearings, reviews, inspections and contacts with County staff in order to ensure the timely completion of the

construction process.

3. The County agrees to consider any other reasonable requests made by CFAN in order to assist it in the installation of the Equipment and the capital investments in the Facility.

PART 7. EFFECT OF SALE, ASSIGNMENT OR LEASE OF PROPERTY

Section 7.01. The Tax Abatement will be assignable to each new owner of the Property, or to financing entities in the event third party financing is sought, for the balance of the term of this Agreement. Transfers which result in a continuation of the business in the same general manner as operated under CFAN are consented to and do not require further County approval; in this case, CFAN or its successor will give written notice to the County within 10 days after the transaction, and CFAN will be released of any further duties or obligations under this Agreement.

Section 7.02. For transfers which will not result in a continuation of business as described above, this Agreement may be assigned to a new owner of the Property with the written consent of the County, which will not be unreasonably withheld, and CFAN will be released of any further duties or obligations under this Agreement.

Section 7.03. The new owner will assume all the duties and obligations of CFAN upon the same terms and conditions as set out in this Agreement. Any assignment of this Agreement will be to an entity that contemplates the same improvements to the Property, except to the extent the installation of the Equipment and the capital investments in the Facility have been completed. No assignment will be approved if the assignor or the assignee is indebted to the County for ad valorem taxes or other obligations.

PART 8. PROPERTY TAX APPRAISED VALUE

Section 8.01. It is understood and agreed between the parties that the Property and the improvements upon the Property will be appraised at market value for the purposes of property tax assessment throughout the term of this Agreement, and that this value may change during the term of this Agreement. The calculation of abated taxes will make use of this appraised value as it is determined for each year of the Abatement Period.

PART 9. INDEPENDENT CONTRACTOR/INDEMNITY

Section 9.01. It is understood and agreed between the parties that the County and CFAN, in executing this Agreement, and in performing their respective obligations, are acting independently,

and not in any form of partnership or joint venture. The County assumes no responsibilities or liabilities to any third parties in connection with this Agreement, and CFAN agrees to indemnify, defend and hold the County harmless from any such liabilities.

PART 10. NOTICE

Section 10.01. All notices called for or required by this Agreement will be delivered to the following by certified mail, postage pre-paid, effective five days after mailing, or by hand delivery or overnight delivery, effective upon delivery:

President
CFAN Company
1000 Technology Way
San Marcos, TX 78666
Fax: 512-353-2838

Hays County Judge, Jim Powers
111 E. San Antonio, Suite 300
San Marcos, Texas 78666
Fax: 512-393-2205

Each party will notify the other party in writing of any change in its address.

PART 11. MISCELLANEOUS

Section 11.01. CFAN agrees to ensure that no discrimination will occur in the provision of services or in employment practices at the Facility on the basis of race, creed, color, national origin, sex or disability.

Section 11.03. In the event any section, subsection, paragraph, sentence, phrase or word is held invalid for any reason, the balance of this Agreement will remain in effect and will be read as if the parties intended at all times not to include the invalid section, subsection, paragraph, sentence, phrase or word. This Agreement may be amended only by a written instrument executed by both parties.

Section 11.03. This Agreement will be construed under the laws of the State of Texas. The term "will" is mandatory in this Agreement. Mandatory venue for any action under this Agreement will be in the state court of appropriate jurisdiction for the action in Hays County, Texas. This Agreement is performable in Hays County, Texas. Nothing in this Agreement, and no action of the County under this Agreement, will constitute a waiver of any immunity of the County to suit or to liability.

Section 11.04. A copy of this Agreement will be recorded in the official records of Hays County, Texas, by the County. CFAN will be responsible for providing to the Hays County Appraisal District all information necessary to give effect to this Agreement.

This Agreement has been executed by the parties in multiple originals or counterparts each having full force and effect.

EXECUTED on February 28, 2006.

Hays County, Texas

By: _____

Jim Powers, Hays County Judge

STATE OF TEXAS

COUNTY OF HAYS

This instrument was acknowledged before me on February 28, 2006, by Jim Powers, known personally by me to be the Hays County Judge, on behalf of the County of Hays.

Notary seal: VIRGINIA DELAROSA Notary Public State of Texas My Commission Expires July 9, 2007

Virginia Delarosa

Notary Public, State of Texas

CFAN Company

By: _____

Signature

Robert Baeumel, President CFAN

STATE OF TEXAS

COUNTY OF HAYS

This instrument was acknowledged before me on 13 MARCH, 2006, by Robert Baeumel, known personally by me to be the President of CFAN Company, on behalf of that partnership.

Notary Seal: CHALOR HENRY MY COMMISSION EXPIRES October 6, 2007

Chalor Henry

Notary Public, State of TEXAS

Steve [illegible] CUSM
512-392-[illegible] - fax

Exhibit B to Tax Abatement Agreement Between CFAN and City of San Marcos, Texas

Forecasted CFAN Fan Blade Business Growth

Year	Projected Full Time Employment	Proposed Investment Update M$	Inventory Forecast M$	Inventory Delta from 2004 YE
2000		1.2	4.8	na
2001	126	5.4	8.6	na
2002	158	0.7	5.7	na
2003	146	1.3	9.1	na
2004	171	4.4	9.6	na
2005	190	3.0	11.0	1.4
2006	250	9.0	14.6	5.0
2007	275	7.0	17.0	7.4
2008	320	6.0	19.0	9.4
2009	400	5.0	18.6	9.0
2010	420	2.0	17.7	8.1
2011	450	2.0	18.2	8.6
2012	450	2.0	19.0	9.4
2013	450	1.0	19.0	9.4
2014	450	1.0	19.0	9.4
	Total	$38M		

COUNTY OF HAYS

TAX ABATEMENT CERTIFICATE

Property Owner: Genlyte Thomas Group, LLC – HADCO Division

Property Description: 500 Wonder World Drive, San Marcos, TX 78666

Date of Tax Abatement Agreement: October 3, 2006

Date of Amended Tax Abatement Agreement: n/a

Duration of Tax Abatement Agreement: Tax Year 2012

Percentage of Abatement: 68.85% of the taxable value of the facility, equipment and inventory

Tax Year for Which This Certificate Applies: 2011

The undersigned hereby certifies on behalf of Hays County that the Property Owner is entitled to the Percentage of Abatement described above on the types of property specified for the tax year indicated.

EXECUTED this June 29, 2011
Date

HAYS COUNTY, TEXAS

BY: Bert Cobb
Bert Cobb, M.D., County Judge

NOTE TO PROPERTY OWNER: This certificate must be filed with the Hays County Appraisal District, 21001 North Interstate 35, Kyle, Texas 78640.

PHILIPS

HADCO Division, Genlyte
Thomas Group, LLC

1611 Clovis Barker Road
San Marcos, TX

Subject: 2011 Tax Abatement

Date: 2011-04-11

County: Bert Cobb
County Judge
Hays County
111 E San Antonio St. STE 300
San Marcos, TX 78666

City: Mr. Chance Sparks
Development Project Manager
City of San Marcos
630 East Hopkins
San Marcos, Texas 78666

Re: Genlyte Thomas Group, LLC Tax Abatement Agreement - Hays County, Resolution No 23753, October 2006- Resolution No. 2006 R City of San Marcos, September, 2006

Part 2. Section 2.01

This letter certifies that Genlyte Thomas Group, LLC, HADCO Division ("Genlyte") remodel, at a cost of approximately $1,000,000, an existing, manufacturing facility, approximately 57,000 ± square feet at 500 Wonder World Rd., San Marcos in 2007. This facility was equipped with manufacturing, processing and handling equipment ("Equipment"). A certificate of occupancy was issued for this facility on April 2007.

Part 2. Section 2.02

Due to economic circumstance beyond Genlyte control, the Equipment installed in this facility in 2007, inventory and employees were moved, August, 2010, to the Genlyte Thomas Group, LLC, Wide-Lite Division facility at 1611 Clovis Barker Rd., San Marcos, TX. Genlyte is using the Equipment and storing inventory at 1611 Clovis Barker Rd., San Marcos, TX.

Part 2. Section 2.03 and Part 5: Section 5.03

PHILIPS

Economic circumstance beyond Genlyte control restricted Genlyte ability to meet the requirements of Section 2.03 in 2010 for tax year 2011. Genlyte has retained 42 full time jobs, as determined by the "A/X" factor of Section 5.03, in San Marcos in 2010. The total full time jobs are or exceed 42.

I certify to the best of my knowledge that the information provided above is both accurate and truthful.

Carl Gallagher

Carl Gallagher
Controller
HADCO Division, Genlyte Thomas Group, LLC

SUBSCRIBED AND SWORN TO before me this 11th day of April 2011 to certify which witness my hand and seal of office.

Lisa M Greth

NOTARIAL SEAL
LISA M GRETH
Notary Public
HANOVER BOROUGH, YORK COUNTY
My Commission Expires Apr 8, 2012

ORIGINAL

TAX ABATEMENT AGREEMENT BETWEEN HAYS COUNTY AND GENLYTE GROUP, INC., FOR DEVELOPMENT OF MANUFACTURING FACILITY

This tax abatement agreement (this "Agreement") is entered into effective October 3, 2006 between Hays County, Texas (the "County"), a political subdivision of the state, the Genlyte Thomas Group, LLC ("Genlyte").

PART 1. GENERAL PROVISIONS

Section 1.01. This Agreement is authorized and governed by the Property Redevelopment and Tax Abatement Act (Chapter 312 of the Texas Tax Code), and by the County's Guidelines Governing Tax Abatement and other Economic Development Incentives Policy (the "Policy").

Section 1.02. Genlyte owns Lot 1-B of the Wide Lite Unit 1 Subdivision (the "Property") in San Marcos, Hays County, Texas. The Property meets the eligibility criteria for tax abatement under the Policy. The Property is situated within the City of San Marcos Reinvestment Zone No. 22 designated by separate ordinance by the San Marcos City Council.

Section 1.03. The Property is not part of an improvement project financed with tax increment bonds.

Section 1.04. This Agreement is subject to the rights of the holders of outstanding bonds of the County.

Section 1.05. The Property is not owned or leased by any member of the Hays County Commissioners Court.

Section 1.06. Genlyte agrees to ensure that all of the improvements described below will conform to all applicable County ordinances and regulations.

PART 2. PROPERTY IMPROVEMENTS

Section 2.01. Genlyte intends to remodel an existing 57,000± square foot building on the Property into a manufacturing facility (the "Facility") at a cost of approximately $1,000,000. The Facility will be equipped with manufacturing, processing and handling equipment (the "Equipment"), and the Facility will be used to store an inventory of completed manufactured products (the "Inventory").

Section 2.02. Genlyte will ensure that the remodeling of the Facility is completed and the Equipment is installed by December 31, 2007.

Section 2.03. Genlyte will retain 51 full-time job equivalents by transfer to the Facility from other Genlyte facilities in the County by December 31, 2007, and Genlyte will create at least 10 new full-time job equivalents at the Facility by December 31, 2007. Genlyte will maintain 61 full-time job equivalents at the Facility during the calendar years 2008 through 2011, inclusive. The requirement for the retention or creation of each "full-time job equivalent" will be met by the scheduling of transferred or new employees for at least 40 hours of work per week at the completed Facility during at least two weeks prior to the respective retention or creation deadline. The requirement for maintenance of each "full-time job equivalent" will be met by a total of 2,000 hours worked by one or more persons at the Facility during each of the calendar years for which a job maintenance requirement must be met.

PART 3. TERM, ABATEMENT PERIOD AND RATE OF ABATEMENT

Section 3.01. The existing and any real estate or ad valorem property taxes for General Maintenance & Operations (excluding ad valorem taxes for Road and Bridge Maintenance & Operations and for General Debt) hereafter imposed by the County on 100% of the taxable value of the Facility, the Equipment, and the Inventory will be abated (the "Tax Abatement") for five years if Genlyte satisfies all of its obligations under this Agreement. The five years of Tax Abatement (the "Abatement Period") will be the tax years 2008 through 2012, inclusive.

Section 3.02. The Tax Abatement will not include any materials or other personal property other than the Equipment and Inventory, nor will it include any increase in the value of the Property upon which the Facility is situated.

PART 4. RECORDS AND AUDITS

Section 4.01. On or before February 1st of each year of the Abatement Period, Genlyte will furnish records to the County supporting Genlyte's tax abatement for the current tax year. These records will pertain to Genlyte's compliance with this Agreement for the previous calendar year. The County will evaluate the information furnished, and will have the right to request and receive from Genlyte additional information needed to help the County determine Genlyte's compliance with this Agreement. Upon the County's verification of compliance with this Agreement by Genlyte for the previous calendar year, the County will issue a tax abatement certificate to Genlyte validating the Tax Abatement for the current tax year.

Section 4.02. At all times until the County's rights to declare default against Genlyte have

expired, the County will have access to the Property and the Facility upon reasonable prior notice for the purpose of inspecting them to ensure that the Facility and the Equipment are constructed, installed, maintained and used in accordance with the terms of this Agreement.

PART 5. DEFAULT

Section 5.01. The County Judge may declare a default under this Agreement if Genlyte:

1. fails to complete construction of the Facility and installation of the Equipment by the deadline in Section 2.02 above;
2. refuses, fails or neglects to comply with any of the terms of this Agreement, including the provision for the retention, creation and maintenance of job equivalents in Section 2.03 above;
3. made any representation in this Agreement or in the application to the County for development incentives that is false or misleading in any material respect; or
4. allows ad valorem taxes on the Property, the Facility or the Equipment owed to the County to become delinquent unless Genlyte timely and properly protests or contests the taxes.

Section 5.02. If the County Judge determines that Genlyte is in default of this Agreement on a basis other than the failure to retain or create jobs or to pay ad valorem taxes on the Property, the Facility or the Equipment, the County Judge will notify Genlyte in writing, and if the default is not cured within 60 days from the date of the notice, then the County Judge may terminate this Agreement. No cure is allowed for defaults involving the failure to retain or create jobs or to pay ad valorem taxes on the Property, the Facility or the Equipment. If the County Judge terminates this Agreement, the Tax Abatement for the remainder of the Abatement Period will be rescinded.

Section 5.03. If the County Judge determines that Genlyte has failed to retain or create the full number of full-time job equivalents described in Section 2.03 by December 31, 2007, then this Agreement will terminate, and the Tax Abatement will be rescinded. If the County Judge determines that Genlyte has failed to maintain the full number of full-time job equivalents required in Section 2.03 for the 2008, 2009, 2010, or 2011 calendar year, then Genlyte's Tax Abatement for the respective following tax year will be limited to A/X of the taxable value of the Facility, the Equipment and the Inventory, with "A" being the number of full-time job equivalents maintained during the calendar year, and "X" being the number of full-time job equivalents required to be

maintained for the calendar year, and this Agreement will remain in effect for the remainder of the Abatement Period.

Section 5.04. If this Agreement is terminated under this Section, Genlyte will pay to the County the full value of all fee waivers provided for in Section 6 below within 60 days of the termination date. The County will be entitled to record a lien against the Property to secure the full value of the fees so waived if this payment is not timely made.

Section 5.05. At the time this Agreement is fully performed by Genlyte, and upon the written request of Genlyte, the County Judge will execute a certificate in recordable form stating this Agreement has been performed, and Genlyte will be released of all further duties or obligations under this Agreement.

Section 5.06. The Hays County Commissioners Court reserves the sole discretion to choose among the remedies for default enumerated in Sections 5.01 through 5.04 above. These remedies may be used in conjunction with one another or separately, and together with any other statutory or common law remedies available to the County. Any failure by the County to enforce this Agreement with respect to one or more defaults by Genlyte will not waive the County's ability to enforce the agreement after that time.

PART 6. ECONOMIC INCENTIVES PROVIDED BY THE COUNTY

Section 6.01. As partial consideration for the construction of the Facility and the creation of the jobs by Genlyte described in Part 2 above, the County agrees to provide the following incentives and benefits to Genlyte:

1. The County agrees to waive all County fees (the "Fee Waiver") associated with the construction of the Facility and the installation of the Equipment.
2. The County agrees to consider any other reasonable requests made by Genlyte in order to assist it in constructing the Facility and installing the Equipment.

PART 7. EFFECT OF SALE, ASSIGNMENT OR LEASE OF PROPERTY

Section 7.01. The Tax Abatement will be assignable to each new owner of the Property, or to financing entities in the event third party financing is sought, for the balance of the term of this Agreement. Transfers which result in a continuation of the business in the same general manner as operated under Genlyte are consented to and do not require further Commissioners Court approval; in this case, Genlyte or its successor will give written notice to the County within 10 days after the

transaction, and Genlyte will be released of any further duties or obligations under this Agreement.

Section 7.02. For transfers which will not result in a continuation of business as described above, this Agreement may be assigned to a new owner of the Property with the written consent of the County, which will not be unreasonably withheld.

Section 7.03. The new owner will assume all the duties and obligations of Genlyte upon the same terms and conditions as set out in this Agreement. Any assignment of this Agreement will be to an entity that contemplates the same improvements to the Property, except to the extent the Facility and the Equipment installation have been completed. No assignment will be approved if the assignor or the assignee is indebted to the County for ad valorem taxes or other obligations.

PART 8. PROPERTY TAX APPRAISED VALUE

Section 8.01. It is understood and agreed between the parties that the Property and the improvements upon the Property will be appraised at market value for the purposes of property tax assessment throughout the term of this Agreement, and that this value may change during the term of this Agreement. The calculation of abated taxes will make use of this appraised value as it is determined for each year of the Abatement Period.

PART 9. INDEPENDENT CONTRACTOR/INDEMNITY

Section 9.01. It is understood and agreed between the parties that the County and Genlyte, in executing this Agreement, and in performing their respective obligations, are acting independently, and not in any form of partnership or joint venture. The County assumes no responsibilities or liabilities to any third parties in connection with this Agreement, and Genlyte agrees to indemnify, defend and hold the County harmless from any such liabilities.

PART 10. NOTICE

Section 10.01. All notices called for or required by this Agreement will be delivered to the following by certified mail, postage pre-paid, effective five days after mailing, or by hand delivery or overnight delivery, effective upon delivery:

President
Genlyte Thomas Group, LLC
10350 Ormsby Park Place
Suite 601
Louisville KY 40223

County Judge
Hays County Courthouse
111 E. San Antonio, Suite 300
San Marcos, Texas 78666

Each party will notify the other party in writing of any change in its address.

PART 11. MISCELLANEOUS

Section 11.01. Genlyte agrees to ensure that no discrimination will occur in the provision of services or in employment practices at the Facility on the basis of race, creed, color, national origin, sex or disability.

Section 11.02. In the event any section, subsection, paragraph, sentence, phrase or word is held invalid for any reason, the balance of this Agreement will remain in effect and will be read as if the parties intended at all times not to include the invalid section, subsection, paragraph, sentence, phrase or word. This Agreement may be amended only by a written instrument executed by both parties.

Section 11.03. This Agreement will be construed under the laws of the State of Texas. The term "will" is mandatory in this Agreement. Mandatory venue for any action under this Agreement will be in the state court of appropriate jurisdiction for the action in Hays County, Texas. This Agreement is performable in Hays County, Texas.

Section 11.04. A copy of this Agreement will be recorded in the official records of Hays County, Texas, by the City of San Marcos. Genlyte will be responsible for providing to the Hays County Appraisal District all information necessary to give effect to this Agreement.

This Agreement has been executed by the parties in multiple originals or counterparts each having full force and effect.

[signatures on following page]

HAYS COUNTY, TEXAS

By: _____
Jim Powers, Hays County Judge

STATE OF TEXAS

COUNTY OF HAYS

This instrument was acknowledged before me on October 3rd, 2006 by Jim Powers, known personally by me to be the Hays County Judge, on behalf of Hays County.

Notary seal:

Virginia DelaRosa
Notary Public, State of Texas

VIRGINIA DELAROSA
Notary Public
State of Texas
My Commission Expires
July 9, 2007

Genlyte Thomas Group, LLC

By: _____
Ron Schneider, Vice President of Operations

STATE OF Kentucky

COUNTY OF Jefferson

This instrument was acknowledged before me on October 17, 2006 by Ron Schneider, known personally by me to be the Vice President of Operations of Genlyte Thomas Group, LLC, on behalf of that corporation.

Notary Seal:

Teresa M. Burckle
Notary Public, State of Kentucky
July 21, 2008

TERESA M. BURCKLE
NOTARY PUBLIC
STATE AT LARGE
KENTUCKY
MY COMMISSION EXPIRES JULY 21, 2008

COUNTY OF HAYS

TAX ABATEMENT CERTIFICATE

Property Owner: Genlyte Thomas Group, LLC – Wide-Lite Division

Property Description: 1611 Clovis Barker Road, San Marcos, TX 78666

Date of Tax Abatement Agreement: October 17, 2000

Date of Amended Tax Abatement Agreement: August 10, 2004

Duration of Tax Abatement Agreement: Tax Year 2012

Percentage of Abatement: 100% of the taxable value of the facility and equipment

Tax Year for Which This Certificate Applies: 2011

The undersigned hereby certifies on behalf of Hays County that the Property Owner is entitled to the Percentage of Abatement described above on the types of property specified for the tax year indicated.

EXECUTED this JUNE 29, 2011
Date

HAYS COUNTY, TEXAS

BY: Bert Cobb
Bert Cobb, M.D., County Judge

NOTE TO PROPERTY OWNER: This certificate must be filed with the Hays County Appraisal District, 21001 North Interstate 35, Kyle, Texas 78640.

County: Bert Cobb
County Judge

Hays County

111 E San Antonio St. STE 300
San Marcos, TX 78666

Mr. Chance Sparks
Development Project Manager

City of San Marcos

630 East Hopkins
San Marcos, Texas 78666

Re: Genlyte Thomas Group, LLC Tax Abatement Agreement - Hays County, August, 2004 - Resolution No, 2004-121R City of San Marcus, July, 2004

Part 2. Section 2.01

This letter certifies that Genlyte Thomas Group, LLC, Wide-Lite Division ("Genlyte") completed a new manufacturing facility, approximately 225,000 square feet at 1611 Clovis Barker Rd. San Marcus in 2005. This facility is equipped with manufacturing, processing and handling equipment ("Equipment"). A certificate of occupancy was issued for this facility on August 4, 2005.

Part 2. Section 2.02

The Equipment has been installed in this facility.

Part 2. Section 2.03

Genlyte has retained 164 full time jobs that were transferred from the Wide-Lite Division in San Marcus. Genlyte has created at least 150 new full time jobs and as of the below date the total full time jobs are or exceed 320.

I certify to the best of my knowledge that the information provided above is both accurate and truthful.

Beverly Pennington
Controller
Wide-Lite Division, Gently Thomas Group, LLC

SUBSCRIBED AND SWORN TO before me this 25 day of January 2011 to certify which witness my hand and seal of office.

Janice L. Jones

JANICE L. JONES
Notary Public, State of Texas
My Commission Expires
January 13, 2015

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TAX ABATEMENT AGREEMENT BETWEEN HAYS COUNTY AND GENLYTE GROUP, INC. FOR DEVELOPMENT OF MANUFACTURING FACILITY

This tax abatement agreement (this "Agreement") is entered into effective August 10, 2004 between the Hays County, Texas (the "County"), and Genlyte Thomas Group, LLC ("Genlyte").

PART 1. GENERAL PROVISIONS

Section 1.01. This Agreement is authorized and governed by the Property Redevelopment and Tax Abatement Act (Chapter 312 of the Texas Tax Code), and by the County's Policy on Tax Abatement and Economic Development Incentives (the "Policy").

Section 1.02. Genlyte owns the 38.5 acre, more or less, tract of property (the "Property") described on the attached Exhibit A, located in the 1500-1600 blocks of Clovis Barker Road in San Marcos, Hays County, Texas. The Property meets the eligibility criteria for tax abatement under the Policy.

Section 1.03. The Property is not part of an improvement project financed with tax increment bonds.

Section 1.04. The Property is not owned or leased by any member of the Hays County Commissioners' Court.

Section 1.05. Genlyte agrees to ensure that all of the improvements described below will conform to all applicable County ordinances and regulations.

PART 2. PROPERTY IMPROVEMENTS

Section 2.01. Genlyte intends to construct a new manufacturing facility approximately 225,000 square feet in size (the "Facility") on the Property at a cost of approximately $18,500,000. The Facility will be equipped with manufacturing, processing and handling equipment (the "Equipment").

Section 2.02. Genlyte will ensure that the Facility is completed by December 31, 2005, and the Equipment is installed by December 31, 2006.

Section 2.03. Genlyte will retain 164 full-time job equivalents by transfer to the Facility from other Genlyte facilities in the City by December 31, 2005, and Genlyte will maintain these 164 full-time job equivalents during calendar year 2006. Genlyte will create at least 105 new full-time job equivalents at the Facility, by April 30, 2006. Genlyte will maintain 269 full-time job

equivalents at the Facility during the calendar years 2007 through 2012, inclusive. The requirement for the retention or creation of each "full-time job equivalent" will be met by the scheduling of transferred or new employees for at least 40 hours of work per week at the completed Facility during at least two weeks prior to the respective retention or creation deadline. The requirement for maintenance of each "full-time job equivalent" will be met by a total of 2,000 hours worked by one or more persons at the Facility during each of the calendar years for which a job maintenance requirement must be met.

PART 3. TERM, ABATEMENT PERIOD AND RATE OF ABATEMENT

Section 3.01. The existing and any real estate or ad valorem property taxes hereafter imposed by the County on 100% of the taxable value of the Facility and the Equipment will be abated (the "Tax Abatement") for seven years if Genlyte satisfies all of its obligations under this Agreement. The seven years of Tax Abatement (the "Abatement Period") will be the tax years 2006 through 2012, inclusive.

Section 3.02. The Tax Abatement will not include any inventory, materials, or other personal property other than the Equipment, nor will it include any increase in the value of the Property (after construction of the Facility) upon which the Facility is situated.

PART 4. RECORDS AND AUDITS

Section 4.01. On or before February 1st of each year of the Abatement Period, Genlyte will furnish records to the County supporting Genlyte's tax abatement for the current tax year. These records will pertain to Genlyte's compliance with this Agreement for the previous calendar year. The County will evaluate the information furnished, and will have the right to request and receive from Genlyte additional information needed to help the County determine Genlyte's compliance with this Agreement. Upon the County's verification of compliance with this Agreement by Genlyte for the previous calendar year, the County will issue a tax abatement certificate to Genlyte validating the Tax Abatement for the current tax year.

Section 4.02. At all times until the County's rights to declare default against Genlyte have expired, the County will have access to the Property and the Facility upon reasonable prior notice for the purpose of inspecting them to ensure that the Facility and the Equipment are constructed, installed, maintained and used in accordance with the terms of this Agreement.

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PART 5. DEFAULT

Section 5.01. The County Judge may declare a default under this Agreement if Genlyte:

1. fails to complete construction of the Facility and installation of the Equipment by the deadline in Section 2.02 above;
2. refuses, fails or neglects to comply with any of the terms of this Agreement, including the provision for the retention, creation and maintenance of job equivalents in Section 2.03 above;
3. made any representation in this Agreement or in the application to the County for tax abatement that is false or misleading in any material respect; or
4. allows ad valorem taxes on the Property, the Facility or the Equipment owed to the County to become delinquent unless Genlyte timely and properly protests or contests the taxes.

Section 5.02. If the County Judge determines that Genlyte is in default of this Agreement on a basis other than the failure to retain or create jobs or to pay ad valorem taxes on the Property, the Facility or the Equipment, the County Judge will notify Genlyte in writing, and if the default is not cured within 60 days from the date of the notice, then the Commissioners' Court may terminate this Agreement. No cure is allowed for defaults involving the failure to retain or create jobs or to pay ad valorem taxes on the Property, the Facility or the Equipment. If the Commissioners' Court terminates this Agreement, the Tax Abatement for the remainder of the Abatement Period will be rescinded.

Section 5.03. If the County Judge determines that Genlyte has failed to retain or create the full number of full-time job equivalents described in Section 2.03 by the deadline for the retention (December 31, 2005) or creation (April 30, 2006), then this Agreement will terminate, and the Tax Abatement will be rescinded. If the County Judge determines that Genlyte has failed to maintain the full number of full-time job equivalents required in Section 2.03 for the 2006 calendar year (164) or for the 2007, 2008, 2009, 2010, 2011 or 2012 calendar years (269), then Genlyte's Tax Abatement for the respective following tax year will be limited to A/X of the taxable value of the Facility and the Equipment, with "A" being the number of full-time job equivalents maintained during the calendar year, and "X" being the number of full-time job equivalents required to be maintained for the calendar year, and this Agreement will remain in effect for the remainder of the Abatement Period.

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Section 5.04. At the time this Agreement is fully performed by Genlyte, and upon the written request of Genlyte, the County Judge will execute a certificate in recordable form stating this Agreement has been performed, and Genlyte will be released of all further duties or obligations under this Agreement.

Section 5.05. The Commissioners' Court reserves the sole discretion to choose among the remedies for default enumerated in Sections 5.01 through 5.04 above. These remedies may be used in conjunction with one another or separately, and together with any other statutory or common law remedies available to the County. Any failure by the County to enforce this Agreement with respect to one or more defaults by Genlyte will not waive the County's ability to enforce the agreement after that time.

PART 6. EFFECT OF SALE, ASSIGNMENT OR LEASE OF PROPERTY

Section 6.01. The Tax Abatement will be assignable to each new owner of the Property, or to financing entities in the event third party financing is sought, for the balance of the term of this Agreement. Transfers which result in a continuation of the business in the same general manner as operated under Genlyte are consented to and do not require further Commissioners' Court approval; in this case, Genlyte or its successor will give written notice to the County within 10 days after the transaction, and Genlyte will be released of any further duties or obligations under this Agreement.

Section 6.02. For transfers which will not result in a continuation of business as described above, this Agreement may be assigned to a new owner of the Property with the written consent of the Commissioners' Court, which will not be unreasonably withheld.

Section 6.03. The new owner will assume all the duties and obligations of Genlyte upon the same terms and conditions as set out in this Agreement. Any assignment of this Agreement will be to an entity that contemplates the same improvements to the Property, except to the extent the Facility and the Equipment installation have been completed. No assignment will be approved if the assignor or the assignee is indebted to the County for ad valorem taxes or other obligations.

PART 7. PROPERTY TAX APPRAISED VALUE

Section 7.01. It is understood and agreed between the parties that the Property and the improvements upon the Property will be appraised at market value for the purposes of property tax assessment throughout the term of this Agreement, and that this value may change during the term of this Agreement. The calculation of abated taxes will make use of this appraised value as it is

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determined for each year of the Abatement Period.

PART 8. INDEPENDENT CONTRACTOR/INDEMNITY

Section 8.01. It is understood and agreed between the parties that the County and Genlyte, in executing this Agreement, and in performing their respective obligations, are acting independently, and not in any form of partnership or joint venture. The County assumes no responsibilities or liabilities to any third parties in connection with this Agreement, and Genlyte agrees to indemnify, defend and hold the County harmless from any such liabilities.

PART 9. NOTICE

Section 9.01. All notices called for or required by this Agreement will be delivered to the following by certified mail, postage pre-paid, effective five days after mailing, or by hand delivery or overnight delivery, effective upon delivery:

President
Genlyte Thomas Group, LLC
4360 Brownsboro Road, Suite 300
Louisville KY 40207-1603

Hays County Judge
111 East San Antonio Street
San Marcos, Texas 78666

Each party will notify the other party in writing of any change in its address.

PART 10. MISCELLANEOUS

Section 10.01. This Agreement was approved by the Commissioners' Court at its meeting on August 10, 2004.

Section 10.02. Genlyte agrees to ensure that no discrimination will occur in the provision of services or in employment practices at the Facility on the basis of race, creed, color, national origin, sex or disability.

Section 10.03. In the event any section, subsection, paragraph, sentence, phrase or word is held invalid for any reason, the balance of this Agreement will remain in effect and will be read as if the parties intended at all times not to include the invalid section, subsection, paragraph, sentence, phrase or word. This Agreement may be amended only by a written instrument executed by both parties.

Section 10.04. This Agreement will be construed under the laws of the State of Texas. The

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term "will" is mandatory in this Agreement. Mandatory venue for any action under this Agreement will be in the state court of appropriate jurisdiction for the action in Hays County, Texas. This Agreement is performable in Hays County, Texas.

Section 10.05. A copy of this Agreement will be recorded in the official records of Hays County, Texas, by the County. Genlyte will be responsible for providing to the Hays County Appraisal District all information necessary to give effect to this Agreement.

This Agreement has been executed by the parties in multiple originals or counterparts each having full force and effect.

EXECUTED on 8-10-04

Attest:

Lee Carlisle, County Clerk

Hays County

By:

Jim Powers, County Judge

STATE OF TEXAS

COUNTY OF HAYS

This instrument was acknowledged before me on August 10, 2004 by Jim Powers, known personally by me to be the County Judge, on behalf of the Hays County.

Notary seal:

Notary Public, State of Texas

L CHEESEMAN
Notary Public
State of Texas
My Commission Expires
June 28, 2007

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Genlyte Thomas Group, LLC

By: Ronald D. Schneider
Signature

RONALD D. SCHNEIDER, V.P. OPERATIONS
Printed name, title

STATE OF Texas

COUNTY OF Hays

This instrument was acknowledged before me on Aug. 12, 2004 by Ronald D. Schneider, known personally by me to be the V.P. Operations of Genlyte Thomas Group, LLC, on behalf of that corporation.

Notary Seal:

ANNA KAYE PAYNE
MY COMMISSION EXPIRES
July 28, 2006

Anna Kaye Payne
Notary Public, State of Texas